

# Ohio Property and Casualty 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. Which Homeowners policy form can provide coverage for a unit owner in a planned development?**
  - A. HO-4**
  - B. HO-6**
  - C. HO-5**
  - D. HO-3**
  
- 2. What type of auto coverage will apply in a hit-and-run accident where the driver cannot be identified?**
  - A. Comprehensive**
  - B. Collision**
  - C. Uninsured motorist**
  - D. Bodily injury liability**
  
- 3. What is it called when individuals in the same risk and age class are charged different rates?**
  - A. Load balancing**
  - B. Subsidization**
  - C. Discrimination**
  - D. Segmentation**
  
- 4. Which scenario would typically not fall under the "inside the premises" coverage in a crime policy?**
  - A. Theft of money from a cash register**
  - B. Robbery of property from a safe**
  - C. Theft of money by an employee at the business location**
  - D. Theft of money from a vehicle while parked**
  
- 5. What is the primary function of surety bonds?**
  - A. To provide savings for businesses**
  - B. To guarantee completion of obligations by the principal**
  - C. To serve as insurance for public liabilities**
  - D. To cover financial losses in investments**

**6. In which situation would an insured be unable to claim under their auto insurance?**

- A. If they were driving with a suspended license**
- B. If they were legally parked**
- C. If they were struck by an uninsured driver**
- D. If they were involved in a minor accident**

**7. For how long does personal property coverage apply at both the old and new locations during a move?**

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

**8. What coverage is provided in the liability section of the business auto coverage form?**

- A. The policy pays for damage to the insured's vehicle**
- B. The policy will cover injury or property damage to third parties**
- C. The policy covers comprehensive and collision for owned vehicles**
- D. The policy provides medical payments for the insured**

**9. If an insurer meets the state's financial requirements and is approved to transact business in the state, what type is it considered?**

- A. Unauthorized**
- B. Admitted**
- C. Excluded**
- D. Surplus**

**10. What are the four categories of uninsured motor vehicles?**

- A. Vehicles not inspected, vehicles with expired registration, vehicles with lower limits, and hit-and-run vehicles**
- B. No insurance, inadequate insurance, hit-and-run, and insurer insolvency**
- C. Vehicles owned by minors, vehicles owned by out-of-state residents, uninsured vehicles in accidents, and vehicles with lapses in coverage**
- D. All of the above**

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## **Answers**

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

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## **Explanations**

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**1. Which Homeowners policy form can provide coverage for a unit owner in a planned development?**

- A. HO-4**
- B. HO-6**
- C. HO-5**
- D. HO-3**

The HO-6 form, often referred to as the Condominium Unit Owners policy, is specifically designed to provide coverage for individuals who own units in a planned development, such as condominiums. This policy addresses the unique needs of unit owners by providing coverage for personal property as well as limited coverage for the unit itself, often referred to as "walls-in" coverage. In a planned development like a condo, the exterior structure and common areas are typically covered by the homeowners' association, but individual unit owners need a specific policy to cover their personal belongings and any improvements they've made within their own unit. The HO-6 form fills this gap by offering effective protection tailored to the specific risk profile of condo living. This type of policy will also generally include liability coverage, which is important for protecting unit owners against claims for bodily injury or property damage that might occur within their unit or that they may cause to others. By using the HO-6 form, unit owners ensure they have adequate coverage for both their personal property and their responsibilities as part of a larger condominium community.

**2. What type of auto coverage will apply in a hit-and-run accident where the driver cannot be identified?**

- A. Comprehensive**
- B. Collision**
- C. Uninsured motorist**
- D. Bodily injury liability**

In a hit-and-run accident, the type of auto coverage that applies is uninsured motorist coverage. This coverage is designed to protect policyholders when they are involved in accidents with drivers who do not have insurance or, in this case, when the other driver cannot be identified. Uninsured motorist coverage is specifically aimed at addressing situations where the responsible party is either unidentified or insufficiently insured, allowing the victim to claim for damages and medical expenses. Comprehensive coverage, on the other hand, typically covers damage to a vehicle caused by incidents not involving a collision with another car, such as theft or weather-related damages. Collision coverage is relevant when a driver has an accident with another identifiable vehicle, covering the costs of repairs regardless of who is at fault. Bodily injury liability covers the policyholder's legal responsibility for injuries caused to others in an accident, but it does not provide any benefits to the policyholder themselves in the event of being injured by an uninsured driver or a hit-and-run driver. Thus, uninsured motorist coverage is the appropriate protection for such situations.

