

Registered Insurance Brokers of Ontario (RIBO) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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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. Don't worry about getting everything right, 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, and take breaks to retain information better.

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.

7. Use Other Tools

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!

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Questions

- 1. What is the legal process used by insurers to collect from a responsible third party?**
 - A. Litigation**
 - B. Claim Adjustment**
 - C. Subrogation**
 - D. Arbitration**
- 2. Is a family cemetery plot included as premises under Homeowners Liability?**
 - A. No, it is not included**
 - B. Yes, it is included under specific conditions**
 - C. Only if it has a visible marker**
 - D. It is considered personal property**
- 3. Under Third Party Liability coverage, insurers are not liable for bodily injury if the insured allows someone to drive who has what issue?**
 - A. Insufficient funds**
 - B. Expired vehicle registration**
 - C. Misplaced driver's license**
 - D. Inexperience with the vehicle**
- 4. What distinguishes unoccupied premises from vacant premises?**
 - A. Physical condition**
 - B. Intent to return**
 - C. Length of absence**
 - D. Type of occupancy**
- 5. What is a common reason for smoke damage not being covered by insurance?**
 - A. Lack of maintenance of a furnace over a period of time**
 - B. Natural disasters**
 - C. Acts of vandalism**
 - D. Inadequate homeowner's insurance policy**

- 6. Is Excess economic loss endorsement offered under the OAP 1 Owner's Form?**
- A. Yes, it is available to all policyholders**
 - B. No, it does not exist**
 - C. Yes, but only in specific circumstances**
 - D. No, but it is offered under different policies**
- 7. Is collision with a tree covered under the specified perils section in an auto insurance policy?**
- A. Yes, it is covered**
 - B. No, it is not covered**
 - C. Only if the tree falls on the vehicle**
 - D. Only under comprehensive coverage**
- 8. In Ontario, an auto policy can be changed by the use of approved endorsements to:**
- A. They only apply to Section 7- Loss or Damage**
 - B. They may be used to increase limits of insurance for accident benefits only.**
 - C. They are available only from the government.**
 - D. They may be used to increase limits of insurance and/or reduce deductibles.**
- 9. In the Additional Agreements of the Insurer, Own Damage, the insurer agrees to waive subrogation against:**
- A. A neighbour driving the auto with the insured's consent**
 - B. A neighbour who had care or custody of the auto for repair purposes**
 - C. Anyone, other than the named insured, who has breached any condition of the policy**
 - D. Someone who was storing the auto in a parking garage**
- 10. What is the correct way to insure a snowmobile?**
- A. Through an O.A.P. 1 Owner's Form for all exposures**
 - B. By an endorsement to a Homeowner's or Tenant's policy plus a Personal Articles Floater**
 - C. With an O.A.P. 1 for Third Party Liability and Accident Benefits, and an Inland Marine Floater for damage**
 - D. Through a Snowmobile Floater for all exposures**

Answers

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

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Explanations

1. What is the legal process used by insurers to collect from a responsible third party?

- A. Litigation**
- B. Claim Adjustment**
- C. Subrogation**
- D. Arbitration**

The correct answer is subrogation. This legal process occurs when an insurance company, after paying a claim to its insured for a loss, seeks to recover the amount paid from a third party that is deemed responsible for that loss. Subrogation allows insurers to step into the shoes of their insured to pursue a claim against the responsible party, effectively ensuring that the financial burden is placed on the party at fault rather than on the insurer. This process is critical in promoting fairness in the insurance system because it helps prevent insured individuals from profiting from their losses while also allowing insurers to mitigate their payout losses. By recovering funds through subrogation, insurers can maintain lower premiums for their policyholders. Other choices include processes such as litigation, which refers to taking legal action or bringing a lawsuit, but subrogation specifically pertains to the recovery process following the settlement of a claim. Claim adjustment involves evaluating and processing claims rather than collecting from third parties, and arbitration is a method of resolving disputes outside of court that does not pertain to the specific recovery process between an insurer and a responsible third party.

