

Mississippi Insurance Adjuster Practice Test (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. What does Business auto Symbol (7) denote?**
 - A. Only automobiles specifically described in declarations page**
 - B. All vehicles owned by the business**
 - C. Vehicles used for personal use**
 - D. Rental vehicles**

- 2. What happens to policy limits when driving out of state?**
 - A. Limits remain unchanged regardless of state**
 - B. Insurance company reduces the coverage**
 - C. Policy limits increase to meet state-required limits if necessary**
 - D. Only collision coverage is adjusted**

- 3. Which Federal Act regulates insurance practices related to the Interstate Commerce?**
 - A. The Affordable Care Act**
 - B. The Gramm-Leach-Bliley Act**
 - C. The McCarran-Ferguson Act**
 - D. The Health Insurance Portability and Accountability Act**

- 4. If someone is looking for basic homeowner insurance covering minimal risks, which form should they consider?**
 - A. HO-5**
 - B. HO-6**
 - C. HO-4**
 - D. HO-8**

- 5. Under Home Owner Coverage C, which type of theft is generally not covered?**
 - A. Theft from a dwelling**
 - B. Theft from a building under construction**
 - C. Loss of tools from a garage**
 - D. Theft during a natural disaster**

- 6. How long does an insurance adjuster have to finalize a claim in Mississippi?**
- A. 15 days**
 - B. 30 days**
 - C. 60 days**
 - D. 90 days**
- 7. What is a common cause of loss in homeowners insurance that adjusters assess?**
- A. Vandalism**
 - B. Theft**
 - C. Fire damage**
 - D. Flooding**
- 8. What is the significance of the Fair Claims Settlement Practices Act?**
- A. It establishes guidelines for ethical claims handling**
 - B. It allows insurers to deny claims more easily**
 - C. It provides a framework for assessing damages**
 - D. It regulates the pricing of insurance premiums**
- 9. What is the primary focus of an insurance adjuster?**
- A. Underwriting policies for new applicants**
 - B. Assessing and evaluating insurance claims**
 - C. Marketing insurance products to consumers**
 - D. Regulating insurance company practices**
- 10. What does DP-3 Open Perils exclude?**
- A. Personal property theft**
 - B. Burglary damages**
 - C. War and flooding**
 - D. Fire and smoke damage**

Answers

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

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Explanations

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1. What does Business auto Symbol (7) denote?

- A. Only automobiles specifically described in declarations page**
- B. All vehicles owned by the business**
- C. Vehicles used for personal use**
- D. Rental vehicles**

Business auto Symbol (7) specifically denotes "only automobiles specifically described in the declarations page." This means that it applies solely to vehicles that have been explicitly listed in the insurance policy's declarations. Such coverage is tailored to the specific vehicles that a business owns or operates, allowing the insurer to provide protection that is clear and limited to those particular units. By focusing coverage on vehicles detailed in the declarations page, the insurer can manage risk more effectively and ensure that the terms of the policy reflect the unique needs of the business. This distinction is crucial as it does not extend to all vehicles owned by the business, nor does it cover personal use vehicles or rental vehicles, which fall under different symbols or categories as defined by the insurance policy.

2. What happens to policy limits when driving out of state?

- A. Limits remain unchanged regardless of state**
- B. Insurance company reduces the coverage**
- C. Policy limits increase to meet state-required limits if necessary**
- D. Only collision coverage is adjusted**

The correct choice indicates that when a policyholder drives out of state, their policy limits may increase to meet the state-required limits if necessary. This is important because different states can have varying minimum insurance requirements. In some cases, if the driver's coverage does not meet these higher required limits, the insurance policy will automatically adjust to ensure compliance with the laws of the new state, ensuring that the policyholder remains adequately covered while driving in another jurisdiction. This automatic adjustment helps protect the policyholder from potential legal issues or financial liabilities that could arise from failing to meet local insurance mandates. The underlying principle is that insurance providers strive to maintain adequate coverage levels for their clients, regardless of where their clients may be driving, to minimize risk exposure.

3. Which Federal Act regulates insurance practices related to the Interstate Commerce?

- A. The Affordable Care Act**
- B. The Gramm-Leach-Bliley Act**
- C. The McCarran-Ferguson Act**
- D. The Health Insurance Portability and Accountability Act**

The McCarran-Ferguson Act is the correct answer because it specifically addresses the regulation of insurance practices and affirms the states' authority to regulate the insurance industry. Enacted in 1945, this act established that states have the primary responsibility for regulating insurance, acknowledging that federal legislation should not interfere with state laws unless Congress explicitly states otherwise. This is important as it allows insurance companies to operate under state regulations, even when they engage in interstate commerce. While the other acts listed focus on different aspects of health care and financial services, they do not directly relate to the regulation of insurance practices in the context of interstate commerce. For instance, the Affordable Care Act primarily deals with health care coverage and reforms, the Gramm-Leach-Bliley Act focuses on financial services and privacy, and the Health Insurance Portability and Accountability Act is centered on protecting personal health information. Therefore, the McCarran-Ferguson Act stands out as the specific legislation governing insurance practices across state lines.

