

NEVADA CASUALTY LAW PRACTICE EXAM (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE

<https://nvcasualtylaw.examzify.com>



Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

SAMPLE

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

SAMPLE

- 1. What factors typically influence the premium cost for auto insurance?**
 - A. The age and gender of the driver
 - B. The make and model of the vehicle
 - C. The driving history of the insured
 - D. All of the above

- 2. What is described by the part of the insurance contract detailing covered perils and nature of coverage?**
 - A. Declarations page
 - B. Exclusions
 - C. Insuring agreement
 - D. Conditions

- 3. What does a "liability policy" cover?**
 - A. Coverage of personal property damage
 - B. Claims against the insured for bodily injury or property damage they cause to third parties
 - C. Protection against natural disasters
 - D. Medical expenses for the insured

- 4. What is the primary statute governing the use of insurance policies in Nevada?**
 - A. Nevada Revised Statutes (NRS) Chapter 687A
 - B. Nevada Revised Statutes (NRS) Chapter 687B
 - C. Nevada Revised Statutes (NRS) Chapter 688A
 - D. Nevada Revised Statutes (NRS) Chapter 689

- 5. What did Jim do to reduce his premium for 3-year periods?**
 - A. Completed an advanced driving course
 - B. Attended a traffic safety course
 - C. Changed his policy provider
 - D. Increased his deductible amount

6. Regarding the personal auto policy, which vehicle qualifies as a nonowned auto?

- A. An auto owned by the insured
- B. A vehicle borrowed from a friend
- C. A vehicle that is titled to another person, but is used with permission by the insured
- D. A rental car under contract with a rental agency

7. What is "negligent infliction of emotional distress"?

- A. Intentional acts causing emotional harm
- B. Emotional distress caused by a defendant's negligent actions
- C. Emotional harm resulting from contractual disputes
- D. Claims made by family members for a loved one's distress

8. What does "respondeat superior" refer to?

- A. The employer's liability for their own actions
- B. An employer's responsibility for employee actions within the course of employment
- C. A legal doctrine for individual liability
- D. Employee liability for their own negligence

9. Which of the following scenarios would likely be excluded under a homeowners policy?

- A. Damage to a personal vehicle
- B. Loss due to negligent maintenance
- C. Accidental damage from a fire
- D. Loss from theft while traveling

10. Which statement is true regarding dwelling policy coverage?

- A. Exclusions apply to all three policy forms
- B. Coverage is full replacement value for all losses
- C. Only the basic form has specific exclusions
- D. All policies cover comprehensive perils automatically

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. What factors typically influence the premium cost for auto insurance?

- A. The age and gender of the driver
- B. The make and model of the vehicle
- C. The driving history of the insured

D. All of the above

The cost of auto insurance premiums is influenced by a variety of factors, and all the mentioned elements contribute to the determination of these costs. The age and gender of the driver play a significant role in underwriting. Younger drivers, especially teenagers, are generally considered higher risk due to their lack of experience. Statistically, gender can also impact risk assessment, with young male drivers often facing higher premiums due to higher accident rates compared to their female counterparts. The make and model of the vehicle is another crucial factor. Certain cars are more expensive to insure because they may have higher repair costs, be more likely to be stolen, or score poorly on safety ratings. Insurers evaluate the potential risk associated with vehicles to adjust premiums accordingly. The driving history of the insured is also a critical component. A clean driving record with no accidents or traffic violations can lead to lower premiums, whereas a history of accidents or moving violations indicates higher risk, thus resulting in higher costs. Considering all these aspects, it becomes clear that the totality of the factors mentioned influences the overall premium cost for auto insurance. Therefore, the comprehensive choice that encompasses all these elements is the correct answer.

2. What is described by the part of the insurance contract detailing covered perils and nature of coverage?

- A. Declarations page
- B. Exclusions
- C. Insuring agreement**
- D. Conditions

The insuring agreement is a crucial component of an insurance contract that outlines the specific coverage provided by the policy. It explicitly details the perils that are covered, which are the risks, events, or circumstances under which the insurer will provide financial protection for the insured. This section also describes the nature of the coverage, indicating what is included in the policy and the limits of that coverage. By defining the covered perils, the insuring agreement sets the foundation for the terms of the insurance relationship and clarifies the responsibilities of both the insurer and the insured. For example, in a property insurance policy, the insuring agreement would outline whether coverage is provided for events such as fire, theft, or vandalism. This clarity is essential for policyholders to understand the extent of their protection, which ultimately aids in their risk management and planning. The other elements of the insurance contract serve different purposes, such as specifying exclusions, stating conditions that must be met for coverage to apply, or providing declarations of the policyholder's information; however, it is the insuring agreement that primarily outlines what is covered.

