Minnesota State Real Estate Salesperson Exam Prep

Section: Minnesota Real Estate Exams • **Total Questions:** 10 • **Format:** Verified Q&A

1. While making a delivery for an employee, an employee's car was struck by a truck that went through a red light. The employee suffered a broken arm. In this situation, coverage for the injuries would most likely be provided by the:

(A) truck driver's personal auto insurance
(B) employee's general hospitalization plan
(C) employee's personal No-Fault Insurance
(D) employer's Workers' Compensation Insurance

2. Funding for the Minnesota Guaranty Association is derived from:

(A) the Minnesota Commerce Department budget
(B) assessments on member companies
(C) the Minnesota General Treasury
(D) a special legislative appropriation

3. The insured MUST notify the insurer of a loss

(A) when discovered.
(B) within 15 days.
(C) within 30 days.
(D) promptly.

4. Which of the following is a pure risk?

(A) Ken buys a collector car as an investment.
(B) A fundraising event that includes a poker game.
(C) Joan's fur coat is stored at a storage facility.
(D) Anne purchases several shares of stock in a computer company.

5. In the event of a claim, the necessary documentation REQUIRED of the insured to establish entitlement to payment under the policy is called

(A) statement of values.
(B) claim details.
(C) policy provisions.
(D) proof of loss.

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6. The term "occurrence" can be all of the following EXCEPT

(A) an accident.
(B) limits of liability.
(C) events that occur as a result of continuous exposure to a condition.
(D) events that occur as a result of repeated exposure to a condition.

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7. An insurer often pays an insured party for a loss and takes over the insured's right to collect from any other person that may be responsible for causing the loss. The provision in the policy that allows this action by the insurer is called the

(A) assignment clause.
(B) subrogation clause.
(C) other insurance clause.
(D) loss payee clause.

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8. A homeowner wishes to purchase coverage for a home built in 1850. The home was constructed with hand-carved crown molding and banisters. The market value of the home is significantly less than the actual cost to replace the home. Which policy would BEST suit this customer?

(A) HQ-3
(B) HQ-5
(C) HQ-6
(D) HQ-8

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9. The Minnesota Commissioner of Commerce is authorized to accredit a continuing education course ONLY if the course:

(A) prepares students for the state licensing examination
(B) teaches business and office skills
(C) provides information about the insurance field
(D) has been accredited by the Department of Education

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10. Which part of the Commercial Package Policy has information about who is insured and for what lines?

(A) Common Policy Declaration.

(B) Common Policy Conditions.

(C) Limits of Insurance.

(D) Definitions.