Life and Health Insurance Exam California

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

1. Under COBRA, the maximum premium that may be charged to a qualified beneficiary is

(A) 100 % of plan cost
(B) 102 % of plan cost
(C) 105 % of plan cost
(D) 110 % of plan cost

2. What factor determines the difference between deferred and immediate annuities?

(A) When annuity benefit payments begin.
(B) The number of annuity benefit payments.
(C) Who receives the annuity benefit payments.
(D) The dollar amount of the annuity benefit payments.

3. Creditors have rights to life insurance policy proceeds when the beneficiary is the

(A) insured's child.
(B) insured's estate.
(C) insured's spouse.
(D) insured's business partner.

4. All of the following information is gathered during the personal financial planning process EXCEPT

(A) Information regarding an individual's investments.
(B) a listing of the individual's assets and liabilities.
(C) Information regarding a person's income and expenditures.
(D) a listing of a person's civic and professional organization memberships.

5. Which policy covering two or more individuals terminates after paying benefits only on the second death?

(A) Family policy.
(B) Joint life policy.
(C) Survivorship life policy.
(D) Limited payment whole life policy.

6. Self-funded health plans give flexibility in all areas EXCEPT:

(A) Claims severity
(B) Group size
(C) Benefits provided
(D) Cost

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7. An agent who sells an annuity contract must provide the buyer with a(n)

(A) Buyers guide and policy summary
(B) Agent’s financial statement
(C) Commission disclosure
(D) Underwriting manual

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8. Which of the following statements about life insurance policy loans is correct?

(A) Policy loans may be repaid at any time while the policy is in force.
(B) Unpaid policy loans become debts of a deceased policymaker's estate.
(C) Policy loans can be used to pay premiums without affecting the amount of the death benefit.
(D) A policy loan establishes a debtor-creditor relationship between the insurer and the policymaker.

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9. Which of the following is true about California’s life settlement broker license?

(A) Renewed annually
(B) No CE requirement
(C) Requires $50,000 bond
(D) Allows direct sales of policies

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10. A producer’s fiduciary duty includes all of the following EXCEPT

(A) Prompt remittance of premiums
(B) Accurate record keeping
(C) Disclosure of commissions to insured
(D) Avoiding commingling of funds
