

# Texas All-Lines Adjuster

## Designated Home State License

### Exam 7 Practice Study Guide - 150 Questions

Unofficial study aid. Practice closed-book in 180 minutes, then use the answer key to target weak areas. The blueprint is 60 property and casualty product questions, 60 insurance-concept questions, and 30 Texas rules and adjusting questions.

**Important:** Verify current licensing rules and exam procedures with TDI and Pearson VUE before testing.

## Part 1 - Property and Casualty Product Knowledge

1. Which answer best matches this definition: foundation property fire form?
  - A. Standard fire policy
  - B. Coverage C
  - C. Collision
  - D. Inland marine
2. Complete the statement: Foundation property fire form is \_\_\_\_\_.
  - A. Coverage C
  - B. Collision
  - C. Inland marine
  - D. Standard fire policy
3. An adjuster should identify "foundation property fire form" as \_\_\_\_\_.
  - A. Collision
  - B. Inland marine
  - C. Standard fire policy
  - D. Coverage C
4. Which answer best matches this definition: open-peril dwelling and named-peril personal property homeowners form?
  - A. Coverage C
  - B. Collision
  - C. Inland marine
  - D. HO-3
5. Complete the statement: Open-peril dwelling and named-peril personal property homeowners form is \_\_\_\_\_.
  - A. Collision
  - B. Inland marine
  - C. HO-3
  - D. Coverage C
6. An adjuster should identify "open-peril dwelling and named-peril personal property homeowners form" as \_\_\_\_\_.
  - A. Inland marine
  - B. HO-3
  - C. Coverage C
  - D. Collision

7. Which answer best matches this definition: homeowners form for tenants?
- A. Collision
  - B. Inland marine
  - C. HO-4
  - D. Coverage C
8. Complete the statement: Homeowners form for tenants is \_\_\_\_.
- A. Inland marine
  - B. HO-4
  - C. Coverage C
  - D. Collision
9. An adjuster should identify "homeowners form for tenants" as \_\_\_\_.
- A. HO-4
  - B. Coverage C
  - C. Collision
  - D. Inland marine
10. Which answer best matches this definition: homeowners form with broad open-peril coverage?
- A. Inland marine
  - B. HO-5
  - C. Coverage C
  - D. Collision
11. Complete the statement: Homeowners form with broad open-peril coverage is \_\_\_\_.
- A. HO-5
  - B. Coverage C
  - C. Collision
  - D. Inland marine
12. An adjuster should identify "homeowners form with broad open-peril coverage" as \_\_\_\_.
- A. Coverage C
  - B. Collision
  - C. Inland marine
  - D. HO-5
13. Which answer best matches this definition: homeowners form for condo unit owners?
- A. HO-6
  - B. Coverage C
  - C. Collision
  - D. Inland marine

14. Complete the statement: Homeowners form for condo unit owners is \_\_\_\_\_.  
A. Coverage C  
B. Collision  
C. Inland marine  
D. HO-6
15. An adjuster should identify "homeowners form for condo unit owners" as \_\_\_\_\_.  
A. Collision  
B. Inland marine  
C. HO-6  
D. Coverage C
16. Which answer best matches this definition: homeowners dwelling coverage?  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Coverage A
17. Complete the statement: Homeowners dwelling coverage is \_\_\_\_\_.  
A. Collision  
B. Inland marine  
C. Coverage A  
D. Coverage C
18. An adjuster should identify "homeowners dwelling coverage" as \_\_\_\_\_.  
A. Inland marine  
B. Coverage A  
C. Coverage C  
D. Collision
19. Which answer best matches this definition: other structures coverage?  
A. Collision  
B. Inland marine  
C. Coverage B  
D. Coverage C
20. Complete the statement: Other structures coverage is \_\_\_\_\_.  
A. Inland marine  
B. Coverage B  
C. Coverage C  
D. Collision

- 21.** An adjuster should identify "other structures coverage" as \_\_\_\_\_.  
A. Coverage B  
B. Coverage C  
C. Collision  
D. Inland marine
- 22.** Which answer best matches this definition: personal property coverage?  
A. Commercial property policy  
B. Coverage C  
C. Collision  
D. Inland marine
- 23.** Complete the statement: Personal property coverage is \_\_\_\_\_.  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Commercial property policy
- 24.** An adjuster should identify "personal property coverage" as \_\_\_\_\_.  
A. Collision  
B. Inland marine  
C. Commercial property policy  
D. Coverage C
- 25.** Which answer best matches this definition: loss-of-use coverage?  
A. Coverage D  
B. Coverage C  
C. Collision  
D. Inland marine
- 26.** Complete the statement: Loss-of-use coverage is \_\_\_\_\_.  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Coverage D
- 27.** An adjuster should identify "loss-of-use coverage" as \_\_\_\_\_.  
A. Collision  
B. Inland marine  
C. Coverage D  
D. Coverage C

