

NEW YORK INDEPENDENT ADJUSTER, MOTOR VEHICLE NO-FAULT AND WORKERS' COMPENSATION HEALTH SERVICES ADJUSTER (SERIES 17-72) PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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THE FULL VERSION STUDY GUIDE

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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. Which of the following resins is commonly used to replace heavier metals when manufacturing or repairing automobile parts?**
 - A. Polypropylene
 - B. Polyvinyl Chloride (PVC)
 - C. High Density Polyethylenes (HDPEs)
 - D. Polystyrene

- 2. What is the primary purpose of the Property Damage Liability coverage?**
 - A. To cover medical payments for injuries to the driver.
 - B. To cover expenses incurred due to damage to another person's property.
 - C. To provide rental reimbursement for the insured.
 - D. To cover lost wages resulting from an accident.

- 3. What is the maximum time an adjuster may be imprisoned for an act of insurance fraud that does not affect the financial stability of the company?**
 - A. 5 years
 - B. 7 years
 - C. 10 years
 - D. 15 years

- 4. When is comparative negligence applied in auto insurance claims?**
 - A. When both parties are found at fault
 - B. When damages exceed policy limits
 - C. When there is insufficient evidence
 - D. When the policyholder admits fault

- 5. Which circumstance will typically NOT result in coverage under a standard Workers' Compensation policy?**
 - A. Injuries sustained on the job
 - B. Illness due to workplace conditions
 - C. Injuries occurring during lunch breaks
 - D. Injuries due to horseplay at work

- 6. Which Act was established to protect individuals from abuses of information in their credit files?**
- A. The Fair Credit Reporting Act
 - B. The Consumer Protection Act
 - C. The Credit Control Act
 - D. The Privacy Protection Act
- 7. What is the primary function of the Foreign Coverage Endorsement?**
- A. To extend medical benefits when overseas
 - B. To provide coverage for property damage abroad
 - C. To protect against workers' compensation claims while overseas
 - D. To increase liability coverage for international shipments
- 8. How does an insured's personal auto policy apply when renting a vehicle on vacation?**
- A. The insured's policy provides primary coverage
 - B. The rental company's insurance provides primary coverage
 - C. The insured's PAP provides excess liability coverage
 - D. The insured has no coverage while renting
- 9. In New York, what is the maximum fine for violating a cease and desist order from the Superintendent?**
- A. \$1,000
 - B. \$2,500
 - C. \$5,000
 - D. \$10,000
- 10. Which loss would typically be excluded from an auto dealer's garage policy?**
- A. Fire damage to the premises
 - B. Damage to a customer's vehicle
 - C. Collision with another vehicle
 - D. Theft of inventory

Answers

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

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Explanations

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1. Which of the following resins is commonly used to replace heavier metals when manufacturing or repairing automobile parts?

- A. Polypropylene
- B. Polyvinyl Chloride (PVC)
- C. High Density Polyethylenes (HDPEs)**
- D. Polystyrene

High Density Polyethylenes (HDPEs) are commonly used to replace heavier metals in the manufacturing or repairing of automobile parts due to their advantageous properties. HDPEs are lightweight yet strong, making them ideal candidates for applications where reducing weight is crucial without sacrificing performance or structural integrity. In the automotive industry, reducing the weight of parts can lead to improved fuel efficiency and overall performance, as lighter vehicles require less energy to operate. HDPEs also exhibit excellent resistance to impact and stress, making them suitable for parts that need to withstand harsh conditions. While polypropylene, polyvinyl chloride, and polystyrene are versatile materials used in various applications, they do not possess the same strength-to-weight ratio or the specific attributes that make HDPEs particularly effective as substitutes for heavier metals in automotive applications. For example, polypropylene is often used for its flexibility and chemical resistance rather than its mechanical properties, while PVC is primarily employed in areas requiring rigid formulations. Polystyrene, although easy to process and lightweight, does not provide the mechanical strength that HDPEs offer, which is critical in automotive applications.

2. What is the primary purpose of the Property Damage Liability coverage?

- A. To cover medical payments for injuries to the driver.
- B. To cover expenses incurred due to damage to another person's property.**
- C. To provide rental reimbursement for the insured.
- D. To cover lost wages resulting from an accident.

