

IADA Broker Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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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. 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.

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. 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!

Questions

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- 1. An asset-based loan is defined as**
 - A. A loan with a personal guarantee**
 - B. A loan secured by real estate**
 - C. A loan with no collateral**
 - D. A loan secured by collateral that can be seized**

- 2. Hull Insurance**
 - A. Covers damage to the aircraft and engines, and attached parts if stated.**
 - B. Covers only third-party liability.**
 - C. Covers only passenger injuries.**
 - D. Covers only loss of revenue.**

- 3. STCs fall under which part of the Federal Aviation Regulations?**
 - A. Part 21**
 - B. Part 39**
 - C. Part 91**
 - D. Part 43**

- 4. Part 23 Airworthiness Standards apply to which category?**
 - A. Transport Category Airplanes.**
 - B. Normal Category Airplanes.**
 - C. Experimental Category Aircraft.**
 - D. Light Sport Aircraft.**

- 5. Which Part describes regularly scheduled air carrier operations?**
 - A. Part 91**
 - B. Part 125**
 - C. Part 119**
 - D. Part 121**

- 6. CMP stands for which of the following phrases?**
- A. Configuration, Maintenance, Procedures**
 - B. Cessna Maint Program**
 - C. Centralized Maintenance Protocol**
 - D. Commercial Maintenance Plan**
- 7. Which statement best describes a desktop appraisal?**
- A. A desktop appraisal is an appraisal based on data from the internet and other sources without inspecting the property, and it does not include log review.**
 - B. A desktop appraisal involves a full physical inspection plus maintenance logs.**
 - C. A desktop appraisal is based on market surveys of similar properties only.**
 - D. A desktop appraisal is performed by the owner without external data.**
- 8. Which lease type is generally associated with providing operating services such as crew and insurance?**
- A. Dry Lease**
 - B. Operating/Wet Lease**
 - C. Finance Lease**
 - D. Synthetic Lease**
- 9. Which aircraft require type certificates to operate?**
- A. Large aircraft (except lighter-than-air) and turbojet-powered airplanes, plus other aircraft specified by the administrator**
 - B. Ultralight aircraft**
 - C. Drones**
 - D. All sport aircraft**
- 10. FAA Form 337 is used for what purpose?**
- A. Major repair and alteration form.**
 - B. Fuel tax documentation.**
 - C. Pilot medical certification.**
 - D. Aircraft purchase agreement.**

Answers

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

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Explanations

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1. An asset-based loan is defined as

- A. A loan with a personal guarantee
- B. A loan secured by real estate
- C. A loan with no collateral
- D. A loan secured by collateral that can be seized**

Asset-based lending is defined by securing the loan with assets that can be seized if the borrower defaults. The lender takes a lien on collateral—such as accounts receivable, inventory, equipment, or other movable assets—and the loan amount is tied to the value of those assets. This setup means the lender has a claim on specific assets to recover the debt, rather than relying solely on the borrower's promise to pay or on real estate alone. A loan with a personal guarantee relies on the borrower's or guarantor's promise to pay, not on seized assets, so it isn't asset-based. A loan secured by real estate is secured, but asset-based lending often involves a broader set of assets beyond real property. A loan with no collateral is unsecured, which again is not asset-based.

2. Hull Insurance

- A. Covers damage to the aircraft and engines, and attached parts if stated.**
- B. Covers only third-party liability.
- C. Covers only passenger injuries.
- D. Covers only loss of revenue.

Hull insurance covers the physical damage to the aircraft itself—the airframe, engines, and any attached components that the policy schedule lists. It pays for damage caused by covered perils that affects the aircraft, as long as the loss is to the insured aircraft and parts described in the policy. This is separate from third-party liability, which covers injuries or property damage to others, and from coverages for passenger injuries or for loss of revenue, which relate to people and business interruption rather than the aircraft itself. So the statement that hull insurance covers damage to the aircraft and engines, and attached parts if stated, best reflects what this type of coverage does.

3. STCs fall under which part of the Federal Aviation Regulations?

- A. Part 21**
- B. Part 39
- C. Part 91
- D. Part 43

Supplemental Type Certificates are part of the FAA's certification framework for products and parts. The rules that govern how modifications to an aircraft are approved—and how an STC itself is issued—are found in Part 21. This section covers certification procedures for products and parts, including type certificates, supplemental type certificates, and related approvals. The other parts address different topics: Part 39 deals with Airworthiness Directives, Part 91 covers general operating rules, and Part 43 governs maintenance and alterations. So STCs fit under Part 21.

4. Part 23 Airworthiness Standards apply to which category?

- A. Transport Category Airplanes.
- B. Normal Category Airplanes.**
- C. Experimental Category Aircraft.
- D. Light Sport Aircraft.

Part 23 provides the airworthiness standards for smaller airplanes, covering the normal category (and also including utility and acrobatic subcategories, with commuter variants in the mix). Among the options, normal category airplanes are the ones directly tied to Part 23 because this part is the certification framework used for those general aviation airplanes. The other categories are governed by different parts or frameworks: transport category airplanes fall under Part 25, light sport aircraft follow a separate light-sport framework with its own standards, and experimental category aircraft use its own set of rules for experimental airworthiness. So the best-fit answer is normal category airplanes.

