MS Life and Health Insurance Exam

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

1. If the initial premium does not accompany an application for insurance, the producer MUST take which of the following actions when delivering the policy?

(A) Collect the initial premium and complete the inspection report
(B) Collect the initial premium and verify the applicant's continued good health
(C) Collect the initial premium in compliance with the provisions of federal Fair Credit Reporting Act
(D) Obtain the beneficiary's approval of the policy

2. Making false statements about the financial condition of another insurance company is called:

(A) fraud
(B) defamation
(C) twisting
(D) misrepresentation

3. Which of the following statements is CORRECT about the benefits of a group Short-term Disability Income policy?

(A) They are not payable for accidents covered by Workers' Compensation.
(B) They are payable for accidents covered by Workers' Compensation.
(C) They are payable when expenses exceed Workers' Compensation benefits.
(D) They are payable when expenses are less than Workers' Compensation.

4. Social Security provides all of the following types of benefits EXCEPT:

(A) Retirement
(B) Dismemberment
(C) Survivorship
(D) Disability

5. A producer must deliver an Outline of Coverage to a prospective insured who is eligible for Medicare at which of the following times?

- **(A)** Before the application is taken
- **(B)** After the application is signed
- **(C)** When the policy is delivered
- **(D)** When the prospect requests it

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6. An Immediate annuity can be recognized by which of the following features?

- **(A)** Payout begins one payment period after purchase.
- **(B)** Payout begins several years later.
- **(C)** Only an annual payout period will apply.
- **(D)** The annuitant must be in good health.

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7. Which of the following statements about a five-year-old Whole Life policy is CORRECT?

- **(A)** If a policyowner stops paying premiums, the policyowner may elect a Nonforfeiture option.
- **(B)** If the insurance company discovers a misrepresentation on the application, they may rescind the policy.
- **(C)** The Contestable period cannot begin again even if the policy is reinstated.
- **(D)** If extra premiums were charged for special risks, cash and Nonforfeiture option values increased accordingly.

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8. Which of the following provisions establishes a procedure for restoring a policy after it has lapsed because of nonpayment of premium?

- **(A)** Entire Contract
- **(B)** Grace Period
- **(C)** Reinstatement
- **(D)** Legal Actions

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9. An underwriter's evaluation of information on a life insurance application is also known as:

- **(A)** risk classification
- **(B)** warranty review
- **(C)** consideration
- **(D)** applicant investigation

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10. In a life insurance policy, the promise by the insurer to pay certain benefits is the:

- **(A)** Insuring clause
- **(B)** Entire Contract provision
- **(C)** Settlement Option provision
- **(D)** Nonforfeiture Option provision