The primary purpose of Property Damage Liability coverage is to cover expenses incurred due to damage to another person's property. This type of insurance is critical because, in the event of an accident where the insured is at fault, it protects the insured from the financial burden of compensating the other party for repairs or replacements needed for their damaged property. This coverage is essential as it ensures that the responsible party can fulfill their financial obligations without incurring significant personal costs, thereby promoting accountability and support for those who suffer property loss or damage due to someone else's actions. Other options do not align with the core function of Property Damage Liability. For example, coverage for medical payments relates specifically to injuries sustained by drivers or passengers rather than property damage. Similarly, rental reimbursement primarily addresses the costs related to renting a vehicle after an accident, while lost wages pertain to the financial impact of personal injuries rather than property damage.

3. What is the maximum time an adjuster may be imprisoned for an act of insurance fraud that does not affect the financial stability of the company?

- A. 5 years
- B. 7 years
- C. 10 years**
- D. 15 years

The maximum time an adjuster may be imprisoned for an act of insurance fraud that does not affect the financial stability of the company is indeed 10 years. This aligns with New York law, which classifies insurance fraud as a serious crime, but allows for different sentencing based on the specific circumstances of the offense. In cases of fraud that do not significantly undermine the financial stability of an insurance company, the legal system recognizes the need for a proportionate response. While the penalties for various crimes can vary widely, 10 years is established as a potential maximum for acts of insurance fraud that, while illegal, are not as severe as those that might have more extensive financial repercussions. The distinctions among the other timeframes reflect different classifications of crimes or particular circumstances that would warrant longer sentences, which are not applicable in this situation where the company's financial health remains intact. Therefore, 10 years correctly represents the upper limit of imprisonment in cases that fall under this specific category of insurance fraud.

4. When is comparative negligence applied in auto insurance claims?

- A. When both parties are found at fault**
- B. When damages exceed policy limits
- C. When there is insufficient evidence
- D. When the policyholder admits fault

Comparative negligence is applied in auto insurance claims when both parties involved in the accident are found to share some degree of fault. This legal principle allows for the allocation of liability based on the percentage of fault attributed to each party. For instance, if one driver is found to be 70% at fault for an accident and the other driver is 30% at fault, damages awarded to the injured party would be reduced by their own percentage of fault. This ensures a fairer assessment of damages, as it recognizes that multiple factors can contribute to an accident. The other options do not align with the application of comparative negligence. Damages exceeding policy limits pertains to coverage issues rather than liability assessment. Insufficient evidence pertains to the ability to prove fault but does not directly relate to the concept of comparative negligence. Lastly, while a policyholder admitting fault can influence claims, comparative negligence is specifically concerned with the apportionment of liability when both parties are involved in the incident, not solely based on admissions of fault.

5. Which circumstance will typically NOT result in coverage under a standard Workers' Compensation policy?

- A. Injuries sustained on the job
- B. Illness due to workplace conditions
- C. Injuries occurring during lunch breaks
- D. Injuries due to horseplay at work**

In the context of a standard Workers' Compensation policy, injuries sustained during horseplay at work are generally not covered. This is because Workers' Compensation is designed to cover injuries that arise out of and in the course of employment, which excludes injuries that occur due to reckless behavior, such as horseplay. The purpose of the policy is to protect employees in situations that are directly related to their work duties; however, engaging in horseplay is considered a deviation from an employee's work responsibilities. In contrast, injuries sustained on the job, illnesses due to workplace conditions, and injuries occurring during lunch breaks may fall within the scope of coverage depending on specific situations and state laws. For example, an injury occurring during a lunch break can be covered if it happens on the employer's premises or is part of an employee's work duties. Similarly, illness due to workplace conditions is recognized as a valid claim under Workers' Compensation, as it is directly related to the employee's work environment.

6. Which Act was established to protect individuals from abuses of information in their credit files?

- A. The Fair Credit Reporting Act**
- B. The Consumer Protection Act
- C. The Credit Control Act
- D. The Privacy Protection Act

The Fair Credit Reporting Act is designed to safeguard consumers by regulating the collection, dissemination, and use of consumer credit information. It aims to ensure that individuals can access their credit reports, dispute inaccuracies, and protect against identity theft, thereby granting them the right to know what information is being reported about them. This legislation establishes guidelines for the fair and equitable treatment of consumers in relation to credit reporting agencies, thereby addressing potential abuses and ensuring the integrity of credit reporting processes. As a result, this act plays a crucial role in helping individuals maintain control over their financial information and promotes transparency in how their credit data is managed.

