

Registered Insurance Brokers of Ontario (RIBO) Level 1 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. What is the purpose of OPCF 44R?**
 - A. Family Protection Coverage**
 - B. Removal of Depreciation Deduction**
 - C. Coverage of Rental Vehicles**
 - D. Repairs for Physical Damage**

- 2. What can trigger an umbrella policy to pay?**
 - A. Losses below deductibles**
 - B. Coverage deficiencies under primary policies**
 - C. Claims made by the insured**
 - D. All of the above**

- 3. Which of the following is a benefit of cyber insurance?**
 - A. Access to training resources**
 - B. Guaranteed income during a breach**
 - C. Coverage for physical damages**
 - D. Automatic policy renewal**

- 4. What does "Voluntary Compensation" cover in liability insurance?**
 - A. Injuries sustained in a workplace accident**
 - B. A family member's health expenses**
 - C. Damages caused by a personal item**
 - D. Medical payments without regard to fault**

- 5. What constitutes a joint tort-feasor?**
 - A. One person liable for an injury**
 - B. Multiple people contributing to the same injury**
 - C. A company responsible for damages**
 - D. A witness to a tort**

- 6. Who is the person named in an insurance policy that will be paid in the event of a loss?**
 - A. Loss Payee**
 - B. Mortgagee**
 - C. Mortgagor**
 - D. Endorser**

- 7. What is an umbrella policy primarily designed to cover?**
- A. Expenses below primary policy limits**
 - B. Amounts over primary policy limits**
 - C. Only property damage**
 - D. Liability for personal injury**
- 8. What is the coverage cap for loss due to theft under Optional Auto Benefits?**
- A. \$500**
 - B. \$900**
 - C. \$1,200**
 - D. \$1,000**
- 9. What does the term "Loss Assessment" in a condo policy cover?**
- A. Damages not covered by the personal policy**
 - B. A deductible for insurance claims**
 - C. Up to \$10,000 of shared losses**
 - D. Costs above the master policy limit**
- 10. What is typically excluded under an Equipment Breakdown Policy?**
- A. Accidents caused by human error**
 - B. Internal working pressure over specified limits**
 - C. Environmental damage**
 - D. Natural wear and tear**

Answers

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

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Explanations

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1. What is the purpose of OPCF 44R?

- A. Family Protection Coverage
- B. Removal of Depreciation Deduction**
- C. Coverage of Rental Vehicles
- D. Repairs for Physical Damage

The purpose of OPCF 44R, or "Family Protection Coverage," is specifically to provide coverage in the event that an insured person is injured or killed in an accident caused by an unidentified or underinsured motorist. This additional coverage ensures that if the primary liability policy limits of the at-fault party are insufficient to cover the damages or if the at-fault driver is not insured at all, the injured party can still have access to compensation. The option regarding the removal of the depreciation deduction is often misunderstood. While it does relate to cars and their value over time, the correct understanding of OPCF 44R is primarily about ensuring compensation for injuries or damages arising from accidents with inadequately insured parties. This makes it a critical protection for insured individuals and their families, providing peace of mind that they will still have financial support in case of severe accidents involving underinsurance situations.

2. What can trigger an umbrella policy to pay?

- A. Losses below deductibles
- B. Coverage deficiencies under primary policies**
- C. Claims made by the insured
- D. All of the above

An umbrella policy primarily serves to provide additional liability coverage beyond what is offered by a primary insurance policy. It is designed to kick in when the limits of those primary policies have been exhausted or when there are coverage deficiencies that the primary policies do not cover. When looking at the options, the notion of coverage deficiencies under primary policies is particularly significant. If a primary insurance policy has limitations or exclusions that are not covered, the umbrella policy can help fill those gaps, providing needed additional protection. This can apply to situations such as large liability claims or specific types of claims (like libel or slander) that are excluded from a standard general liability policy. While losses below deductibles and claims made by the insured are important points in other contexts, they do not specifically relate to the triggering of an umbrella policy. An umbrella policy does not address claims that are simply below a deductible amount, nor does it pay just because the insured has made a claim; rather, it is about enhancing coverage limits and addressing those deficiency areas after the primary policies have been exhausted. Thus, the focus on coverage deficiencies under primary policies aptly captures the essential function of an umbrella policy.