- 28.** Which answer best matches this definition: Texas personal auto policy?
- A. Coverage C
  - B. Collision
  - C. Inland marine
  - D. Texas PAP
- 29.** Complete the statement: Texas personal auto policy is \_\_\_\_.
- A. Collision
  - B. Inland marine
  - C. Texas PAP
  - D. Coverage C
- 30.** An adjuster should identify "Texas personal auto policy" as \_\_\_\_.
- A. Inland marine
  - B. Texas PAP
  - C. Coverage C
  - D. Collision
- 31.** Which answer best matches this definition: PAP liability coverage?
- A. Collision
  - B. Inland marine
  - C. Part A liability
  - D. Coverage C
- 32.** Complete the statement: Pap liability coverage is \_\_\_\_.
- A. Inland marine
  - B. Part A liability
  - C. Coverage C
  - D. Collision
- 33.** An adjuster should identify "PAP liability coverage" as \_\_\_\_.
- A. Part A liability
  - B. Coverage C
  - C. Collision
  - D. Inland marine
- 34.** Which answer best matches this definition: PAP no-fault medical expense coverage?
- A. Inland marine
  - B. Part B medical payments
  - C. Coverage C
  - D. Collision

35. Complete the statement: Pap no-fault medical expense coverage is \_\_\_\_\_.  
A. Part B medical payments  
B. Coverage C  
C. Collision  
D. Inland marine
36. An adjuster should identify "PAP no-fault medical expense coverage" as \_\_\_\_\_.  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Part B medical payments
37. Which answer best matches this definition: PAP coverage for uninsured or underinsured drivers?  
A. Part C uninsured/underinsured motorists  
B. Coverage C  
C. Collision  
D. Inland marine
38. Complete the statement: Pap coverage for uninsured or underinsured drivers is \_\_\_\_\_.  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Part C uninsured/underinsured motorists
39. An adjuster should identify "PAP coverage for uninsured or underinsured drivers" as \_\_\_\_\_.  
A. Collision  
B. Inland marine  
C. Part C uninsured/underinsured motorists  
D. Coverage C
40. Which answer best matches this definition: PAP physical damage section?  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Part D damage to your auto
41. Complete the statement: Pap physical damage section is \_\_\_\_\_.  
A. Collision  
B. Inland marine  
C. Part D damage to your auto  
D. Coverage C

42. An adjuster should identify "PAP physical damage section" as \_\_\_\_\_.  
A. Inland marine  
B. Part D damage to your auto  
C. Coverage C  
D. Collision
43. Which answer best matches this definition: upset or impact auto loss?  
A. Inland marine  
B. Commercial property policy  
C. Collision  
D. Coverage C
44. Complete the statement: Upset or impact auto loss is \_\_\_\_\_.  
A. Commercial property policy  
B. Collision  
C. Coverage C  
D. Inland marine
45. An adjuster should identify "upset or impact auto loss" as \_\_\_\_\_.  
A. Collision  
B. Coverage C  
C. Inland marine  
D. Commercial property policy
46. Which answer best matches this definition: theft, hail, or animal-contact auto loss?  
A. Inland marine  
B. Other-than-collision  
C. Coverage C  
D. Collision
47. Complete the statement: Theft, hail, or animal-contact auto loss is \_\_\_\_\_.  
A. Other-than-collision  
B. Coverage C  
C. Collision  
D. Inland marine
48. An adjuster should identify "theft, hail, or animal-contact auto loss" as \_\_\_\_\_.  
A. Coverage C  
B. Collision  
C. Inland marine  
D. Other-than-collision