7. What is the primary function of the Foreign Coverage Endorsement?

- A. To extend medical benefits when overseas
- B. To provide coverage for property damage abroad
- C. To protect against workers' compensation claims while overseas**
- D. To increase liability coverage for international shipments

The primary function of the Foreign Coverage Endorsement is to protect against workers' compensation claims while overseas. This endorsement is specifically designed to ensure that employees who are sent to work in foreign countries are covered in the event of a work-related injury or illness that occurs during their international assignment. It addresses the unique risk exposure that arises when employees are working outside the jurisdiction of their home country, providing necessary coverage that aligns with local laws and regulations. This endorsement is crucial for companies with international operations, as it helps mitigate the risk of potential financial liabilities associated with workers' compensation claims in foreign settings, ensuring that employees have access to medical care and benefits similar to what they would receive domestically. Other options, while they may relate to policy coverage considerations, do not accurately reflect the primary purpose of the Foreign Coverage Endorsement. For instance, extending medical benefits when overseas is a common concern but does not capture the focus on workers' compensation specifically. Similarly, coverage for property damage abroad or liability coverage for international shipments pertains to different aspects of insurance altogether and do not align with the core function of this endorsement.

8. How does an insured's personal auto policy apply when renting a vehicle on vacation?

- A. The insured's policy provides primary coverage
- B. The rental company's insurance provides primary coverage
- C. The insured's PAP provides excess liability coverage**
- D. The insured has no coverage while renting

When an insured rents a vehicle on vacation, their personal auto policy (PAP) can provide coverage, but understanding the nuances is key. The insured's PAP typically extends to rental vehicles, providing liability coverage. However, it often functions as excess coverage. This means that if the rental vehicle is involved in an accident, the rental company's insurance would typically serve as primary coverage, and the insured's PAP would only kick in to cover additional losses after the primary coverage limits are exhausted. Choosing the option that states the insured's PAP provides excess liability coverage accurately reflects this dynamic. It highlights that while the insured does have coverage, it operates in a secondary role relative to the rental agency's primary insurance. This understanding helps clarify the insured's responsibilities and the interplay of insurance policies in rental situations.

9. In New York, what is the maximum fine for violating a cease and desist order from the Superintendent?

- A. \$1,000
- B. \$2,500
- C. \$5,000**
- D. \$10,000

In New York, the maximum fine for violating a cease and desist order from the Superintendent is indeed \$5,000. This fine is stipulated in the regulations governing the conduct of those regulated within the state, ensuring that individuals and entities follow lawful orders issued by the Superintendent. The purpose of such fines is to deter non-compliance and uphold the integrity of regulatory practices in the insurance and financial sectors. The other amounts listed do not reflect the correct statute, as they are either too low or not aligned with the specific violations governing cease and desist orders. Understanding the implications of such regulatory measures is crucial for adjusters and other professionals in the field, as it underlines the importance of adhering to administrative directives in their practice.

10. Which loss would typically be excluded from an auto dealer's garage policy?

- A. Fire damage to the premises
- B. Damage to a customer's vehicle
- C. Collision with another vehicle**
- D. Theft of inventory

The correct choice reflects a situation that typically falls outside the coverage provided by an auto dealer's garage policy. Specifically, collision with another vehicle is generally considered a liability issue and is not covered under the comprehensive part of a garage policy, which is designed to cover property-related risks. Collision is typically addressed through the vehicle owner's own automobile insurance policy, which would cover damage resulting from an accident, including collisions with other vehicles. In the context of an auto dealer's garage policy, coverage generally includes risks associated with property, such as damage to customer vehicles while in the dealer's possession or during test drives, theft of inventory, and property damage to the premises from fire. Each of these scenarios aligns with the core purpose of the garage policy, which is to protect the dealer's tangible assets and responsibilities toward customer vehicles.

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://nyseries1772.examzify.com>

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

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