Life Accident and Health Insurance Exam California

Section: California Insurance Exams • **Total Questions:** 10 • **Format:** Verified Q&A

1. All of the following are requirements of a contract EXCEPT

(A) the contract must have a legal purpose.
(B) there must be equal consideration between the parties.
(C) the parties to the contract must be legally competent.
(D) there must be an offer and acceptance of the contract terms.

2. All of the following are benefits of insurance EXCEPT it

(A) eliminates fraudulent losses.
(B) provides a source of investment funds.
(C) provides payment for the costs of covered losses.
(D) reduces the uncertainty created by many loss exposures.

3. How long is the free cancellation period for life insurance policies offered to individuals who are age 60 or older?

(A) 10 days.
(B) 20 days.
(C) 30 days.
(D) 45 days.

4. How much employer-provided group term life insurance is exempt from income taxation?

(A) $25,000
(B) $50,000
(C) $75,000
(D) $100,000

5. When found in California Insurance Code, which of the following words is permissive?

(A) May
(B) Optional
(C) Shall
(D) Sometimes

6. Which policy pays the face amount if the insured survives to the end of a certain period?

(A) Term insurance.
(B) Endowment insurance.
(C) Whole life insurance.
(D) Universal life insurance.

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7. Group insurance is contributory when:

(A) Third party collects part of premium
(B) Employer pays all premium
(C) Employee pays part of premium
(D) Service provider collects part

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8. The maximum penalty interest an insurer must pay on delayed California life claims is

(A) 5%
(B) 7%
(C) 10%
(D) 12%

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9. Which contract promises to pay the owner a guaranteed minimum income every year for as long as the individual lives

(A) A life annuity.
(B) An annuity certain.
(C) A whole life policy.
(D) A survivorship policy.

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10. A producer who knowingly files a false claim is guilty of

(A) Fraud
(B) Misrepresentation
(C) Twisting
(D) Concealment