2. Is a family cemetery plot included as premises under Homeowners Liability?

- A. No, it is not included**
- B. Yes, it is included under specific conditions**
- C. Only if it has a visible marker**
- D. It is considered personal property**

The inclusion of a family cemetery plot as premises under Homeowners Liability is indeed subject to specific conditions, making the choice that recognizes these conditions correct. Generally, a family cemetery plot can be considered part of the premises of the home, but this inclusion is dependent on factors like ownership, location, and how it is treated in relation to the insured property. When a cemetery plot is owned by the homeowner and is located adjacent to or within the proximity of the insured property, it may be considered as part of the premises for liability purposes. This means that any liability arising from activities in or around that cemetery plot could potentially be covered under a typical homeowners policy, contingent on the specifics outlined in the policy. This understanding helps clarify the nature of coverage in homeowners insurance, particularly regarding unique situations like cemetery plots, recognizing that proper assessment and conditions of coverage are crucial in determining the applicable insurance liability.

3. Under Third Party Liability coverage, insurers are not liable for bodily injury if the insured allows someone to drive who has what issue?

- A. Insufficient funds**
- B. Expired vehicle registration**
- C. Misplaced driver's license**
- D. Inexperience with the vehicle**

The correct answer highlights a significant aspect of third-party liability coverage. Insurers are not liable for bodily injury if the insured allows someone to drive who has a misplaced driver's license because it indicates that the driver may not have valid permission to operate the vehicle legally. If a driver can't produce a valid driver's license when requested, this can be seen as a failure to meet the legal obligations for operating a vehicle, thereby complicating the insurer's responsibility in the event of an accident. In contrast, while insufficient funds, expired vehicle registration, and inexperience with the vehicle may present challenges or risk factors, they do not directly equate to a breach of legal authority to operate the vehicle in the way that a misplaced driver's license does. Inexperienced drivers may still be legally permitted to drive, and financial issues or paperwork irregularities do not inherently negate the validity of the driver's license itself.

4. What distinguishes unoccupied premises from vacant premises?

- A. Physical condition**
- B. Intent to return**
- C. Length of absence**
- D. Type of occupancy**

The distinction between unoccupied and vacant premises primarily revolves around the intent to return. An unoccupied premises refers to a property that currently has no occupants, but there is an intention or expectation that people will return. This situation often applies to homes where the owners are temporarily away but plan to come back. On the other hand, vacant premises indicate a property that is not only unoccupied but is also not intended to be reoccupied in the foreseeable future. This can refer to buildings that are left empty without plans for future usage or that are for sale or lease. Thus, the focus on the intent to return helps clarify the vital difference between the two, making this the most suitable answer.

5. What is a common reason for smoke damage not being covered by insurance?

- A. Lack of maintenance of a furnace over a period of time**
- B. Natural disasters**
- C. Acts of vandalism**
- D. Inadequate homeowner's insurance policy**

The answer points to a situation where smoke damage could be attributed to a lack of maintenance, particularly in the case of a furnace. If homeowners neglect proper maintenance of their heating systems, it can lead to malfunctions that result in smoke damage. Insurance policies often require homeowners to take reasonable care of their property, which includes regular maintenance of appliances like furnaces. If damage occurs due to neglect or a failure to maintain equipment, an insurer may deny the claim on the grounds that the homeowner did not fulfill their responsibility to prevent such damage. In contrast, other scenarios, such as natural disasters or acts of vandalism, typically fall under different coverage clauses. While inadequate homeowner's insurance policies can affect coverage in general, they are not usually the direct cause for smoke damage exclusions, as the policy terms themselves dictate the types of damages covered. Thus, the connection between lack of maintenance and the potential denial of coverage for smoke damage aligns with common practices in insurance underwriting.

