

OKLAHOMA PROPERTY AND CASUALTY PRACTICE TEST (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

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THE FULL VERSION STUDY GUIDE**

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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

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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 is typically covered under a fidelity bond?**
 - A. Property damage claims
 - B. Honesty and integrity of personnel
 - C. Contractual obligations
 - D. Health-related expenses
- 2. What type of coverage does Coverage E pertain to?**
 - A. Property Coverage
 - B. Liability Coverage
 - C. Medical Payments Coverage
 - D. Personal Property Coverage
- 3. What is the assignment condition in an insurance policy?**
 - A. The ability to claim benefits on others' behalf
 - B. The ability for the insurer to change policy terms
 - C. The condition that allows the insured to change ownership of the policy
 - D. The right of the insured to abandon property
- 4. What is the primary purpose of workers' compensation insurance?**
 - A. To cover vehicle repairs for employees involved in accidents
 - B. To provide health insurance to all employees
 - C. To cover medical expenses and lost wages for employees injured on the job
 - D. To reimburse companies for lawsuits from injured employees
- 5. In Oklahoma, are insurance agents required to have a license?**
 - A. No, licenses are optional
 - B. Yes, agents must be licensed to sell insurance
 - C. Only if they sell life insurance
 - D. Yes, but only for commercial insurance
- 6. Who is considered an "Uninsured Motorist"?**
 - A. A driver with liability insurance under the state minimum standards
 - B. A driver who has no liability insurance, bond, or cash deposit in the required amount
 - C. A driver who is underage and cannot obtain insurance
 - D. A driver with expired insurance coverage

- 7. Which type of insurance policy covers both property and liability in a single contract?**
- A. A rental policy
 - B. A package policy
 - C. A liability policy
 - D. A health insurance policy
- 8. What minimizes the risk for an Obligee in a contractual agreement?**
- A. The use of insurance policies
 - B. The signing of performance contracts
 - C. The issuance of surety bonds
 - D. The establishment of a financial reserve
- 9. What does the Insuring Agreement section of a policy provide?**
- A. Only the exclusions of coverage
 - B. The major coverages offered by the policy
 - C. A detailed list of endorsements
 - D. Definitions of technical terms
- 10. What is the primary purpose of Coverage A in a property insurance policy?**
- A. To protect against liability claims
 - B. To cover the cost for personal belongings
 - C. To provide coverage for the physical structure of the home
 - D. To cover additional living expenses

Answers

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

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Explanations

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1. What is typically covered under a fidelity bond?

- A. Property damage claims
- B. Honesty and integrity of personnel**
- C. Contractual obligations
- D. Health-related expenses

A fidelity bond primarily covers the honesty and integrity of personnel, specifically protecting an organization from losses resulting from dishonest acts such as theft or fraud committed by its employees. It serves as a financial guarantee that the bonded individual will conduct their duties honestly and ethically. This type of bond is especially important for businesses that handle large amounts of money or sensitive information, providing a safety net against employee misconduct. In the context of the other options, property damage claims, contractual obligations, and health-related expenses fall under different categories of insurance coverages. Property damage pertains to physical losses associated with the destruction or damage of property, which is not addressed by a fidelity bond. Contractual obligations are usually covered by liability insurance or specific performance bonds, while health-related expenses are typically covered by health insurance policies. None of these are relevant to the purpose of a fidelity bond, which is focused on protecting against employee dishonesty.

2. What type of coverage does Coverage E pertain to?

- A. Property Coverage
- B. Liability Coverage**
- C. Medical Payments Coverage
- D. Personal Property Coverage

Coverage E pertains specifically to Liability Coverage under the Oklahoma homeowner's policy framework. This coverage is designed to protect the insured from financial loss if they are found legally responsible for causing bodily injury or property damage to another party. It includes legal defense costs if a claim is made against the insured, as well as any settlements or judgments that may arise from the incident. Understanding the distinction and scope of the coverages is crucial. Property Coverage, for instance, is primarily focused on damage to the policyholder's own property, such as their home or personal belongings. Medical Payments Coverage, on the other hand, offers immediate medical benefits for injuries sustained by others regardless of fault, but does not extend the same liability protection as Coverage E. Personal Property Coverage protects the belongings within the insured property but does not involve liability issues. Therefore, Coverage E's focus on liability is what makes it the correct answer in this context.