49. Which answer best matches this definition: business building and business personal property policy?
- A. Commercial property policy
  - B. Coverage C
  - C. Collision
  - D. Inland marine
50. Complete the statement: Business building and business personal property policy is \_\_\_\_.
- A. Coverage C
  - B. Collision
  - C. Inland marine
  - D. Commercial property policy
51. An adjuster should identify "business building and business personal property policy" as \_\_\_\_.
- A. Collision
  - B. Inland marine
  - C. Commercial property policy
  - D. Coverage C
52. Which answer best matches this definition: coverage for lost income and continuing expenses?
- A. Coverage C
  - B. Collision
  - C. Inland marine
  - D. Business income
53. Complete the statement: Coverage for lost income and continuing expenses is \_\_\_\_.
- A. Collision
  - B. Inland marine
  - C. Business income
  - D. Coverage C
54. An adjuster should identify "coverage for lost income and continuing expenses" as \_\_\_\_.
- A. Inland marine
  - B. Business income
  - C. Coverage C
  - D. Collision
55. Which answer best matches this definition: coverage for movable or specialized property?
- A. Collision
  - B. Commercial property policy
  - C. Inland marine
  - D. Coverage C

**56.** Complete the statement: Coverage for movable or specialized property is \_\_\_\_\_.

- A. Commercial property policy
- B. Inland marine
- C. Coverage C
- D. Collision

**57.** An adjuster should identify "coverage for movable or specialized property" as \_\_\_\_\_.

- A. Inland marine
- B. Coverage C
- C. Collision
- D. Commercial property policy

**58.** Which answer best matches this definition: three-party performance guarantee?

- A. Inland marine
- B. Surety bond
- C. Coverage C
- D. Collision

**59.** Complete the statement: Three-party performance guarantee is \_\_\_\_\_.

- A. Surety bond
- B. Coverage C
- C. Collision
- D. Inland marine

**60.** An adjuster should identify "three-party performance guarantee" as \_\_\_\_\_.

- A. Coverage C
- B. Collision
- C. Inland marine
- D. Surety bond

## Part 2 - Insurance Terms and Related Concepts

61. Which answer best matches this definition: chance of loss or no loss only?

- A. Pure risk
- B. Peril
- C. Indemnity
- D. Negligence

62. Complete the statement: Chance of loss or no loss only is \_\_\_\_\_.

- A. Peril
- B. Indemnity
- C. Negligence
- D. Pure risk

63. An adjuster should identify "chance of loss or no loss only" as \_\_\_\_\_.

- A. Indemnity
- B. Negligence
- C. Pure risk
- D. Peril

64. Which answer best matches this definition: chance of gain or loss?

- A. Peril
- B. Indemnity
- C. Negligence
- D. Speculative risk

65. Complete the statement: Chance of gain or loss is \_\_\_\_\_.

- A. Indemnity
- B. Negligence
- C. Speculative risk
- D. Peril

66. An adjuster should identify "chance of gain or loss" as \_\_\_\_\_.

- A. Negligence
- B. Speculative risk
- C. Peril
- D. Indemnity

67. Which answer best matches this definition: direct cause of loss?

- A. Negligence
- B. Endorsement
- C. Peril
- D. Indemnity

68. Complete the statement: Direct cause of loss is \_\_\_\_\_.  
A. Endorsement  
B. Peril  
C. Indemnity  
D. Negligence
69. An adjuster should identify "direct cause of loss" as \_\_\_\_\_.  
A. Peril  
B. Indemnity  
C. Negligence  
D. Endorsement
70. Which answer best matches this definition: physical condition increasing loss chance?  
A. Negligence  
B. Physical hazard  
C. Peril  
D. Indemnity
71. Complete the statement: Physical condition increasing loss chance is \_\_\_\_\_.  
A. Physical hazard  
B. Peril  
C. Indemnity  
D. Negligence
72. An adjuster should identify "physical condition increasing loss chance" as \_\_\_\_\_.  
A. Peril  
B. Indemnity  
C. Negligence  
D. Physical hazard
73. Which answer best matches this definition: dishonesty increasing loss chance?  
A. Moral hazard  
B. Peril  
C. Indemnity  
D. Negligence
74. Complete the statement: Dishonesty increasing loss chance is \_\_\_\_\_.  
A. Peril  
B. Indemnity  
C. Negligence  
D. Moral hazard

75. An adjuster should identify "dishonesty increasing loss chance" as \_\_\_\_\_.  
A. Indemnity  
B. Negligence  
C. Moral hazard  
D. Peril
76. Which answer best matches this definition: carelessness because insurance exists?  
A. Peril  
B. Indemnity  
C. Negligence  
D. Morale hazard
77. Complete the statement: Carelessness because insurance exists is \_\_\_\_\_.  
A. Indemnity  
B. Negligence  
C. Morale hazard  
D. Peril
78. An adjuster should identify "carelessness because insurance exists" as \_\_\_\_\_.  
A. Negligence  
B. Morale hazard  
C. Peril  
D. Indemnity
79. Which answer best matches this definition: physical loss caused by a peril?  
A. Indemnity  
B. Negligence  
C. Direct loss  
D. Peril
80. Complete the statement: Physical loss caused by a peril is \_\_\_\_\_.  
A. Negligence  
B. Direct loss  
C. Peril  
D. Indemnity
81. An adjuster should identify "physical loss caused by a peril" as \_\_\_\_\_.  
A. Direct loss  
B. Peril  
C. Indemnity  
D. Negligence

