

Champions Brokerage SAE Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Don't worry about getting everything right, your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations, and take breaks to retain information better.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning.

7. Use Other Tools

Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly — adapt the tips above to fit your pace and learning style. You've got this!

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Questions

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- 1. What does the term 'hoteling' refer to in a corporate setting?**
 - A. A system where employees are assigned to fixed desks**
 - B. A method of hot food delivery**
 - C. A reservation-based concept for workstations**
 - D. A style of office organization**

- 2. In insurance terms, what does 'claims adjustment' involve?**
 - A. Evaluating the health risks of a policyholder**
 - B. Determining coverage and evaluating losses**
 - C. Setting premium rates for insurance policies**
 - D. Assessing employee performance in insurance companies**

- 3. What does coverage limit refer to in an insurance policy?**
 - A. The minimum amount an insurer will pay**
 - B. The maximum amount an insurer will pay for a covered loss**
 - C. The median amount paid for typical claims**
 - D. The fee for policy service**

- 4. Which of these is a direct marketing tool for showcasing property?**
 - A. Using yard signs**
 - B. Creating an online web series**
 - C. Conducting surveys**
 - D. Offering discounts**

- 5. Which of the following is a characteristic of primary insurance?**
 - A. It pays after other policies have been exhausted**
 - B. It provides coverage for specific high-value items**
 - C. It is the first to respond when a claim is presented**
 - D. It is typically less expensive than excess insurance**

6. In analyzing a company, what does the 'W' in SWOT stand for?

- A. Wealth**
- B. Wisdom**
- C. Weaknesses**
- D. Workforce**

7. What is the primary difference between term life insurance and whole life insurance?

- A. Term life insurance has lower premiums**
- B. Whole life insurance provides coverage for a specific time**
- C. Term life insurance includes a cash value component**
- D. Whole life insurance provides coverage for the insured's lifetime**

8. What does the CAN-SPAM Act require for email advertisements?

- A. Falsification of routing information**
- B. Clear notice that it's an advertisement**
- C. Inclusion of misleading subject lines**
- D. Absence of an UNSUBSCRIBE option**

9. What is an essential step in the listing presentation process?

- A. Setting a budget for open house promotions**
- B. Reviewing the listing thoroughly**
- C. Gathering feedback from buyers**
- D. Publicly posting the listing without review**

10. What is one of the key responsibilities of an actuary at an insurance company?

- A. Setting marketing strategies**
- B. Analyzing statistical data to calculate premiums**
- C. Handling customer service inquiries**
- D. Managing claims processing**

Answers

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1. C
2. B
3. B
4. A
5. C
6. C
7. D
8. B
9. B
10. B

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Explanations

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1. What does the term 'hoteling' refer to in a corporate setting?

- A. A system where employees are assigned to fixed desks**
- B. A method of hot food delivery**
- C. A reservation-based concept for workstations**
- D. A style of office organization**

The term 'hoteling' in a corporate setting refers to a reservation-based concept for workstations. This approach allows employees to reserve desks or workspaces as needed rather than being assigned permanent desks. This flexible workspace solution enhances efficiency and maximizes the use of office space, accommodating varying employee attendance and work schedules. By utilizing hoteling, companies can create a more dynamic and collaborative office environment, as it encourages employees to interact and share resources. This method is particularly beneficial for organizations that have mobile or remote employees who do not require a dedicated workspace every day, leading to cost savings on office space and fostering a more adaptive work culture. The other choices, while they may relate to office management or organization in different contexts, do not accurately describe hoteling. The assignment of fixed desks, hot food delivery, or traditional styles of office organization diverge from the concept of a flexible, reservation-based system that characterizes hoteling.