3. What is the assignment condition in an insurance policy?

- A. The ability to claim benefits on others' behalf
- B. The ability for the insurer to change policy terms
- C. The condition that allows the insured to change ownership of the policy**
- D. The right of the insured to abandon property

The assignment condition in an insurance policy refers to the stipulation that allows the insured to change the ownership of the policy. This means that the policyholder has the right to transfer their interest in the insurance policy to another individual or entity. In many cases, this transfer is subject to the insurer's approval, as the insurer needs to evaluate the risk associated with the new policyholder. Assignment can be important in scenarios such as selling a business or property, where the new owner may need the existing insurance coverage to remain in effect. The other choices do not accurately relate to the assignment condition. The first choice discusses the ability to claim benefits on behalf of others, which may involve third-party claims rather than transferring ownership of the policy. The second choice refers to the insurer's ability to change the terms, which falls under the modification conditions of a policy rather than assignment. The last choice about abandoning property pertains to property rights rather than insurance ownership. Thus, the assignment condition specifically addresses the transfer of ownership within an insurance agreement.

4. What is the primary purpose of workers' compensation insurance?

- A. To cover vehicle repairs for employees involved in accidents
- B. To provide health insurance to all employees
- C. To cover medical expenses and lost wages for employees injured on the job**
- D. To reimburse companies for lawsuits from injured employees

The primary purpose of workers' compensation insurance is to cover medical expenses and lost wages for employees who are injured while performing their job duties. This insurance is designed to provide financial support to workers who may be unable to work due to a workplace injury or illness. It ensures that employees receive the necessary medical care and compensation for a portion of their lost income, thus helping them get back on their feet without undue financial burden following an accident. This form of insurance creates a system of no-fault benefits, meaning that employees are entitled to compensation regardless of who was at fault for the injury. It also helps protect employers from being sued for workplace injuries, as workers' compensation typically serves as the exclusive remedy for injured employees. Thus, the overarching goal is to provide a safety net for both employees and employers in the event of workplace incidents.

5. In Oklahoma, are insurance agents required to have a license?

- A. No, licenses are optional
- B. Yes, agents must be licensed to sell insurance**
- C. Only if they sell life insurance
- D. Yes, but only for commercial insurance

In Oklahoma, insurance agents are required to have a license to engage in the sale of insurance products. This requirement ensures that agents demonstrate knowledge of insurance principles, state regulations, and ethical practices that protect consumers. Licensing helps maintain a standard of professionalism in the industry and ensures that agents are well-informed about the products they are selling, including policy details, premium calculations, and claims processes. Having a license contributes to consumer trust, as it confirms that the agent has met specific educational and examination requirements set forth by the Oklahoma insurance department. Without a license, individuals would lack the necessary credentials to offer insurance services, which could lead to unethical practices or misinformation being shared with potential clients. It's also worth noting that the licensing requirement is comprehensive—it is not limited only to certain types of insurance, such as life insurance or commercial insurance. All insurance agents, regardless of the specific policies they sell, must obtain a license to operate legally in the state. This promotes a fair and regulated marketplace for insurance within Oklahoma.

6. Who is considered an "Uninsured Motorist"?

- A. A driver with liability insurance under the state minimum standards
- B. A driver who has no liability insurance, bond, or cash deposit in the required amount**
- C. A driver who is underage and cannot obtain insurance
- D. A driver with expired insurance coverage

The term "Uninsured Motorist" refers specifically to a driver who does not have any liability insurance, bond, or cash deposit that meets the state's required amount. In this context, the correct answer accurately captures the essence of being uninsured, which means the driver lacks any form of financial backing that would protect other parties in the event of an accident for which they are liable. In many jurisdictions, including Oklahoma, drivers are mandated to carry a certain minimum amount of liability insurance to ensure that they can cover damages or injuries they may cause to others on the road. Therefore, a driver who has no insurance at all falls into the category of an uninsured motorist, making them a significant concern for other road users. The other options do not fit the specific definition of an uninsured motorist. A driver who has liability insurance meeting state minimum standards is considered insured. An underage driver may face difficulties in obtaining insurance but does not constitute an uninsured motorist merely because of their age. Lastly, a driver with expired insurance coverage may still be in violation of legal requirements, but the important factor here is whether they have any insurance at all, which in the case described, they do not. Therefore, they would still be classified as uninsured.