82. Which answer best matches this definition: consequential financial loss?
- A. Negligence
  - B. Indirect loss
  - C. Peril
  - D. Indemnity
83. Complete the statement: Consequential financial loss is \_\_\_\_.
- A. Indirect loss
  - B. Peril
  - C. Indemnity
  - D. Negligence
84. An adjuster should identify "consequential financial loss" as \_\_\_\_.
- A. Peril
  - B. Indemnity
  - C. Negligence
  - D. Indirect loss
85. Which answer best matches this definition: dominant cause starting an unbroken loss chain?
- A. Proximate cause
  - B. Peril
  - C. Indemnity
  - D. Negligence
86. Complete the statement: Dominant cause starting an unbroken loss chain is \_\_\_\_.
- A. Peril
  - B. Indemnity
  - C. Negligence
  - D. Proximate cause
87. An adjuster should identify "dominant cause starting an unbroken loss chain" as \_\_\_\_.
- A. Indemnity
  - B. Negligence
  - C. Proximate cause
  - D. Peril
88. Which answer best matches this definition: restoration without profit?
- A. Peril
  - B. Negligence
  - C. Endorsement
  - D. Indemnity

89. Complete the statement: Restoration without profit is \_\_\_\_\_.  
A. Negligence  
B. Endorsement  
C. Indemnity  
D. Peril
90. An adjuster should identify "restoration without profit" as \_\_\_\_\_.  
A. Endorsement  
B. Indemnity  
C. Peril  
D. Negligence
91. Which answer best matches this definition: replacement cost less depreciation?  
A. Indemnity  
B. Negligence  
C. Actual cash value  
D. Peril
92. Complete the statement: Replacement cost less depreciation is \_\_\_\_\_.  
A. Negligence  
B. Actual cash value  
C. Peril  
D. Indemnity
93. An adjuster should identify "replacement cost less depreciation" as \_\_\_\_\_.  
A. Actual cash value  
B. Peril  
C. Indemnity  
D. Negligence
94. Which answer best matches this definition: insurer recovery from responsible third party?  
A. Negligence  
B. Subrogation  
C. Peril  
D. Indemnity
95. Complete the statement: Insurer recovery from responsible third party is \_\_\_\_\_.  
A. Subrogation  
B. Peril  
C. Indemnity  
D. Negligence

96. An adjuster should identify "insurer recovery from responsible third party" as \_\_\_\_\_.  
A. Peril  
B. Indemnity  
C. Negligence  
D. Subrogation
97. Which answer best matches this definition: loss amount retained by insured?  
A. Deductible  
B. Peril  
C. Indemnity  
D. Negligence
98. Complete the statement: Loss amount retained by insured is \_\_\_\_\_.  
A. Peril  
B. Indemnity  
C. Negligence  
D. Deductible
99. An adjuster should identify "loss amount retained by insured" as \_\_\_\_\_.  
A. Indemnity  
B. Negligence  
C. Deductible  
D. Peril
100. Which answer best matches this definition: required insurance-to-value condition?  
A. Peril  
B. Indemnity  
C. Negligence  
D. Coinsurance
101. Complete the statement: Required insurance-to-value condition is \_\_\_\_\_.  
A. Indemnity  
B. Negligence  
C. Coinsurance  
D. Peril
102. An adjuster should identify "required insurance-to-value condition" as \_\_\_\_\_.  
A. Negligence  
B. Coinsurance  
C. Peril  
D. Indemnity

