

NEW YORK INDEPENDENT GENERAL ADJUSTER PRACTICE EXAM (SAMPLE) STUDY GUIDE



Prepare with structure. Pass with confidence



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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. In the case of the escaped lion injuring a patron, which doctrine could the injured patron's lawyer invoke?**
 - A. Contributory negligence
 - B. Res Ipsa Loquitur
 - C. Comparative negligence
 - D. Assumption of Risk
- 2. Which of the following provisions in Ocean Marine insurance requires the insured party to minimize further losses after a covered peril?**
 - A. General Average
 - B. Sue and Labor
 - C. Particular Average
 - D. Loss of Vessel
- 3. What actions can adjusters take to stay updated on best practices in the industry?**
 - A. Ignore changes and rely on past experiences
 - B. Participate in training, workshops, and read publications
 - C. Follow social media trends related to insurance
 - D. Limit knowledge to company-specific training
- 4. How can catastrophes influence the resources of insurance companies?**
 - A. They often lead to resource availability
 - B. They can lead to resource strain
 - C. They promote additional hiring for adjusters
 - D. They reduce workloads for claims adjusters
- 5. What is a typical requirement for Company G to qualify for a Business Owners Policy?**
 - A. 25% of sales must be from retail operations.
 - B. Revenue must be less than \$1,000,000 per year.
 - C. Revenue must be at least \$1,000,000 per year.
 - D. 25% or less of its floor space must be open to the public.

- 6. Which skill is essential for a successful general adjuster?**
- A. Public speaking
 - B. Strong analytical skills
 - C. Technical programming
 - D. Graphic design
- 7. What is the primary purpose of a fiduciary bond?**
- A. To guarantee the performance of contracts.
 - B. To cover losses from theft by employees.
 - C. To ensure the faithful performance of financial duties.
 - D. To provide coverage against business income loss.
- 8. What is the primary role of an Independent General Adjuster in the insurance industry?**
- A. To investigate potential insurance fraud
 - B. To evaluate, investigate, and negotiate insurance claims on behalf of insurance companies
 - C. To serve as a permanent employee of an insurance company
 - D. To provide legal counsel to claimants
- 9. Which principle is essential for maintaining trust in the claims process?**
- A. Transparency in claim handling
 - B. Speed in processing claims
 - C. Confidentiality of all information
 - D. Limiting communication with claimants
- 10. If a windstorm causes damage on a property covered by a DP-2 form, what is covered among downed fencing and water-damaged furniture?**
- A. Only the downed fencing is covered.
 - B. Both the fencing and the furniture are covered.
 - C. The tree is the only item covered.
 - D. Neither the fencing nor the furniture is covered.

Answers

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

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Explanations

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1. In the case of the escaped lion injuring a patron, which doctrine could the injured patron's lawyer invoke?

- A. Contributory negligence
- B. Res Ipsa Loquitur**
- C. Comparative negligence
- D. Assumption of Risk

The doctrine of Res Ipsa Loquitur can be invoked by the injured patron's lawyer because this legal concept allows a plaintiff to establish negligence based on the mere occurrence of an injury under circumstances that typically do not happen without negligence. In this scenario, the injury was caused by an escaped lion, which is an unusual and extraordinary event. It implies that the incident would not have occurred if the defendant (in this case, the zoo or establishment holding the lion) had exercised the appropriate level of care. The essence of Res Ipsa Loquitur lies in the fact that the specifics of how the lion escaped may be hard to prove, but the very fact that the lion escaped and caused injury suggests negligence on the part of the party responsible for its containment and safety. The law assumes that the kind of incident that happened would not have happened in the absence of negligence and allows the jury to infer liability based on the circumstances surrounding the event. This doctrine is especially useful in situations where the injured party may not have direct evidence of negligence, but the nature and context of the event point strongly toward a lack of care on the part of the defendant. In contrast, contributory negligence, comparative negligence, and assumption of risk involve different principles relating to the injured

2. Which of the following provisions in Ocean Marine insurance requires the insured party to minimize further losses after a covered peril?

- A. General Average
- B. Sue and Labor**
- C. Particular Average
- D. Loss of Vessel

The sue and labor provision in Ocean Marine insurance is crucial because it mandates that the insured party takes reasonable steps to minimize further losses or damages after a covered peril occurs. This requirement emphasizes the insured's responsibility to act prudently and prevent worsening of the situation. For example, if a ship is damaged, the insured party must engage in efforts such as temporary repairs or mitigation strategies to protect the property from incurring additional damage during the course of its recovery. This provision also allows the insurer to cover any reasonable costs incurred by the insured in the process of trying to minimize losses, which ultimately benefits both parties: the insured is protected from further financial loss, and the insurer may face a lower ultimate claim payout. In contrast, general average refers to a shared loss among all interested parties when cargo is jettisoned to save the vessel, while particular average pertains to losses that are allocated specifically to one party without spreading those costs among others. Loss of vessel is a term that indicates the total loss of the insured vessel, which doesn't focus on the actions taken after a loss has occurred. These distinctions underline the specific function of the sue and labor provision in promoting proactive damage mitigation.

