

## PSI LIFE INSURANCE EXAM LATEST 2023-2024 REAL EXAM 100+ QUESTIONS AND CORRECT ANSWERS|AGRADE

In which of the following must a beneficiary change request be filed in writing to the insurer and is made effective by the insurance company recording the change in its records? - ANSWER- **recording method**

Which part of an insurance contract contains the promise to pay losses covered by the policy in exchange for the insured's premium and compliance with policy terms? - ANSWER- **insuring clause**

Which is a common approach to addressing the problems inherent in naming a minor as a beneficiary to a life insurance policy? - ANSWER- **establishing a trust to administer proceeds**

Which of the following occurs immediately after the application is submitted and the initial premium paid? - ANSWER- **the underwriting process begins**

All of the following are tax qualified retirement plans EXCEPT - ANSWER- **Section 529 plan**

For an individual long-term care policy there is an annual dollar limit for tax deductions that is based on which of the following? - ANSWER- **age**

If the insurer wishes to share an applicant's HIV status, the applicant must be given full notice of all of the following EXCEPT - ANSWER- **the treatment procedures that are covered by the policy.**

All of the following are common exclusions from loss found in disability income policies EXCEPT for that incurred while - ANSWER- **committing a misdemeanor**

What type of insurance should a company purchase if it wants to insure the life of its CEO? - ANSWER- **key person insurance**

For an individual long-term care policy there is an annual dollar limit for tax-deductions that is based on which of the following? - ANSWER- **age**

Which of the following term insurance types provides temporary protection that can be changed to some type of permanent protection without evidence of insurability? - ANSWER- **convertible**

Which one of the following is particularly important for an insurance producer to explain to a client upon delivery of a life insurance policy? - ANSWER- **any exclusions**

All of the following are ownership rights EXCEPT - ANSWER- **switching the policy from one insured to another**

How might someone cover the extra expenses of child care and home-related costs? - ANSWER- **purchasing family term insurance**

All of the following are required signatures on a life insurance application EXCEPT - ANSWER- **the minor in a juvenile policy**

Which of the following is TRUE regarding assignment rights for irrevocable beneficiaries? - ANSWER- They are MORE likely to receive a loan based on the expectations of the proceeds.

Which policy type is backed by equity investments and allows the policyholder to adjust the death benefit? - ANSWER- **variable universal life**

Which annuity settlement option provides a stated monthly amount to the annuitant and upon the annuitant's death the same or a lesser amount paid for the lifetime of the survivor? - ANSWER- **Joint and survivorship option**

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What is the order in which beneficiaries receive proceeds from a life insurance policy? - ANSWER- **succession of beneficiaries**

Which part of an insurance contract contains the promise to pay losses covered by the policy in exchange for the insured's premium and compliance with policy terms? - ANSWER- **insuring clause**

Which of the following is exempted from the incontestability provision in insurance policies? - ANSWER- **fraudulent misstatements**

What is the primary advantage for obtaining a reinstatement of a policy rather than obtaining a new one? - ANSWER- **insured original age is used**

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Why is relying solely on employer group life insurance generally considered inadequate for most individual's needs? - ANSWER- **It is financially insufficient to cover end of life expenses.**

How do warranties differ from representations? - ANSWER- **a warranty is guaranteed to be true, a representation is believed to be true to the best of one's knowledge.**

The group conversion option is allowed for all of the following EXCEPT - ANSWER- **during the annual benefits enrollment period**

Which type of annuity attempts to offset inflation by providing a benefit linked to an underlying investment account? - ANSWER- **variable**

What procedure is used by an insurer to protect itself in the event a dispute arises and the applicant and the agent do not recall the changes that were made in a completed application? - ANSWER- **The applicant and possibly the agent initial any changes made.**

All of the following are features of the spendthrift clause EXCEPT - ANSWER- **the beneficiary may encumber the proceeds**

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