**3. What is it called when individuals in the same risk and age class are charged different rates?**

- A. Load balancing**
- B. Subsidization**
- C. Discrimination**
- D. Segmentation**

The term used when individuals in the same risk and age class are charged different rates is called discrimination. In the context of insurance, discrimination refers to the practice of charging different premiums to individuals who are similarly situated in terms of risk characteristics, such as age, health, and other relevant factors. Charging different rates for the same risk class can occur due to various reasons, such as differences in personal history, credit scores, geographic location, or other criteria that the insurer believes will affect the likelihood of a claim being filed. The practice is regulated to ensure that it is applied fairly, preventing discriminatory pricing based on prohibited categories such as race, gender, or religion. In contrast, terms like load balancing and subsidization refer to different aspects of insurance pricing strategies, where load balancing typically involves managing risk across a pool of customers and subsidization means that one group's premiums may support the costs incurred by another group. Segmentation, on the other hand, involves dividing the market into distinct groups based on certain characteristics but does not inherently imply that different rates are applied unfairly within the same class. Thus, the concept of discrimination is the most accurate term for distinguishing between varying premium charges among individuals who are otherwise similar in risk and age.

**4. Which scenario would typically not fall under the "inside the premises" coverage in a crime policy?**

- A. Theft of money from a cash register**
- B. Robbery of property from a safe**
- C. Theft of money by an employee at the business location**
- D. Theft of money from a vehicle while parked**

The scenario described as theft of money from a vehicle while parked typically does not fall under the "inside the premises" coverage in a crime policy because this coverage primarily protects against theft and other criminal acts that occur within the physical confines of the insured's premises. "Inside the premises" coverage is designed to handle incidents that take place inside the business location itself, where a higher expectation of security is assumed. In contrast, theft from a parked vehicle occurs outside of the designated business premises, which means it falls into a different category that may be covered under other types of policies, such as comprehensive coverage for vehicles. Other scenarios mentioned, such as the theft from a cash register, robbery from a safe, and employee theft while at the business location, clearly align with the protection afforded by "inside the premises" coverage as they occur within the secured environment of the business. Thus, the distinction is essential for determining the applicability of various crime coverage provisions.

## 5. What is the primary function of surety bonds?

- A. To provide savings for businesses
- B. To guarantee completion of obligations by the principal**
- C. To serve as insurance for public liabilities
- D. To cover financial losses in investments

The primary function of surety bonds is to guarantee the completion of obligations by the principal. In a surety bond arrangement, there are three parties involved: the principal (the party that needs the bond), the obligee (the party that requires the bond), and the surety (the company providing the bond). The surety is essentially vouching for the principal, ensuring that if the principal fails to fulfill their contractual obligations, the surety will step in to cover those obligations. This provides a safety net for the obligee, giving them assurance that the desired outcomes will be met or that they will be compensated in case of default. This function differentiates surety bonds from traditional insurance products, which often cover unforeseen accidents or liabilities. Instead, a surety bond is more of a promise that obligations will be honored, making it a crucial tool in construction, service contracts, and various professional fields where compliance with regulations or contracts is essential.

## 6. In which situation would an insured be unable to claim under their auto insurance?

- A. If they were driving with a suspended license**
- B. If they were legally parked
- C. If they were struck by an uninsured driver
- D. If they were involved in a minor accident

An insured would typically be unable to claim under their auto insurance if they were driving with a suspended license. Insurance policies often have stipulations that state coverage is void if the insured is operating a vehicle in violation of the law. A suspended license indicates that the individual is not legally permitted to drive, which can lead insurers to deny claims since the act of driving itself is unlawful. In contrast, being legally parked does not present any grounds for denying a claim as it reflects responsible and lawful behavior. Claims resulting from being struck by an uninsured driver can often still be claimed under certain coverages, such as uninsured motorist coverage. Similarly, minor accidents generally do not prevent claims; in fact, most policies are designed to accommodate them, unless the situation involves specific exclusions.