- 103.** Which answer best matches this definition: accident or repeated exposure causing injury/damage?
- A. Indemnity
  - B. Negligence
  - C. Occurrence
  - D. Peril
- 104.** Complete the statement: Accident or repeated exposure causing injury/damage is \_\_\_\_.
- A. Negligence
  - B. Occurrence
  - C. Peril
  - D. Indemnity
- 105.** An adjuster should identify "accident or repeated exposure causing injury/damage" as \_\_\_\_.
- A. Occurrence
  - B. Peril
  - C. Indemnity
  - D. Negligence
- 106.** Which answer best matches this definition: failure to use reasonable care?
- A. Endorsement
  - B. Negligence
  - C. Peril
  - D. Indemnity
- 107.** Complete the statement: Failure to use reasonable care is \_\_\_\_.
- A. Negligence
  - B. Peril
  - C. Indemnity
  - D. Endorsement
- 108.** An adjuster should identify "failure to use reasonable care" as \_\_\_\_.
- A. Peril
  - B. Indemnity
  - C. Endorsement
  - D. Negligence
- 109.** Which answer best matches this definition: temporary evidence of insurance?
- A. Binder
  - B. Peril
  - C. Indemnity
  - D. Negligence

- 110.** Complete the statement: Temporary evidence of insurance is \_\_\_\_\_.  
A. Peril  
B. Indemnity  
C. Negligence  
D. Binder
- 111.** An adjuster should identify "temporary evidence of insurance" as \_\_\_\_\_.  
A. Indemnity  
B. Negligence  
C. Binder  
D. Peril
- 112.** Which answer best matches this definition: form changing policy terms?  
A. Peril  
B. Indemnity  
C. Negligence  
D. Endorsement
- 113.** Complete the statement: Form changing policy terms is \_\_\_\_\_.  
A. Indemnity  
B. Negligence  
C. Endorsement  
D. Peril
- 114.** An adjuster should identify "form changing policy terms" as \_\_\_\_\_.  
A. Negligence  
B. Endorsement  
C. Peril  
D. Indemnity
- 115.** Which answer best matches this definition: voluntary surrender of known right?  
A. Indemnity  
B. Negligence  
C. Waiver  
D. Peril
- 116.** Complete the statement: Voluntary surrender of known right is \_\_\_\_\_.  
A. Negligence  
B. Waiver  
C. Peril  
D. Indemnity

**117.** An adjuster should identify "voluntary surrender of known right" as \_\_\_\_\_.

- A. Waiver
- B. Peril
- C. Indemnity
- D. Negligence

**118.** Which answer best matches this definition: bar against asserting a right after reliance?

- A. Negligence
- B. Estoppel
- C. Peril
- D. Indemnity

**119.** Complete the statement: Bar against asserting a right after reliance is \_\_\_\_\_.

- A. Estoppel
- B. Peril
- C. Indemnity
- D. Negligence

**120.** An adjuster should identify "bar against asserting a right after reliance" as \_\_\_\_\_.

- A. Peril
- B. Indemnity
- C. Negligence
- D. Estoppel

## Part 3 - Texas Statutes, Rules, and Adjusting

**121.** Which answer best matches this definition: Texas nonresident license for residents of non-licensing states?

- A. Designated home state license
- B. TDI
- C. Rebating
- D. Workers compensation

**122.** Complete the statement: Texas nonresident license for residents of non-licensing states is \_\_\_\_\_.

- A. TDI
- B. Rebating
- C. Workers compensation
- D. Designated home state license

**123.** An adjuster should identify "Texas nonresident license for residents of non-licensing states" as \_\_\_\_\_.

- A. Rebating
- B. Workers compensation
- C. Designated home state license
- D. TDI