3. Which of the following is a benefit of cyber insurance?

- A. Access to training resources**
- B. Guaranteed income during a breach**
- C. Coverage for physical damages**
- D. Automatic policy renewal**

Access to training resources is indeed a benefit of cyber insurance. Cyber insurance policies often include provisions for risk management and loss prevention, which can encompass training and resources to help insured parties understand their vulnerabilities and enhance their cybersecurity posture. This proactive approach not only aids in preventing breaches but also equips organizations with the necessary knowledge to respond effectively should an incident occur. In addition, while having guaranteed income during a breach may sound appealing, cyber insurance typically does not provide direct income replacement; instead, it may cover specific financial losses related to a breach. Coverage for physical damages is generally not included in cyber insurance policies, as these policies focus on data breaches and cyber-related incidents rather than tangible assets. Lastly, automatic policy renewal is not a standard feature of cyber insurance, as policies often require review and reassessment of coverage based on changing risk profiles.

4. What does "Voluntary Compensation" cover in liability insurance?

- A. Injuries sustained in a workplace accident**
- B. A family member's health expenses**
- C. Damages caused by a personal item**
- D. Medical payments without regard to fault**

Voluntary Compensation is a feature in liability insurance that provides coverage for medical payments incurred by individuals without the need to establish fault. This type of coverage is particularly beneficial as it allows for prompt payment for medical expenses resulting from an accident, regardless of who may be responsible for the incident. In scenarios where injuries occur, the immediacy of medical care can greatly influence recovery outcomes, and this provision supports that by ensuring that medical bills are covered quickly. Essentially, it serves as a safety net to address medical costs directly, thereby possibly preventing lengthy disputes over liability which can delay medical treatment. The other options do not accurately reflect the nature of Voluntary Compensation. For instance, injuries sustained in a workplace accident typically fall under workers' compensation insurance rather than general liability coverage. Health expenses for a family member would generally be covered under personal health or family health insurance policies. Lastly, damages caused by a personal item relate to property damage liability, and not specifically to the medical coverage aspect of Voluntary Compensation. This focus on addressing medical needs immediately, without the prerequisite of demonstrating fault, is a key characteristic that makes the correct choice stand out.

5. What constitutes a joint tort-feasor?

- A. One person liable for an injury
- B. Multiple people contributing to the same injury**
- C. A company responsible for damages
- D. A witness to a tort

A joint tort-feasor refers to multiple individuals or entities who contribute to causing the same injury or harm to a third party. This concept is crucial in tort law, as it recognizes that more than one party can share responsibility for a single event or outcome that leads to damages. In scenarios involving joint tort-feasors, each party can be held jointly and severally liable, meaning that a claimant can pursue compensation from any one of the responsible parties for the full amount of damages, regardless of their individual degree of fault. In contrast, having just one person liable for an injury pertains to a singular tort-feasor scenario and does not encapsulate the joint liability aspect. A company being responsible for damages or a witness to a tort also does not align with the definition of a joint tort-feasor as it either indicates a single entity's liability or a person who merely observes the tort, respectively. Thus, the correct choice emphasizes the shared nature of liability among multiple parties contributing to the same injury.

6. Who is the person named in an insurance policy that will be paid in the event of a loss?

- A. Loss Payee**
- B. Mortgagee
- C. Mortgagor
- D. Endorser

The term "Loss Payee" refers to a specific party or individual identified in an insurance policy who is designated to receive a payment if a covered loss occurs. This is a critical role, especially in property insurance policies, where the loss payee might have a financial interest in the insured property, ensuring that they are compensated directly for damages or losses sustained. In many cases, loss payees are often financial institutions, such as banks or credit unions, that hold a lien on the property. By being named as a loss payee, these entities ensure that their financial interest is protected in the event of damage to the collateral they hold. While the other terms mentioned—Mortgagee, Mortgagor, and Endorser—have specific meanings within the context of loans and endorsements, they do not directly relate to the payment in the event of a loss scenario in an insurance policy. The mortgagee is typically the lender in a mortgage agreement, the mortgagor is the borrower or property owner, and an endorser relates to someone who endorses, or signs, a document to authorize it. None of these roles fulfill the function of receiving payment directly in the context of insurance losses, as clearly defined by the role of the loss