6. Is Excess economic loss endorsement offered under the OAP 1 Owner's Form?

- A. Yes, it is available to all policyholders**
- B. No, it does not exist**
- C. Yes, but only in specific circumstances**
- D. No, but it is offered under different policies**

The correct understanding regarding the Excess economic loss endorsement in relation to the OAP 1 Owner's Form is that it does not exist under this specific form. The OAP 1 form primarily covers liability for bodily injury and property damage as a result of the use or operation of a motor vehicle. Economic losses, particularly those categorized as excess economic loss, are not typically covered by this endorsement within the confines of the OAP 1. On the other hand, while various endorsements and additional coverage options are available under different types of policies or specific conditions, the Excess economic loss endorsement is not included in the fundamental offerings of the OAP 1. Thus, it's important for policyholders to be aware that seeking coverage for excess economic loss would require looking at other policy options that may be designed for that purpose.

7. Is collision with a tree covered under the specified perils section in an auto insurance policy?

A. Yes, it is covered

B. No, it is not covered

C. Only if the tree falls on the vehicle

D. Only under comprehensive coverage

The specified perils section in an auto insurance policy typically covers certain types of risks, such as fire, theft, and specific natural events, but does not generally include collision with objects like trees. In a standard auto insurance policy, damage from colliding with a stationary object, like a tree, is considered a collision claim, which would be covered under collision coverage specifically, not by specified perils. Other options reflect various conditions under which collision might be addressed, but they do not align with how specified perils are defined in typical auto insurance policies. Comprehensive coverage, while it may cover damage from certain events involving trees (such as if the tree falls), does not relate to collision situations where a vehicle intentionally strikes an object. Thus, the answer is consistent with the norms of auto insurance coverage.

8. In Ontario, an auto policy can be changed by the use of approved endorsements to:

A. They only apply to Section 7- Loss or Damage

B. They may be used to increase limits of insurance for accident benefits only.

C. They are available only from the government.

D. They may be used to increase limits of insurance and/or reduce deductibles.

Endorsements are changes or additions to a standard insurance policy that modify its terms, conditions, or coverages. In the province of Ontario, approved endorsements can be used to increase the limits of insurance and/or reduce deductibles for auto policies. Options A and B are incorrect because they only mention specific situations (Section 7 and accident benefits) and do not cover all possible changes that an endorsement can make. Option C is also incorrect as endorsements are available from insurance companies, not the government. Option D is the most accurate and comprehensive choice.

9. In the Additional Agreements of the Insurer, Own Damage, the insurer agrees to waive subrogation against:

- A. A neighbour driving the auto with the insured's consent**
- B. A neighbour who had care or custody of the auto for repair purposes**
- C. Anyone, other than the named insured, who has breached any condition of the policy**
- D. Someone who was storing the auto in a parking garage**

The correct option is A because the insurer agrees to waive subrogation, which is the right to seek reimbursement from another party who is responsible for a loss. In this case, the insurer waives their right to seek reimbursement from a neighbour who is driving the insured's car with their consent. This means that if the neighbour is at fault for causing damage to the car, the insurer will not try to recover the costs from them. Option B is incorrect because it mentions a neighbour who had care or custody of the auto for repair purposes. This means that the neighbour had the car in their possession for the purpose of fixing it, but it does not mention anything about the neighbour using the car with the insured's consent. Therefore, this option does not fall under the terms of the insurer's agreement to waive subrogation. Option C is incorrect because it mentions anyone, other than the named insured

10. What is the correct way to insure a snowmobile?

- A. Through an O.A.P. 1 Owner's Form for all exposures**
- B. By an endorsement to a Homeowner's or Tenant's policy plus a Personal Articles Floater**
- C. With an O.A.P. 1 for Third Party Liability and Accident Benefits, and an Inland Marine Floater for damage**
- D. Through a Snowmobile Floater for all exposures**

A Homeowners or Tenant's policy covers personal property and liability related to your home or rented property, not recreational vehicles like snowmobiles. A Personal Articles Floater only covers specific high-value items that are not already covered by your homeowner's insurance. C and D are incorrect because one policy does not provide complete coverage for both liability and physical damage.

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://ontarioautoribo.examzify.com>

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