7. Which type of insurance policy covers both property and liability in a single contract?

- A. A rental policy
- B. A package policy**
- C. A liability policy
- D. A health insurance policy

A package policy is designed to cover both property and liability in a single contract. This type of insurance is especially beneficial for businesses or individuals who require multiple types of coverage, as it simplifies the insurance process by combining different protections into one policy. By purchasing a package policy, insured individuals achieve not only cost savings, but also streamlined management of their insurance needs. Typically, package policies include essential coverages such as property damage, personal injury, and legal liability, providing comprehensive protection against various risks. The other options do not encapsulate both property and liability coverage in one policy. Rental policies are often focused on providing coverage for a tenant's personal property and may include some liability, but they typically do not cover both aspects comprehensively like a package policy does. A liability policy, on the other hand, is strictly focused on offering protections against claims resulting from injuries and damages to others, absent property coverage. Health insurance policies are unrelated to property and liability, as they are intended to cover medical expenses rather than property-related risks.

8. What minimizes the risk for an Obligee in a contractual agreement?

- A. The use of insurance policies
- B. The signing of performance contracts
- C. The issuance of surety bonds**
- D. The establishment of a financial reserve

In a contractual agreement, minimizing risk for the Obligee—a party who requires a performance guarantee from another party—can be effectively achieved through the issuance of surety bonds. A surety bond involves three parties: the principal (the party that will perform the contract), the obligee (the party that requires assurance of performance), and the surety (the company that backs the bond). When a surety bond is issued, it guarantees that the Obligee will be compensated if the principal fails to fulfill the terms of the contract. This financial protection is vital as it reassures the Obligee that, should any defaults or failures occur, they will have a means to recover their losses. It provides a structured form of risk management, ensuring that the contractual obligations are met effectively and reliably. In contrast, while the use of insurance policies and the establishment of a financial reserve can provide some risk mitigation, they do not specifically guarantee performance in the same way that surety bonds do. Performance contracts, on the other hand, outline obligations but do not inherently provide the financial security that a surety bond does. Thus, the issuance of surety bonds stands out as the most effective method for minimizing the risk to the Obligee in a

9. What does the Insuring Agreement section of a policy provide?

- A. Only the exclusions of coverage
- B. The major coverages offered by the policy**
- C. A detailed list of endorsements
- D. Definitions of technical terms

The Insuring Agreement section of a policy is a critical component as it outlines the major coverages that the policy offers. This section specifically details what the insurance company will cover, under what conditions the coverage applies, and the types of risks that are insured. By presenting this information clearly, it helps policyholders understand the scope of their protection and the intent behind the coverage provided. In contrast, the other options do not accurately describe the Insuring Agreement. The exclusions of coverage, while important, are typically found in a different section of the policy. A detailed list of endorsements may also appear elsewhere, as endorsements are modifications or additions to the original policy that can tailor coverage to specific needs. Definitions of technical terms would usually be located in a separate glossary or definitions section to clarify any terminology used throughout the policy. Thus, the Insuring Agreement is focused specifically on presenting the key coverages offered, making it essential for understanding the insurance contract as a whole.

10. What is the primary purpose of Coverage A in a property insurance policy?

- A. To protect against liability claims
- B. To cover the cost for personal belongings
- C. To provide coverage for the physical structure of the home**
- D. To cover additional living expenses

Coverage A in a property insurance policy specifically aims to provide coverage for the physical structure of the home. This includes the main dwelling and any attached structures, such as garages or decks. This coverage ensures that if the home sustains damage from a covered peril—such as fire, windstorm, or vandalism—the policyholder is reimbursed for the cost of repairs or reconstruction. Having Coverage A is crucial for homeowners, as it directly safeguards one of their most significant investments—the home itself. By ensuring that the physical structure is protected, this coverage helps maintain the homeowner's financial stability in the event of a loss, minimizing their out-of-pocket expenses for repairs. Other choices, while important components of a comprehensive property insurance policy, do not directly pertain to Coverage A. For instance, liability claims, personal belongings, and additional living expenses are covered under different sections in the policy. Understanding the distinct purposes of each coverage type helps policyholders make informed decisions tailored to their specific risk management needs.

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://okpropertyandcasualty.examzify.com>

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

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