2. In insurance terms, what does 'claims adjustment' involve?

- A. Evaluating the health risks of a policyholder**
- B. Determining coverage and evaluating losses**
- C. Setting premium rates for insurance policies**
- D. Assessing employee performance in insurance companies**

Claims adjustment is a crucial process in the insurance industry that involves determining the coverage applicable to a claim and evaluating the losses that have occurred. This step is essential as it ensures that the insurance company accurately assesses how much the policyholder is entitled to receive based on the terms of their policy. The claims adjuster gathers information, inspects damages, and reviews policy details to make an informed decision on the claim. This meticulous approach allows for fair compensation for the insured party while also protecting the insurer's financial interests. In contrast, evaluating health risks of a policyholder relates to underwriting, which is focused on risk assessment before the issuance of a policy rather than post-incident evaluations. Setting premium rates involves statistical analysis of risk factors and is determined at the policy's inception, not during a claims process. Assessing employee performance refers to internal evaluations within an insurance company, rather than activities directly related to processing claims.

3. What does coverage limit refer to in an insurance policy?

- A. The minimum amount an insurer will pay
- B. The maximum amount an insurer will pay for a covered loss**
- C. The median amount paid for typical claims
- D. The fee for policy service

Coverage limit in an insurance policy indicates the maximum amount an insurer is obligated to pay for a covered loss. It acts as a cap on the insurer's liability, ensuring that there is a defined threshold beyond which the insurer is not responsible for paying claims. This limit could apply to a single incident, an annual total, or different categories of coverage within the policy. Understanding this concept is crucial because it helps policyholders assess their risk exposure and ensure that their coverage limits align with the value of what they are insuring. If a policyholder experiences a loss that exceeds the coverage limit, they will be responsible for any costs beyond that limit. This aspect of insurance encourages individuals to evaluate their needs carefully and select appropriate limits to adequately protect against financial loss.

4. Which of these is a direct marketing tool for showcasing property?

- A. Using yard signs**
- B. Creating an online web series
- C. Conducting surveys
- D. Offering discounts

Using yard signs is a direct marketing tool for showcasing property because they are strategically placed at specific locations to attract the attention of potential buyers or renters. Yard signs serve as a physical advertisement that provides immediate visual information about the property, such as whether it is for sale, the asking price, and contact details for inquiries. They are effective for local marketing, reaching individuals who may be strolling or driving by the area, which can directly lead to increased interest in the property. In contrast, the other options do not serve the same immediate purpose in showcasing property. Creating an online web series might be beneficial for broader marketing strategies or brand awareness, but it does not provide the same direct visibility of a specific property at the moment. Conducting surveys is primarily a research tool and does not showcase property in a direct manner. Offering discounts can be part of a promotional strategy, but it does not directly display or highlight the property itself, which is the primary goal of a showcasing effort.

5. Which of the following is a characteristic of primary insurance?

- A. It pays after other policies have been exhausted**
- B. It provides coverage for specific high-value items**
- C. It is the first to respond when a claim is presented**
- D. It is typically less expensive than excess insurance**

Primary insurance is characterized by being the first line of defense in the event of a loss, meaning it is the first to respond when a claim is made. This type of insurance takes immediate responsibility for covering the claim up to the limits of the policy. The nature of primary insurance ensures that it is designed to provide immediate financial protection and support when an insured event occurs, which is essential for both policyholders and insurers in managing risk and claims effectively. While options addressing payment sequences, coverage specifics, or costs of insurance provide interesting contexts, they do not define primary insurance in the same way that its role in responding to claims does. Thus, understanding that primary insurance immediately reacts to claims is key to recognizing its fundamental function in risk management.

6. In analyzing a company, what does the 'W' in SWOT stand for?

- A. Wealth**
- B. Wisdom**
- C. Weaknesses**
- D. Workforce**

The 'W' in SWOT stands for Weaknesses. In the context of a SWOT analysis, which is a strategic planning tool used to identify the Strengths, Weaknesses, Opportunities, and Threats related to a business or project, weaknesses refer to the internal factors that may hinder the company's performance. These can include aspects such as a lack of resources, limited technological capabilities, poor management, or a weak brand reputation. Identifying weaknesses is crucial as it allows a company to understand where it may be vulnerable compared to competitors and areas where improvements are necessary. This analysis helps organizations formulate strategies to mitigate these weaknesses, improve overall business performance, and leverage their strengths and opportunities more effectively.