5. Which Part describes regularly scheduled air carrier operations?

- A. Part 91
- B. Part 125
- C. Part 119
- D. Part 121**

Regularly scheduled air carrier operations are described by Part 121. This part covers airlines that operate on published schedules and common-carrier routes, including domestic and international flights with larger aircraft. It sets the rules for certification, operating procedures, flight crew qualifications, maintenance programs, dispatch, and recordkeeping for scheduled services, providing the framework that ensures safety and consistency across high-volume airline operations. In contrast, Part 91 covers general operating rules for individuals and noncommercial flight; Part 119 deals with certification and oversight of air carriers; and Part 125 governs certain large-aircraft operations that are not necessarily conducted on a published schedule. So the description of regularly scheduled air carrier operations fits Part 121.

6. CMP stands for which of the following phrases?

- A. Configuration, Maintenance, Procedures**
- B. Cessna Maint Program
- C. Centralized Maintenance Protocol
- D. Commercial Maintenance Plan

The main idea here is that CMP is used to summarize three essential parts of managing a system: how it is configured, how it is maintained, and the procedures followed for any work. Configuration covers the exact setup, versions, options, and parameters that define how the system should be built. Maintenance includes the ongoing care, updates, diagnostics, and repairs that keep it functioning over time. Procedures are the documented steps for performing changes and upkeep, ensuring work is done consistently and safely. This phrase best matches CMP because it explicitly stacks those three elements together as the scope of how a system is prepared, kept up, and operated. The other options refer to a specific manufacturer, a generic protocol, or a broad plan, none of which line up with the established three-part meaning of CMP.

7. Which statement best describes a desktop appraisal?

- A. A desktop appraisal is an appraisal based on data from the internet and other sources without inspecting the property, and it does not include log review.**
- B. A desktop appraisal involves a full physical inspection plus maintenance logs.**
- C. A desktop appraisal is based on market surveys of similar properties only.**
- D. A desktop appraisal is performed by the owner without external data.**

A desktop appraisal is a remote appraisal method that relies on data gathered from the internet and other sources rather than an on-site property visit. Because there is no physical inspection, the appraiser does not review the property's maintenance logs as part of the process. Instead, they compile information from public records, MLS data, recent sales of comparable properties, tax assessments, and other remote data sources to form a value estimate. This approach is faster and less costly than a full appraisal, since it doesn't involve traveling to the property or inspecting its condition firsthand. The other options describe scenarios that involve a physical inspection or rely on data sources in a way that isn't consistent with the desktop method.

8. Which lease type is generally associated with providing operating services such as crew and insurance?

- A. Dry Lease**
- B. Operating/Wet Lease**
- C. Finance Lease**
- D. Synthetic Lease**

In aviation leases, the presence of operating services like crew and insurance points to a wet lease. In this arrangement the lessor provides not only the aircraft but also the flight crew, maintenance, and insurance, allowing the lessee to operate immediately without arranging these services themselves. This is helpful for quick capacity adjustments, seasonal spikes, or testing routes. A dry lease, by contrast, covers only the aircraft; the lessee supplies the crew, maintenance, and insurance. A finance lease is focused on financing the asset with longer-term rights and obligations, not on delivering ongoing operating services. A synthetic lease is a financing arrangement designed for off-balance-sheet treatment and also doesn't center on providing such services.

9. Which aircraft require type certificates to operate?

- A. Large aircraft (except lighter-than-air) and turbojet-powered airplanes, plus other aircraft specified by the administrator**
- B. Ultralight aircraft**
- C. Drones**
- D. All sport aircraft**

A type certificate is the official approval for a specific aircraft design to meet safety standards and be produced and operated. Only certain designs must have this certificate before they can fly. Large airplanes and turbojet-powered airplanes fall into this category, and the administrator may designate other aircraft that also require a type certificate. Ultralight aircraft don't need a type certificate; they operate under Part 103 with no airworthiness certificate. Drones (unmanned aircraft) generally don't require a type certificate either, though they must meet other rules like registration and remote-pilot requirements. Sport (Light-Sport) aircraft aren't certified with a traditional type certificate; they use the Light-Sport certification framework instead.

10. FAA Form 337 is used for what purpose?

- A. Major repair and alteration form.**
- B. Fuel tax documentation.**
- C. Pilot medical certification.**
- D. Aircraft purchase agreement.**

Form 337 is the official record used when performing major repairs or alterations on a certificated aircraft and when FAA approval is needed for those changes. It documents exactly what was done, the parts and engineering data used, and the FAA's approval to authorize the work. Once approved, this form becomes part of the aircraft's permanent maintenance records and demonstrates compliance with airworthiness standards. Routine maintenance and minor repairs don't require this form, they go in the regular maintenance log. The other options refer to fuel taxes, pilot medicals, or a purchase agreement, which are different processes entirely.

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://iadabroker.examzify.com>

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

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