3. What does a "liability policy" cover?

- A. Coverage of personal property damage
- B. Claims against the insured for bodily injury or property damage they cause to third parties**
- C. Protection against natural disasters
- D. Medical expenses for the insured

A liability policy primarily provides coverage for claims against the insured for bodily injury or property damage they cause to third parties. This means that if an insured person causes an accident that results in injury to another person or damage to someone else's property, the liability policy will cover the associated legal costs and any resulting settlements or judgments up to the limits of the policy. This type of coverage is essential for protecting individuals and businesses from the financial consequences of lawsuits and claims that may arise from their actions or negligence. It addresses the responsibility of the insured for damages claimed by others, which is a fundamental aspect of liability insurance. Other options do not accurately represent the scope of a liability policy. Coverage of personal property damage typically refers to property insurance rather than liability coverage. Protection against natural disasters usually falls under specific types of property insurance like homeowners or renters insurance, not liability insurance. Medical expenses for the insured are generally covered by health insurance or personal injury protection, not a liability policy, which focuses on the insured's responsibility to others.

4. What is the primary statute governing the use of insurance policies in Nevada?

- A. Nevada Revised Statutes (NRS) Chapter 687A
- B. Nevada Revised Statutes (NRS) Chapter 687B**
- C. Nevada Revised Statutes (NRS) Chapter 688A
- D. Nevada Revised Statutes (NRS) Chapter 689

The primary statute governing the use of insurance policies in Nevada is found in Nevada Revised Statutes (NRS) Chapter 687B. This chapter addresses various aspects of insurance policies, including definitions, requirements for policy forms, and standards for conduct both for insurers and policyholders. It serves as a foundational framework for understanding how insurance operates within the state, covering essential rules that must be adhered to during the issuance and management of insurance policies. This chapter is vital for practitioners as it outlines the obligations insurance companies have towards their policyholders and the rights of policyholders under Nevada law. Understanding the regulations established in this chapter is crucial for anyone involved in insurance law in Nevada, as they set the direction for compliance and legal standards in the insurance industry. In contrast, other chapters listed focus on different areas of insurance or other related regulations, but do not encompass the primary rules and governing statutes pertinent to insurance policies themselves.

5. What did Jim do to reduce his premium for 3-year periods?

- A. Completed an advanced driving course
- B. Attended a traffic safety course**
- C. Changed his policy provider
- D. Increased his deductible amount

Attending a traffic safety course is an effective way for Jim to potentially reduce his insurance premiums over a three-year period. Many insurance companies offer discounts to policyholders who complete these types of courses, as they demonstrate a commitment to safe driving practices and an understanding of traffic laws. Such courses often educate drivers on defensive driving techniques, accident avoidance, and how to respond in emergencies, all of which contribute to lowering the risk profile from the insurer's perspective. While completing an advanced driving course can also lead to discounts, it is typically more specialized and may not universally apply to all insurance providers. Changing his policy provider might offer better rates but does not directly address reducing premiums through safe driving practices. Increasing the deductible amount could lower premiums but involves taking on greater financial risk in the event of a claim, which is a different approach to managing costs. Thus, attending a traffic safety course stands out as a proactive measure that can lead to premium reductions specifically tied to safe driving qualifications.

6. Regarding the personal auto policy, which vehicle qualifies as a nonowned auto?

- A. An auto owned by the insured
- B. A vehicle borrowed from a friend
- C. A vehicle that is titled to another person, but is used with permission by the insured**
- D. A rental car under contract with a rental agency

A nonowned auto is defined as a vehicle that the insured does not own but operates with permission. In this context, a vehicle that is titled to another person and is used with their consent qualifies as a nonowned auto. This means that if the insured has been given permission by the titled owner to use the vehicle, it falls under this category. The concept of nonowned autos is important within a personal auto policy because it provides coverage for vehicles that the insured does not personally own. This is especially relevant for occasions when individuals borrow cars or use vehicles that are not in their name, ensuring they remain covered while driving those vehicles. The other options do not fit the definition of nonowned autos. An auto owned by the insured is not considered nonowned because it is directly owned by the insured, thus not fulfilling the criteria of being "nonowned." A rented vehicle, while technically not owned by the insured either, is covered differently under most personal auto policies and typically falls under a specific category dedicated to rental vehicles, not as nonowned. While borrowing from a friend typically fits the nonowned definition, the emphasis on permission provided in the context of the query points more specifically to the case where the vehicle is owned by another individual but used with their knowledge.