**124.** Which answer best matches this definition: not available to residents of states that license adjusters?

- A. TDI
- B. Rebating
- C. Workers compensation
- D. DHS eligibility

**125.** Complete the statement: Not available to residents of states that license adjusters is \_\_\_\_\_.

- A. Rebating
- B. Workers compensation
- C. DHS eligibility
- D. TDI

**126.** An adjuster should identify "not available to residents of states that license adjusters" as \_\_\_\_\_.

- A. Workers compensation
- B. DHS eligibility
- C. TDI
- D. Rebating

**127.** Which answer best matches this definition: not offered?

- A. Rebating
- B. Workers compensation
- C. Temporary DHS license
- D. TDI

**128.** Complete the statement: Not offered is \_\_\_\_\_.

- A. Workers compensation
- B. Temporary DHS license
- C. TDI
- D. Rebating

**129.** An adjuster should identify "not offered" as \_\_\_\_\_.

- A. Temporary DHS license
- B. TDI
- C. Rebating
- D. Workers compensation

**130.** Which answer best matches this definition: not offered?

- A. Workers compensation
- B. Emergency DHS license
- C. TDI
- D. Rebating

**131.** Complete the statement: Not offered is \_\_\_\_\_.

- A. Emergency DHS license
- B. TDI
- C. Rebating
- D. Workers compensation

**132.** An adjuster should identify "not offered" as \_\_\_\_\_.

- A. TDI
- B. Rebating
- C. Workers compensation
- D. Emergency DHS license

**133.** Which answer best matches this definition: Texas insurance regulatory agency?

- A. TDI
- B. Rebating
- C. Workers compensation
- D. DHS eligibility

**134.** Complete the statement: Texas insurance regulatory agency is \_\_\_\_\_.

- A. Rebating
- B. Workers compensation
- C. DHS eligibility
- D. TDI

**135.** An adjuster should identify "Texas insurance regulatory agency" as \_\_\_\_\_.

- A. Workers compensation
- B. DHS eligibility
- C. TDI
- D. Rebating

**136.** Which answer best matches this definition: failure to seek prompt fair equitable settlement when liability is reasonably clear?

- A. TDI
- B. Rebating
- C. Workers compensation
- D. Unfair claim settlement practice

**137.** Complete the statement: Failure to seek prompt fair equitable settlement when liability is reasonably clear is \_\_\_\_\_.

- A. Rebating
- B. Workers compensation
- C. Unfair claim settlement practice
- D. TDI

**138.** An adjuster should identify "failure to seek prompt fair equitable settlement when liability is reasonably clear" as \_\_\_\_\_.

- A. Workers compensation
- B. Unfair claim settlement practice
- C. TDI
- D. Rebating