7. What is the primary difference between term life insurance and whole life insurance?

- A. Term life insurance has lower premiums
- B. Whole life insurance provides coverage for a specific time
- C. Term life insurance includes a cash value component
- D. Whole life insurance provides coverage for the insured's lifetime**

The primary difference between term life insurance and whole life insurance lies in the coverage duration and the nature of the policy. Whole life insurance is designed to provide coverage for the entire lifetime of the policyholder, as long as the premiums are paid. This means that as long as the insured remains compliant with their payment obligations, the policy will remain active until their death, ensuring a death benefit is paid out to the beneficiaries. On the other hand, term life insurance is intended to provide coverage for a specified period, usually ranging from one to thirty years. If the insured passes away during that term, the beneficiaries receive the death benefit; if the term expires and the insured is still living, the insurance coverage ends, and no benefit is payable. Whole life policies also accumulate a cash value over time, which can be borrowed against or withdrawn, a feature not found in term life insurance. This makes whole life insurance not only a protective measure but also part of a financial planning tool. The distinction in the policy duration and the additional features of whole life insurance clarifies why it is considered to provide coverage for the insured's lifetime.

8. What does the CAN-SPAM Act require for email advertisements?

- A. Falsification of routing information
- B. Clear notice that it's an advertisement**
- C. Inclusion of misleading subject lines
- D. Absence of an UNSUBSCRIBE option

The CAN-SPAM Act mandates that email advertisements must include a clear notice that the content is indeed an advertisement. This requirement is essential for ensuring transparency and allowing consumers to make informed choices about the communications they receive. By providing a clear indication that an email is an advertisement, recipients can better understand the nature of the message and decide whether to engage with it or ignore it. This provision helps to protect consumers from deceptive practices and promotes honesty in marketing communications. Furthermore, it establishes a standard of ethical conduct for businesses engaged in email marketing. Each advertisement must also be compliant with other rules set forth by the Act, such as providing a valid physical postal address and including an opt-out mechanism, but the primary focus remains on the necessity of clear advertising identification.

9. What is an essential step in the listing presentation process?

- A. Setting a budget for open house promotions**
- B. Reviewing the listing thoroughly**
- C. Gathering feedback from buyers**
- D. Publicly posting the listing without review**

Reviewing the listing thoroughly is an essential step in the listing presentation process because it ensures that all relevant details about the property are accurately represented and presented to potential clients. This review allows the agent to highlight the property's strengths, address any weaknesses, and prepare for any questions the client might have. It also helps in understanding the unique selling points of the property that can be emphasized during discussions with potential buyers. Thorough knowledge of the listing allows the agent to effectively communicate the value of the property and strategize on pricing, marketing, and showing procedures. Ensuring accuracy and completeness in the listing directly impacts the effectiveness of the marketing efforts that follow. Therefore, a detailed review sets a solid foundation for a successful listing presentation and the overall selling process.

10. What is one of the key responsibilities of an actuary at an insurance company?

- A. Setting marketing strategies**
- B. Analyzing statistical data to calculate premiums**
- C. Handling customer service inquiries**
- D. Managing claims processing**

One of the key responsibilities of an actuary at an insurance company is analyzing statistical data to calculate premiums. This task involves utilizing mathematical and statistical methods to assess risk and predict future events that could impact the financial outcomes for the insurance company. Actuaries review various data points—such as historical claims data, demographics, and environmental factors—to estimate the likelihood of claims occurring and the potential costs associated with those claims. This analysis is crucial as it helps set appropriate premiums that not only cover the risk but also ensure the company's profitability and reliability. In this role, actuaries apply their expertise to ensure that the premiums charged to policyholders are fair, accurate, and reflective of the underlying risks involved. This ensures that the insurance company maintains sufficient funds to pay out claims while remaining competitive in the market. Thus, the work of actuaries directly influences the financial stability of the insurance company and its ability to support its clients effectively.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://championsbrokeragesae.examzify.com>

We wish you the very best on your exam journey. You've got this!

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