7. What is "negligent infliction of emotional distress"?

- A. Intentional acts causing emotional harm
- B. Emotional distress caused by a defendant's negligent actions**
- C. Emotional harm resulting from contractual disputes
- D. Claims made by family members for a loved one's distress

Negligent infliction of emotional distress refers to the concept where a person suffers emotional harm due to the negligent actions of another, without the need for a direct physical injury. This means that the defendant did not intend to cause emotional distress, but their careless actions led to a situation where the plaintiff experienced significant emotional suffering. In this context, the key elements include the defendant's negligence and the resulting emotional distress experienced by the plaintiff. This legal concept is grounded in the understanding that while emotional suffering can be profound, it may arise from situations where there is no direct physical interaction or injury occurring. This distinguishes it from other types of claims that may involve intentional acts or different legal theories altogether. Other options portray different legal concepts or limitations related to emotional distress. For instance, intentional acts that cause emotional harm are categorized under intentional infliction of emotional distress rather than negligent actions. Emotional harm stemming from contractual disputes does not typically fit within the framework of tort law concerning emotional distress, as it relates more to breach of contract claims. Claims made by family members for a loved one's distress usually pertain to bystander claims, which have their own distinct legal standards separate from the negligent infliction of emotional distress applicable to the primary victim. Therefore, B accurately captures the

8. What does "respondeat superior" refer to?

- A. The employer's liability for their own actions
- B. An employer's responsibility for employee actions within the course of employment**
- C. A legal doctrine for individual liability
- D. Employee liability for their own negligence

"Respondeat superior" is a legal doctrine that holds an employer liable for the actions of employees conducted within the course of their employment. This principle is rooted in the idea that employers should bear the responsibility for the activities of their employees that are related to their job duties. When an employee commits a wrongful act while performing their work-related tasks, the employer can be held accountable for that act, provided it occurred within the scope of employment. This doctrine is particularly significant because it allows injured parties to seek damages from the employer rather than only the individual employee, who may not have sufficient resources to cover the damages. The key component is the employment relationship and the notion that the employer benefits from the employee's actions, thus should also bear the risk associated with those actions. The other options do not accurately capture the essence of this legal principle. The focus in this context is on the employer's liability associated with employee actions, rather than individual or separate liabilities of the employer or employee outside this relationship.

9. Which of the following scenarios would likely be excluded under a homeowners policy?

- A. Damage to a personal vehicle
- B. Loss due to negligent maintenance**
- C. Accidental damage from a fire
- D. Loss from theft while traveling

In the context of a homeowners insurance policy, homeowners typically cover various risks to the dwelling and personal property within it, but there are specific exclusions. Negligent maintenance refers to damages incurred due to a homeowner's failure to properly care for their property, such as not fixing leaks or allowing rot to develop. Homeowners policies often exclude losses that arise from neglect or failure to maintain the property. This emphasizes the expectation that homeowners will actively manage maintenance to prevent damages, meaning that if the damage is directly linked to negligence, it would likely not be covered. In contrast, damage to a personal vehicle is usually covered under an auto insurance policy rather than a homeowners policy. Accidental damage from a fire is generally covered by homeowners insurance, as it falls under the perils typically included in such policies. Similarly, loss from theft while traveling is also often covered to some degree under homeowners policies, particularly if the items taken are personal property.

10. Which statement is true regarding dwelling policy coverage?

- A. Exclusions apply to all three policy forms**
- B. Coverage is full replacement value for all losses
- C. Only the basic form has specific exclusions
- D. All policies cover comprehensive perils automatically

The statement that exclusions apply to all three policy forms of a dwelling policy is correct. In Nevada, as well as in other jurisdictions, dwelling policies come in three distinct forms: the basic form, the broad form, and the special form. Each of these forms contains specific exclusions that outline what is not covered under the policy. For instance, common exclusions might include damage from certain natural disasters, wear and tear, and acts of war. Because all forms have these exclusions, the statement reflects the inherent structure of dwelling policies effectively. The other statements present misunderstandings about the nature of dwelling policies. Full replacement value for all losses does not apply across the board, as different forms may have varying levels of coverage and limitations. The assertion that only the basic form has specific exclusions is inaccurate, as the broad and special forms also have their own exclusions. Finally, the notion that all policies cover comprehensive perils automatically is misleading, since coverage for comprehensive perils is typically not included in basic or broad forms without further endorsements or options, and such coverage is not a standard feature of dwelling policies.

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://nvcasualtylaw.examzify.com>

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

SAMPLE