3. What actions can adjusters take to stay updated on best practices in the industry?

- A. Ignore changes and rely on past experiences
- B. Participate in training, workshops, and read publications**
- C. Follow social media trends related to insurance
- D. Limit knowledge to company-specific training

Participating in training, workshops, and reading publications is essential for adjusters to stay informed about the latest developments, regulations, and best practices in the insurance industry. Continuous education through formal training ensures that adjusters are equipped with current knowledge and skills that align with industry standards and legislative changes. Workshops can offer hands-on experience and the opportunity to discuss challenges and solutions with peers, fostering a collaborative learning environment. Reading industry publications keeps adjusters updated on trends, case studies, and expert opinions, which can greatly enhance their understanding and performance in the field. This holistic approach to learning and development is crucial for maintaining competence and professionalism in a constantly evolving industry.

4. How can catastrophes influence the resources of insurance companies?

- A. They often lead to resource availability
- B. They can lead to resource strain**
- C. They promote additional hiring for adjusters
- D. They reduce workloads for claims adjusters

Catastrophes can significantly impact the resources of insurance companies because they typically lead to a surge in claims that need to be processed. When a major disaster occurs—such as a hurricane, earthquake, or large-scale fire—it can generate thousands of claims in a very short time frame. This sudden influx can strain the existing resources of an insurance company, as the volume of claims exceeds the usual capacity to handle them efficiently. Adjusters, customer service representatives, and other relevant personnel may find themselves overwhelmed with the number of claims that require evaluation and processing, which can lead to delays in claim handling and potentially affect customer satisfaction. The situation underscores the importance for insurance companies to have contingency plans and scalable resources to manage such spikes in activity effectively. This dynamic is crucial for understanding how insurance companies operate during times of significant market strain and the importance of resource management in the face of catastrophes.

5. What is a typical requirement for Company G to qualify for a Business Owners Policy?

- A. 25% of sales must be from retail operations.
- B. Revenue must be less than \$1,000,000 per year.
- C. Revenue must be at least \$1,000,000 per year.
- D. 25% or less of its floor space must be open to the public.**

A Business Owners Policy (BOP) is designed specifically for small to medium-sized businesses and includes several eligibility requirements. One typical requirement is that a significant portion of the business's floor space should not be open to public access. This reflects the BOP's focus on businesses that have lower risk profiles, as those where the public has limited access tend to present fewer liability and property risks. Having 25% or less of its floor space open to the public helps to ensure that the business qualifies for a BOP because it indicates that the primary operations are conducted in a less risky environment. Businesses with higher public access typically face greater exposure to liability and loss, making them less suited for this type of insurance. This requirement aligns with the goals of the insurance provider to mitigate potential risks associated with businesses that have higher interactions with the public. In contrast, the other options may not align with BOP qualifications in the same way; for example, revenue thresholds can vary, and a requirement that mandates a specific source of sales does not typically apply to all businesses seeking a BOP.

6. Which skill is essential for a successful general adjuster?

- A. Public speaking
- B. Strong analytical skills**
- C. Technical programming
- D. Graphic design

Strong analytical skills are essential for a successful general adjuster because the primary role of an adjuster involves evaluating claims, interpreting policy language, and determining the extent of liability and damages. Analytical skills enable an adjuster to assess evidence, evaluate complex information, and make informed decisions based on facts and data. General adjusters frequently encounter diverse situations that require critical thinking and problem-solving abilities. The ability to analyze situations thoroughly helps in identifying discrepancies in claims and in creating appropriate recommendations based on the findings. Such skills are crucial when negotiating with insurers and policyholders or when dealing with legal complexities in claims. While public speaking can be beneficial when communicating findings, it does not address the core functions of claim investigation and assessment. Technical programming and graphic design are not typically relevant to the responsibilities of a general adjuster, which focus more on evaluating and processing claims rather than technical or creative skills. Hence, strong analytical skills stand out as the cornerstone for success in the adjusting profession.

7. What is the primary purpose of a fiduciary bond?

- A. To guarantee the performance of contracts.
- B. To cover losses from theft by employees.
- C. To ensure the faithful performance of financial duties.**
- D. To provide coverage against business income loss.

