

## Personal Liability Quiz

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1. Under Coverage B in the HO-3 policy, which structure is excluded:
  - A. A guest house rented to the insured's son who is age 18
  - B. A detached garage rented to a college student to park their vehicle in
  - C. A storage shed where the insured stores his personally owned riding mower and 10 gallons of gasoline
  - D. A guest house that the insured uses to conduct his consulting business
  
2. Which of the following is excluded under Section II of the homeowners' policy?
  - A. A 75 horsepower wave runner borrowed by the insured
  - B. A 30-foot outboard boat with three 250 horsepower motors rented by the insured
  - C. A 28-foot sailboat rented by the insured
  - D. A 125 horsepower outboard boat acquired by the insured during the policy period
  
3. Which of the following is a difference between the HO-5 and the HO-3 policy?
  - A. The HO-5 provides open peril coverage for contents while the HO-3 provides named peril coverage
  - B. The HO-5 provides replacement cost coverage for contents while the HO-3 provides ACV coverage
  - C. The HO-5 policy provides an additional 25 percent for Coverage A while the HO-3 does not
  - D. The HO-5 policy provides additional coverage for ordinance or law coverage while the HO-3 does not
  
4. Which is **not** an "insured location" under a homeowners' policy?
  - A. A mountain cabin rented by the insured for 10 days for a family vacation
  - B. Vacant land in another state where the insurer is not licensed
  - C. A hotel meeting room that the insured rents to have a party for friends where she will sell cosmetics for her Mary Kay part time business
  - D. A hotel banquet hall rented for the wedding reception of the insured's son where alcohol will be served
  
5. Which is **not** a Coverage C special limit in the HO-3 policy?
  - A. \$1,500 for jewelry damaged by fire
  - B. \$1,500 for devices such as iPhones and iPads while in a vehicle
  - C. \$2,500 for theft of firearms
  - D. \$1,500 on trailers that are not used with watercrafts

6. Under the HO-6 policy (edition dates 2000 and 2011) which of the following loss assessment claims is **not** covered?
- An assessment by the association for trees that were damaged by lightning
  - An assessment by the association for wind damage to the condominium property where the HO-6 policy excludes damage for the peril of windstorm
  - An assessment for damage to a clubhouse from fire when the clubhouse had no insurance coverage at all
  - An assessment for a hurricane that took place on 9/10/18 but the insured did not buy a policy until 2/4/18 and was assessed two weeks later.
7. Which of the following statements is correct under a PAP?
- The insured has a PAP covering two autos. Neither has Part D-Coverage For Damage to Your Auto. The insured replaces an auto with a new auto and the agent is not advised; there is no coverage if the auto is damaged in a collision loss the next day.
  - Part D-Coverage For Damage to Your Auto applies for a replacement automobile until the renewal date of the PAP
  - Part D- Coverage For Damage to Your Auto provides physical damage for any rented vehicle such as a moving truck the insured is using to move his personal belongings
  - An auto that the insured rents for a business trip because his is in the shop for repair is covered under Part D- Coverage For Damage To Your Auto
8. Which statement is incorrect relating to “Transportation Expenses” assuming the policy has Part D – Coverage for Damage to Your Auto?
- The coverage is not included in the form and must be added by the rental reimbursement endorsement
  - Coverage is provided for \$30 per day to a maximum of \$900 without an additional premium charge
  - Coverage for loss of use (“down time”) is provided for a non-owned private passenger vehicle rented from a car rental firm for up to \$30 a day, \$900 maximum
  - The coverage could be used if the insured incurs expensed if their vehicle was being repaired from a collision loss for things such as Uber, a bus fare, or paying a neighbor to take her to work each day
9. Under a PAP, which of the following is **not** an “other than collision” loss but is instead a collision loss?
- The insured’s auto collides with a deer and then hits a tree totaling the vehicle
  - A thief steals the insured’s auto when the keys were left in it and while fleeing the police the thief collides with a telephone pole damaging the auto
  - The insured is driving on the interstate; a box falls off a truck in front of him, bounces 150 feet down the road. The insured hits the box that is sitting in the roadway.
  - A frozen turkey (true claim) flies out of a pickup truck in Miami in front of the insured the turkey hits the hood of the insured’s auto causing damage

10. The insured has a PAP with two autos; the Malibu has all coverages to include Part D – Damage to Your Auto while the Corolla does not have Part D – Damage to Your Auto. The deductible is \$1,000. On Saturday, the insured trades in the Corolla for a new \$85,000 BMW and neither the agency nor the insurer is contacted. Five days later the BMW is in a collision and suffers \$22,000 is damage. Which statement is correct?
- A. There is no coverage for the BMW since it replaced the Corolla that did not have collision coverage
  - B. The BMW is covered subject to the \$1,000 deductible at an ACV of the value of the Corolla
  - C. The claim is covered subject to a \$500 deductible since the vehicle it replaced had no collision coverage
  - D. The claim is covered subject to a \$1,000 deductible