7. What is an umbrella policy primarily designed to cover?

- A. Expenses below primary policy limits**
- B. Amounts over primary policy limits**
- C. Only property damage**
- D. Liability for personal injury**

An umbrella policy is primarily designed to provide additional liability coverage that extends beyond the limits of the insured's primary insurance policies, such as homeowners, auto, or other liability insurance. This means that if a claim exceeds the limits of these primary insurance policies, the umbrella policy kicks in to cover the excess amount. This coverage is particularly important for individuals who have significant assets to protect, as it helps mitigate the risk of being financially exposed in the event of a major liability claim. The option addressing amounts over primary policy limits accurately reflects the intended purpose of an umbrella policy, which is to offer supplemental coverage in scenarios where traditional policies may fall short. This type of policy can include a range of liabilities, thus enhancing financial security against substantial claims that could otherwise lead to significant out-of-pocket expenses.

8. What is the coverage cap for loss due to theft under Optional Auto Benefits?

- A. \$500**
- B. \$900**
- C. \$1,200**
- D. \$1,000**

The coverage cap for loss due to theft under Optional Auto Benefits is accurately represented by the value of \$900. This limit reflects specific guidance established within the realm of auto insurance, designed to provide a defined amount of compensation for theft-related incidents involving vehicles or their contents. Understanding this cap is critical for insured individuals to make informed decisions regarding their insurance needs and the potential financial protection available in the event of theft. It's also important to note that other amounts associated with theft coverage do exist; however, the set cap for Optional Auto Benefits is distinctly \$900, which serves as a minimum threshold for reimbursement under these particular insurance provisions. Awareness of this cap allows policyholders to assess if additional coverage might be necessary based on the value of items they commonly keep in their vehicles or their general risk exposure.

9. What does the term "Loss Assessment" in a condo policy cover?

- A. Damages not covered by the personal policy**
- B. A deductible for insurance claims**
- C. Up to \$10,000 of shared losses**
- D. Costs above the master policy limit**

"Loss Assessment" in a condominium insurance policy refers to coverage that protects individual unit owners from certain shared financial responsibilities that arise from losses or damages to common areas of the condo building or community. When an insured event occurs that the condo association must address, such as property damage that exceeds the master policy coverage or needs to be funded through assessments to unit owners, the costs are often distributed among all unit holders. The correct option indicates that this coverage typically handles up to \$10,000 of shared losses. This amount represents a cap on what the policy will cover in terms of assessments levied against the unit owners due to an event like property damage or liability claims that the master policy does not fully cover. This helps protect individual owners from significant unexpected financial burdens arising from shared community risks. The other options do not accurately reflect the essence of "Loss Assessment." While damages not covered by personal policies or costs above master policy limits may involve complex insurance issues, they do not specifically capture the definition or purpose of loss assessment coverage within condo policies.

10. What is typically excluded under an Equipment Breakdown Policy?

- A. Accidents caused by human error**
- B. Internal working pressure over specified limits**
- C. Environmental damage**
- D. Natural wear and tear**

An Equipment Breakdown Policy is designed to cover sudden and accidental damage to equipment due to various causes, particularly mechanical or electrical failures. However, there are specific areas where coverage does not apply, and understanding these exclusions is crucial for identifying coverage limitations. Internal working pressure over specified limits is one of the situations that typically falls outside the coverage of an Equipment Breakdown Policy. This exclusion reflects the understanding that equipment should operate within designated safety parameters. When the internal pressure exceeds these limits, it indicates that the equipment is being subjected to conditions beyond its designed capacity, which can lead to catastrophic failure. In such cases, the damage is often considered a result of improper use or failure to maintain the equipment correctly rather than an accident or breakdown that the policy intends to cover. Other exclusions, such as accidents caused by human error, environmental damage, or natural wear and tear, generally indicate issues related to maintenance, operation practices, or gradual deterioration rather than sudden and accidental occurrences, aligning with broader insurance principles that seek to limit claims resulting from poor management or aging processes. Thus, the limitation on coverage for internal working pressure over specified limits distinctly highlights the responsibility of the insured to operate equipment within safe parameters as an important aspect of risk management.

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://ribolevel1.examzify.com>

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

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