

### Question 1

\$500 invested at 8% at the beginning of each of the next four years will grow to approximately \$2,433.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=502107>

### Question 2

"All risks" homeowners' insurance insures you against

- A) all risks not specifically excluded in the policy.
- B) both flood and earthquake damage.
- C) no more risks than a named perils policy.
- D) the general class of risks associated with the perils named in the policy.

Answer: <https://biology-forums.com/index.php?topic=505547>

### Question 3

"Arbitration" is an industry term for

- A) calculating cost reductions on an auto lease.
- B) negotiations on the sale price of a car.
- C) settling disputes through the decision of an impartial third party.
- D) calculating finance charges on an auto lease.

Answer: <https://biology-forums.com/index.php?topic=504799>

### Question 4

"Basic health care" coverage consists of

- A) heart and cancer insurance.
- B) dreaded disease insurance.
- C) hospital and accident insurance.
- D) hospital insurance, surgical insurance, and medical insurance.

Answer: <https://biology-forums.com/index.php?topic=505685>

### Question 5

"Blue sky" laws refer to

- A) state laws protecting investors in intrastate security sales.
- B) municipal laws regulating building heights.
- C) common laws that give shareholders the right to sue fraudulent securities issuers.
- D) federal laws protecting investors in interstate security sales.

Answer: <https://biology-forums.com/index.php?topic=505051>

### Question 6

"Check 21" gives banks the option of returning actual checks or substitute checks.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=502553>

### Question 7

"Comprehensive" health care insurance

- A) is sold only through group plans.
- B) includes both basic health insurance and major medical insurance.
- C) covers all health care costs with no deductibles or copayments.
- D) covers the entire family.

Answer: <https://biology-forums.com/index.php?topic=505684>

### Question 8

"Conventional financing" consists of all home loans

- A) made through the banking system.
- B) with fixed interest rates.
- C) that are insured by the Federal Housing Administration.
- D) that are neither government-insured nor guaranteed.

Answer: <https://biology-forums.com/index.php?topic=504930>

### Question 9

"Credit blocking" is the industry term for

- A) reducing your credit limit because of an anticipated charge.
- B) legally denying credit to individuals who have a past record of credit abuse.
- C) denying high-risk individuals access to low-cost lines of credit.
- D) illegally denying credit to individuals because of their race or gender.

Answer: <https://biology-forums.com/index.php?topic=504638>

### Question 10

"Direct recognition" occurs when the insurance company

- A) revises its actuarial factors to reflect the changing risk environment.
- B) increases premiums in recognition of the insureds advancing age.
- C) reduces the rate earned on a portion of the cash value, because the insured has taken out a policy loan.
- D) reduces dividend payments because of an unexpected increase in costs.

Answer: <https://biology-forums.com/index.php?topic=505878>

### Question 11

"Earnest money" is equal to

- A) the sales commission.
- B) the down payment on the home.
- C) closing costs.
- D) the deposit on the purchase of the home.

Answer: <https://biology-forums.com/index.php?topic=504892>

### Question 12

"Fund switching" allows investors to switch in and out of IRAs.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=505476>

### Question 13

"Investor's Business Daily" is a radio show focusing on investment news.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=505130>

### Question 14

"Lemon protection" implies that

- A) if the defective product cannot be repaired after a reasonable number of attempts, the consumer is entitled to either a replacement or refund.
- B) producers are protected from the unwarranted return of merchandise by negligent consumers.
- C) if the product is defective, the consumer may return the product at any time for a full refund.
- D) if the consumer is dissatisfied with the product, the consumer may return the product for a full refund within a year of purchase.

Answer: <https://biology-forums.com/index.php?topic=504765>

### Question 15

"Lemon protection" means that under certain circumstances consumers may return a product and get their money back.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=504813>

### Question 16

"Major medical" coverage

- A) covers only hospital-related expenses.
- B) is also known as first dollar coverage.
- C) provides for insurance protection beyond basic health care coverage.
- D) pays out only in the event of a catastrophic illness.

Answer: <https://biology-forums.com/index.php?topic=505695>

### Question 17

"Major medical" insurance typically includes

- A) extensive dollar coverage after health care expenses exceed significant deductibles.
- B) coverage for a restricted list of major injuries and illnesses.
- C) reimbursement for hospital expenses.
- D) first-dollar coverage on all medical expenditures.

Answer: <https://biology-forums.com/index.php?topic=505694>

### Question 18

"Managed care" is the current term applied to service-benefit type coverage.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=505769>

### Question 19

"Marketable title" exists when

- A) the title is free from all claims by third parties.
- B) you list the home with a real estate agent.
- C) there are several claims on the title.
- D) the home is reasonably priced.

Answer: <https://biology-forums.com/index.php?topic=504895>

### Question 20

"Medigap insurance" is the industry term for commercial insurance that leaves significant areas of needed benefits uncovered.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=505788>