**139.** Which answer best matches this definition: offering an inducement not in the policy?

- A. Workers compensation
- B. DHS eligibility
- C. Rebating
- D. TDI

**140.** Complete the statement: Offering an inducement not in the policy is \_\_\_\_\_.

- A. DHS eligibility
- B. Rebating
- C. TDI
- D. Workers compensation

**141.** An adjuster should identify "offering an inducement not in the policy" as \_\_\_\_.

- A. Rebating
- B. TDI
- C. Workers compensation
- D. DHS eligibility

**142.** Which answer best matches this definition: false statement of material policy fact?

- A. Workers compensation
- B. Misrepresentation
- C. TDI
- D. Rebating

**143.** Complete the statement: False statement of material policy fact is \_\_\_\_.

- A. Misrepresentation
- B. TDI
- C. Rebating
- D. Workers compensation

**144.** An adjuster should identify "false statement of material policy fact" as \_\_\_\_.

- A. TDI
- B. Rebating
- C. Workers compensation
- D. Misrepresentation

**145.** Which answer best matches this definition: benefit system for job-related injuries?

- A. Workers compensation
- B. TDI
- C. Rebating
- D. DHS eligibility

**146.** Complete the statement: Benefit system for job-related injuries is \_\_\_\_.

- A. TDI
- B. Rebating
- C. DHS eligibility
- D. Workers compensation

**147.** An adjuster should identify "benefit system for job-related injuries" as \_\_\_\_.

- A. Rebating
- B. DHS eligibility
- C. Workers compensation
- D. TDI

**148.** Which answer best matches this definition: injury arising out of and in course and scope of employment?

- A. TDI
- B. Rebating
- C. Workers compensation
- D. Compensable injury

**149.** Complete the statement: Injury arising out of and in course and scope of employment is \_\_\_\_\_.

- A. Rebating
- B. Workers compensation
- C. Compensable injury
- D. TDI

**150.** An adjuster should identify "injury arising out of and in course and scope of employment" as \_\_\_\_\_.

- A. Workers compensation
- B. Compensable injury
- C. TDI
- D. Rebating

# Answer Key

## Part 1 - Property and Casualty Product Knowledge

1. **A - Standard fire policy.** Standard fire policy is the best answer.
2. **D - Standard fire policy.** Standard fire policy is the best answer.
3. **C - Standard fire policy.** Standard fire policy is the best answer.
4. **D - HO-3.** HO-3 is the best answer.
5. **C - HO-3.** HO-3 is the best answer.
6. **B - HO-3.** HO-3 is the best answer.
7. **C - HO-4.** HO-4 is the best answer.
8. **B - HO-4.** HO-4 is the best answer.
9. **A - HO-4.** HO-4 is the best answer.
10. **B - HO-5.** HO-5 is the best answer.
11. **A - HO-5.** HO-5 is the best answer.
12. **D - HO-5.** HO-5 is the best answer.
13. **A - HO-6.** HO-6 is the best answer.
14. **D - HO-6.** HO-6 is the best answer.
15. **C - HO-6.** HO-6 is the best answer.
16. **D - Coverage A.** Coverage A is the best answer.
17. **C - Coverage A.** Coverage A is the best answer.
18. **B - Coverage A.** Coverage A is the best answer.
19. **C - Coverage B.** Coverage B is the best answer.
20. **B - Coverage B.** Coverage B is the best answer.
21. **A - Coverage B.** Coverage B is the best answer.
22. **B - Coverage C.** Coverage C is the best answer.
23. **A - Coverage C.** Coverage C is the best answer.
24. **D - Coverage C.** Coverage C is the best answer.
25. **A - Coverage D.** Coverage D is the best answer.
26. **D - Coverage D.** Coverage D is the best answer.
27. **C - Coverage D.** Coverage D is the best answer.
28. **D - Texas PAP.** Texas PAP is the best answer.
29. **C - Texas PAP.** Texas PAP is the best answer.
30. **B - Texas PAP.** Texas PAP is the best answer.
31. **C - Part A liability.** Part A liability is the best answer.
32. **B - Part A liability.** Part A liability is the best answer.
33. **A - Part A liability.** Part A liability is the best answer.
34. **B - Part B medical payments.** Part B medical payments is the best answer.
35. **A - Part B medical payments.** Part B medical payments is the best answer.

36. **D - Part B medical payments.** Part B medical payments is the best answer.
37. **A - Part C uninsured/underinsured motorists.** Part C uninsured/underinsured motorists is the best answer.
38. **D - Part C uninsured/underinsured motorists.** Part C uninsured/underinsured motorists is the best answer.
39. **C - Part C uninsured/underinsured motorists.** Part C uninsured/underinsured motorists is the best answer.
40. **D - Part D damage to your auto.** Part D damage to your auto is the best answer.
41. **C - Part D damage to your auto.** Part D damage to your auto is the best answer.
42. **B - Part D damage to your auto.** Part D damage to your auto is the best answer.
43. **C - Collision.** Collision is the best answer.
44. **B - Collision.** Collision is the best answer.
45. **A - Collision.** Collision is the best answer.
46. **B - Other-than-collision.** Other-than-collision is the best answer.
47. **A - Other-than-collision.** Other-than-collision is the best answer.
48. **D - Other-than-collision.** Other-than-collision is the best answer.
49. **A - Commercial property policy.** Commercial property policy is the best answer.
50. **D - Commercial property policy.** Commercial property policy is the best answer.
51. **C - Commercial property policy.** Commercial property policy is the best answer.
52. **D - Business income.** Business income is the best answer.
53. **C - Business income.** Business income is the best answer.
54. **B - Business income.** Business income is the best answer.
55. **C - Inland marine.** Inland marine is the best answer.
56. **B - Inland marine.** Inland marine is the best answer.
57. **A - Inland marine.** Inland marine is the best answer.
58. **B - Surety bond.** Surety bond is the best answer.
59. **A - Surety bond.** Surety bond is the best answer.
60. **D - Surety bond.** Surety bond is the best answer.

## **Part 2 - Insurance Terms and Related Concepts**

61. **A - Pure risk.** Pure risk is the best answer.
62. **D - Pure risk.** Pure risk is the best answer.
63. **C - Pure risk.** Pure risk is the best answer.
64. **D - Speculative risk.** Speculative risk is the best answer.
65. **C - Speculative risk.** Speculative risk is the best answer.
66. **B - Speculative risk.** Speculative risk is the best answer.
67. **C - Peril.** Peril is the best answer.
68. **B - Peril.** Peril is the best answer.
69. **A - Peril.** Peril is the best answer.
70. **B - Physical hazard.** Physical hazard is the best answer.
71. **A - Physical hazard.** Physical hazard is the best answer.