**7. For how long does personal property coverage apply at both the old and new locations during a move?**

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

Personal property coverage typically applies for a duration of 30 days at both the old and new locations when an individual is moving. This provision is designed to offer protection during the transition period, ensuring that personal belongings are covered while they are in transit and at the new residence. This coverage is crucial because it addresses potential risks such as theft, damage, or loss that could occur during the moving process. The 30-day coverage period is standard in many insurance policies, providing a reasonable timeframe that accommodates the logistics of moving and settling into a new home. Understanding this aspect of personal property coverage is essential for anyone planning a move, as it ensures they know how to safeguard their belongings adequately during this vulnerable time.

**8. What coverage is provided in the liability section of the business auto coverage form?**

- A. The policy pays for damage to the insured's vehicle**
- B. The policy will cover injury or property damage to third parties**
- C. The policy covers comprehensive and collision for owned vehicles**
- D. The policy provides medical payments for the insured**

The liability section of the business auto coverage form specifically addresses coverage for injuries and property damage caused to third parties. This means that if an insured vehicle is involved in an accident that results in harm to another person or their property, the liability coverage would respond to pay for those damages. This is a crucial aspect of auto insurance, as it protects the insured business from potential lawsuits and financial losses that could arise from such incidents. This coverage is designed to ensure that the insured is held accountable for damages they cause while driving the insured vehicle, which is a fundamental principle of liability insurance. It safeguards the financial interests of the business and provides a necessary layer of protection in the event of an accident, helping to cover legal fees, medical expenses for injured parties, and costs associated with property damage. The other options focus on aspects of coverage that do not fall under the liability section. For example, options that mention damage to the insured's vehicle or coverages like comprehensive and collision pertain to physical damage coverage, while medical payments for the insured focus on personal injury protection, which is also separate from liability coverage.

**9. If an insurer meets the state's financial requirements and is approved to transact business in the state, what type is it considered?**

- A. Unauthorized**
- B. Admitted**
- C. Excluded**
- D. Surplus**

When an insurer meets the state's financial requirements and receives approval to conduct business in that state, it is classified as an "admitted" insurer. This designation indicates that the insurer complies with the regulatory standards set forth by the state, which typically involve minimum capital and surplus requirements, regulatory filing of rates and forms, and adherence to consumer protection laws. Being an admitted insurer provides certain advantages, including the ability to offer policies under the state's insurance laws, which may include certain protections for policyholders, such as access to state guaranty funds in the event of company insolvency. In contrast, an unauthorized insurer operates without such state approval and does not meet the regulatory requirements, while excluded insurers typically refer to those whose risks are not covered under standard insurance policies. A surplus lines insurer provides coverage through non-admitted markets for risks that standard admitted insurers are unable or unwilling to insure, usually because these risks are considered too high. Being an admitted insurer thus signifies a level of stability and regulatory compliance that benefits the policyholders.

**10. What are the four categories of uninsured motor vehicles?**

- A. Vehicles not inspected, vehicles with expired registration, vehicles with lower limits, and hit-and-run vehicles**
- B. No insurance, inadequate insurance, hit-and-run, and insurer insolvency**
- C. Vehicles owned by minors, vehicles owned by out-of-state residents, uninsured vehicles in accidents, and vehicles with lapses in coverage**
- D. All of the above**

The correct response identifies the four categories of uninsured motor vehicles as follows: no insurance, inadequate insurance, hit-and-run vehicles, and insurer insolvency. Understanding these categories is crucial for recognizing the types of situations where a driver might seek compensation through their own uninsured motorist coverage. "No insurance" refers to vehicles whose owners have not purchased any insurance coverage at all. "Inadequate insurance" occurs when a vehicle has insurance, but the coverage limits are insufficient to cover the damages incurred in an accident. "Hit-and-run" situations involve instances where a driver leaves the scene of an accident without providing insurance information, making it challenging to pursue claims against the at-fault party. Lastly, "insurer insolvency" refers to scenarios where the at-fault driver's insurance company can no longer meet its financial obligations due to bankruptcy or similar issues, leaving victims without a viable source of payment for damages. The other choices include elements that, while related to the insurance system, do not accurately represent the recognized categories of uninsured motor vehicles. These categories provide a clear framework for assessing financial protection against drivers who fail to maintain adequate insurance coverage.

# 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](mailto:hello@examzify.com).**

**Or visit your dedicated course page for more study tools and resources:**

**<https://ohpropertycasualty.examzify.com>**

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

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