4. If someone is looking for basic homeowner insurance covering minimal risks, which form should they consider?

- A. HO-5**
- B. HO-6**
- C. HO-4**
- D. HO-8**

The HO-8 policy form is specifically designed for older homes that may not meet current building codes or may have a value that does not reflect the replacement costs under standard homeowner policies. This form provides basic coverage, targeting minimal risks by offering more limited protection compared to other homeowner insurance forms. It often covers essential perils that can affect the structure and possessions, making it a suitable choice for individuals looking for a basic level of coverage without extensive additional protections or endorsements. HO-5 and HO-6, on the other hand, are more comprehensive and provide broader coverage, catering to higher risks and extended personal property protection. HO-4 is tailored for renters, covering personal property but not the dwelling itself, which is not applicable for a homeowner seeking coverage. Therefore, for someone specifically interested in minimal risks and basic coverage for their home, the HO-8 policy form fits these requirements best.

5. Under Home Owner Coverage C, which type of theft is generally not covered?

- A. Theft from a dwelling
- B. Theft from a building under construction**
- C. Loss of tools from a garage
- D. Theft during a natural disaster

Under Home Owner Coverage C, theft from a building under construction is generally not covered because standard homeowners insurance policies typically exclude theft that occurs from structures that are not completed or not considered habitable. Coverage C is primarily designed to protect personal property within a dwelling or other structures on the property, but once a building is classified as “under construction,” it falls outside the usual scope of this coverage. This exclusion helps insurers manage risk effectively, as properties under construction are more vulnerable to theft and damage. In contrast, theft from a dwelling and possible losses like tools from a garage are typically covered, as these scenarios involve completed structures where personal property is expected to be protected. While theft during a natural disaster might raise complex questions around coverage, it is often evaluated under specific provisions related to the disaster itself rather than being outright excluded based on the location's construction status.

6. How long does an insurance adjuster have to finalize a claim in Mississippi?

- A. 15 days
- B. 30 days**
- C. 60 days
- D. 90 days

In Mississippi, an insurance adjuster is required to finalize a claim within 30 days following the receipt of all necessary information. This timeframe ensures that claims are handled promptly and provides a structured timeline for both insurance companies and policyholders. A 30-day period allows the adjuster sufficient time to investigate, evaluate, and conclude the claim based on the evidence provided. Timely claim resolution is crucial for maintaining consumer trust and satisfaction, as well as complying with regulatory standards. The established duration reflects a balance between thoroughness in processing and the need for efficient customer service within the insurance industry.

7. What is a common cause of loss in homeowners insurance that adjusters assess?

- A. Vandalism**
- B. Theft**
- C. Fire damage**
- D. Flooding**

Fire damage is a common cause of loss in homeowners insurance that adjusters assess due to the inherent risk associated with fire in residential properties. Homeowners policies typically provide coverage for damages caused by fire, which can result from a variety of sources, such as cooking accidents, electrical malfunctions, or heating system failures. When an adjuster evaluates a fire-related claim, they consider the extent of the damage, the cause of the fire, and the policy terms to determine the appropriate compensation. In the context of homeowners insurance, fire damage is often significant in terms of cost and impact, making it a primary focus for both insurers and adjusters. Addressing fire risks through prevention measures, such as smoke detectors and fire extinguishers, is also encouraged to mitigate potential losses.

8. What is the significance of the Fair Claims Settlement Practices Act?

- A. It establishes guidelines for ethical claims handling**
- B. It allows insurers to deny claims more easily**
- C. It provides a framework for assessing damages**
- D. It regulates the pricing of insurance premiums**

The Fair Claims Settlement Practices Act is significant because it establishes clear guidelines for ethical claims handling by insurance companies. This act was designed to ensure that insurers treat policyholders fairly and strive for prompt and fair resolution of claims. By outlining specific practices that insurers must follow, such as timely communication and proper evaluation of claims, the act promotes a transparent process that protects the rights of policyholders. This regulatory framework encourages fairness and integrity within the insurance industry, fostering trust between insurers and insured individuals. The emphasis on ethical claims practices ensures that policyholders are treated justly and helps to minimize potential disputes.

9. What is the primary focus of an insurance adjuster?

- A. Underwriting policies for new applicants
- B. Assessing and evaluating insurance claims**
- C. Marketing insurance products to consumers
- D. Regulating insurance company practices

The primary focus of an insurance adjuster is to assess and evaluate insurance claims. This role is crucial in the insurance process, as adjusters investigate claims made by policyholders, determine the validity of these claims, and establish the extent of the insurance company's liability. They gather information, such as documentation, reports, and evidence, to ensure accurate and fair settlements. This function is essential for ensuring that claims are processed fairly and in accordance with policy terms, thereby protecting the interests of both the insurer and the insured. While underwriting policies, marketing products, and regulating practices are important aspects of the broader insurance industry, they do not directly pertain to the main responsibilities of an adjuster, which revolve around the claims handling process.

10. What does DP-3 Open Perils exclude?

- A. Personal property theft
- B. Burglary damages
- C. War and flooding**
- D. Fire and smoke damage

The DP-3 policy, which is a type of dwelling policy, primarily provides coverage on an open perils basis for the structure of the home. However, it does have certain exclusions that are important to understand. The correct choice refers to the exclusion of war and flooding. These risks are typically excluded from most insurance policies because they involve large-scale events that could lead to catastrophic financial losses, which insurers often prefer to avoid. Instead of covering these perils directly, policyholders are generally encouraged to seek separate types of coverage, such as flood insurance, to address flood risk. In contrast, personal property theft and burglary damages are generally covered under a DP-3 policy, unless any specific exclusions apply. Fire and smoke damage is also typically covered, as these are common risks that homeowners face and are generally expected to be included in dwelling coverage. Understanding these exclusions helps policyholders to identify the gaps in their coverage and make informed decisions regarding additional policies they might need.

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://msinsuranceadjuster.examzify.com>

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

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