72. **D - Physical hazard.** Physical hazard is the best answer.
73. **A - Moral hazard.** Moral hazard is the best answer.
74. **D - Moral hazard.** Moral hazard is the best answer.
75. **C - Moral hazard.** Moral hazard is the best answer.
76. **D - Morale hazard.** Morale hazard is the best answer.
77. **C - Morale hazard.** Morale hazard is the best answer.
78. **B - Morale hazard.** Morale hazard is the best answer.
79. **C - Direct loss.** Direct loss is the best answer.
80. **B - Direct loss.** Direct loss is the best answer.
81. **A - Direct loss.** Direct loss is the best answer.
82. **B - Indirect loss.** Indirect loss is the best answer.
83. **A - Indirect loss.** Indirect loss is the best answer.
84. **D - Indirect loss.** Indirect loss is the best answer.
85. **A - Proximate cause.** Proximate cause is the best answer.
86. **D - Proximate cause.** Proximate cause is the best answer.
87. **C - Proximate cause.** Proximate cause is the best answer.
88. **D - Indemnity.** Indemnity is the best answer.
89. **C - Indemnity.** Indemnity is the best answer.
90. **B - Indemnity.** Indemnity is the best answer.
91. **C - Actual cash value.** Actual cash value is the best answer.
92. **B - Actual cash value.** Actual cash value is the best answer.
93. **A - Actual cash value.** Actual cash value is the best answer.
94. **B - Subrogation.** Subrogation is the best answer.
95. **A - Subrogation.** Subrogation is the best answer.
96. **D - Subrogation.** Subrogation is the best answer.
97. **A - Deductible.** Deductible is the best answer.
98. **D - Deductible.** Deductible is the best answer.
99. **C - Deductible.** Deductible is the best answer.
100. **D - Coinsurance.** Coinsurance is the best answer.
101. **C - Coinsurance.** Coinsurance is the best answer.
102. **B - Coinsurance.** Coinsurance is the best answer.
103. **C - Occurrence.** Occurrence is the best answer.
104. **B - Occurrence.** Occurrence is the best answer.
105. **A - Occurrence.** Occurrence is the best answer.
106. **B - Negligence.** Negligence is the best answer.
107. **A - Negligence.** Negligence is the best answer.
108. **D - Negligence.** Negligence is the best answer.

109. **A - Binder.** Binder is the best answer.
110. **D - Binder.** Binder is the best answer.
111. **C - Binder.** Binder is the best answer.
112. **D - Endorsement.** Endorsement is the best answer.
113. **C - Endorsement.** Endorsement is the best answer.
114. **B - Endorsement.** Endorsement is the best answer.
115. **C - Waiver.** Waiver is the best answer.
116. **B - Waiver.** Waiver is the best answer.
117. **A - Waiver.** Waiver is the best answer.
118. **B - Estoppel.** Estoppel is the best answer.
119. **A - Estoppel.** Estoppel is the best answer.
120. **D - Estoppel.** Estoppel is the best answer.

### **Part 3 - Texas Statutes, Rules, and Adjusting**

121. **A - Designated home state license.** Designated home state license is the best answer.
122. **D - Designated home state license.** Designated home state license is the best answer.
123. **C - Designated home state license.** Designated home state license is the best answer.
124. **D - DHS eligibility.** DHS eligibility is the best answer.
125. **C - DHS eligibility.** DHS eligibility is the best answer.
126. **B - DHS eligibility.** DHS eligibility is the best answer.
127. **C - Temporary DHS license.** Temporary DHS license is the best answer.
128. **B - Temporary DHS license.** Temporary DHS license is the best answer.
129. **A - Temporary DHS license.** Temporary DHS license is the best answer.
130. **B - Emergency DHS license.** Emergency DHS license is the best answer.
131. **A - Emergency DHS license.** Emergency DHS license is the best answer.
132. **D - Emergency DHS license.** Emergency DHS license is the best answer.
133. **A - TDI.** TDI is the best answer.
134. **D - TDI.** TDI is the best answer.
135. **C - TDI.** TDI is the best answer.
136. **D - Unfair claim settlement practice.** Unfair claim settlement practice is the best answer.
137. **C - Unfair claim settlement practice.** Unfair claim settlement practice is the best answer.
138. **B - Unfair claim settlement practice.** Unfair claim settlement practice is the best answer.
139. **C - Rebating.** Rebating is the best answer.
140. **B - Rebating.** Rebating is the best answer.
141. **A - Rebating.** Rebating is the best answer.
142. **B - Misrepresentation.** Misrepresentation is the best answer.
143. **A - Misrepresentation.** Misrepresentation is the best answer.
144. **D - Misrepresentation.** Misrepresentation is the best answer.

145. **A - Workers compensation.** Workers compensation is the best answer.
146. **D - Workers compensation.** Workers compensation is the best answer.
147. **C - Workers compensation.** Workers compensation is the best answer.
148. **D - Compensable injury.** Compensable injury is the best answer.
149. **C - Compensable injury.** Compensable injury is the best answer.
150. **B - Compensable injury.** Compensable injury is the best answer.

## Official References to Check Before Exam Day

Texas Department of Insurance: Adjuster designated home state - all lines; 28 TAC 19.1018(a), Adjuster Prelicensing Examination Topics; and Pearson VUE Texas Insurance Content Outlines. This study aid is not legal advice and does not replace current statutes, rules, policy forms, TDI guidance, or Pearson VUE materials.