A fiduciary bond primarily serves the purpose of ensuring the faithful performance of financial duties by an individual in a position of trust, such as an executor of an estate, a guardian, or a trustee. This type of bond protects the interests of those who may be adversely affected by the fiduciary's actions, providing a financial guarantee that the fiduciary will carry out their responsibilities honestly and according to the law. When a fiduciary is required to post a bond, it essentially acts as a form of insurance for the beneficiaries or stakeholders involved. If the fiduciary fails to perform their duties properly, mismanages funds, or engages in fraudulent activities, the bond can be claimed against to cover losses incurred. This gives an additional layer of security to those relying on the fiduciary's management of funds or assets. In contrast, other options such as guaranteeing contract performance, covering employee theft, or providing coverage for business income loss do not encapsulate the specific role that a fiduciary bond plays in protecting against the improper execution of financial responsibilities entrusted to an individual. Thus, the focus on financial fidelity and trust is what fundamentally distinguishes the fiduciary bond's primary purpose.

8. What is the primary role of an Independent General Adjuster in the insurance industry?

- A. To investigate potential insurance fraud
- B. To evaluate, investigate, and negotiate insurance claims on behalf of insurance companies**
- C. To serve as a permanent employee of an insurance company
- D. To provide legal counsel to claimants

The primary role of an Independent General Adjuster in the insurance industry encompasses evaluating, investigating, and negotiating insurance claims on behalf of insurance companies. This position is crucial because independent adjusters are often brought in to manage claims that require a neutral third party, particularly in situations where there may be a conflict of interest or when an insurance company requires additional resources. Independent adjusters assess the facts of the claim, gather evidence, and determine the extent of the insurer's liability. They have a thorough understanding of policy terms and applicable laws, enabling them to provide a detailed analysis and negotiate settlements that are fair and equitable. Their work helps ensure that claims are handled efficiently and effectively, contributing to the overall integrity of the claims process. While investigating potential insurance fraud is an important aspect of the insurance industry, it is not the sole or primary responsibility of an independent adjuster. Additionally, independent adjusters are not permanent employees of an insurance company; rather, they work on a contract basis, allowing them to serve multiple clients. They also do not provide legal counsel to claimants, as that falls outside their expertise and role.

9. Which principle is essential for maintaining trust in the claims process?

- A. Transparency in claim handling**
- B. Speed in processing claims
- C. Confidentiality of all information
- D. Limiting communication with claimants

Transparency in claim handling is essential for maintaining trust in the claims process because it fosters open communication and clarity between all parties involved. When claimants have access to information about how their claims are being handled, they feel more informed and secure in the process. This openness helps to build confidence that claims are being managed fairly and efficiently. Transparency includes sharing the criteria used to evaluate claims, the status of the claim, and estimated timeframes for decisions. When claimants understand what to expect and are kept updated, it reduces uncertainty and the likelihood of misunderstandings. By ensuring that all involved parties are on the same page, transparency directly contributes to a more seamless and trustworthy experience in the claims process. In contrast, while speed in processing claims may be valued, it can be detrimental if it compromises the thoroughness and accuracy of the evaluation. Confidentiality is undeniably important as well, but it must be balanced with transparency to maintain trust. Limiting communication with claimants can lead to feelings of neglect or suspicion, ultimately damaging the trust that is critical for a successful claims relationship.

10. If a windstorm causes damage on a property covered by a DP-2 form, what is covered among downed fencing and water-damaged furniture?

- A. Only the downed fencing is covered.
- B. Both the fencing and the furniture are covered.**
- C. The tree is the only item covered.
- D. Neither the fencing nor the furniture is covered.

The DP-2 (Broad Form) policy provides coverage for various types of property damage, including losses resulting from windstorms, under certain conditions. In the context of windstorm damage, the downed fencing is typically covered as part of the property's structures, and this coverage extends to any permanent structures on the property. Regarding water-damaged furniture, while the DP-2 form does cover personal property within the dwelling (with some limitations), it specifically addresses losses due to specific perils like windstorm damage. In the case of water damage stemming directly from that windstorm—such as when wind drives rain into an open structure or compromises the integrity of the roof—furniture can be covered if it falls under the same incident. Therefore, both the fencing and the water-damaged furniture are included in the coverage provided by the DP-2 form, assuming they meet the criteria of being affected directly by the windstorm. This makes the answer reflect the comprehensive nature of the coverage associated with property damage under the DP-2 form.

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://newyorkindependentgeneraladjuster.examzify.com>

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

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