

TEXAS STATE GOVERNMENT EMPLOYEES INSURANCE COMPANY (GEICO) LICENSING PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED 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. 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 type of coverage does an Installation Floater provide?**
 - A. Protection for inventory lost in transit
 - B. Coverage for products installed at customer premises
 - C. Insurance for retail store fixtures only
 - D. Liability insurance for installation errors
- 2. What does ICC stand for in the context of flood insurance?**
 - A. Increased Coverage Cost
 - B. Insurance Compliance Code
 - C. Increased Cost of Compliance
 - D. Insurance Compliance Coverage
- 3. What quality is essential for an adjuster to effectively communicate with policyholders?**
 - A. Knowledgeable about only company policies
 - B. Ability to listen actively
 - C. Encouraging disputes
 - D. Using technical jargon frequently
- 4. What does 'loss of use' coverage provide for the insured?**
 - A. Coverage for lost personal items
 - B. Compensation for damages to the dwelling
 - C. Coverage for additional expenses incurred while temporarily living away from home
 - D. Coverage for medical expenses
- 5. Which of the following is an example of 'other structures'?**
 - A. The main house
 - B. A fence around the property
 - C. Real estate investment properties
 - D. Liability coverage for accidents

- 6. What is covered by the running down clause in ocean marine policy?**
- A. Injury to passengers
 - B. Collision damage to another vessel
 - C. Damage to docks
 - D. Loss of crew wages
- 7. What is the primary responsibility of the Office of Injured Employee Counsel?**
- A. To offer legal representation to employees
 - B. To assist employers in claims
 - C. To aid injured employees in navigating workers' compensation
 - D. To evaluate workplace safety
- 8. What is a key feature of bailees customer policies in inland marine insurance?**
- A. They cover goods during transportation only
 - B. They are written on named-peril basis
 - C. They exclude coverage for direct damage
 - D. They pertain only to electronics repair.
- 9. Who are the typical beneficiaries of dwelling forms?**
- A. Individuals with commercial properties
 - B. Individuals living in multifamily homes
 - C. Individuals who own rental property occupied by tenants
 - D. Individuals who rent apartments
- 10. What does the equipment dealers coverage form primarily cover?**
- A. Mobile equipment and construction equipment
 - B. Office supplies and furniture
 - C. Retail inventory
 - D. Commercial vehicles

Answers

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

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Explanations

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1. What type of coverage does an Installation Floater provide?

- A. Protection for inventory lost in transit
- B. Coverage for products installed at customer premises**
- C. Insurance for retail store fixtures only
- D. Liability insurance for installation errors

An Installation Floater provides coverage specifically for products that are being installed at customer premises. This type of insurance is designed to protect items that are in the process of being installed, ensuring that they are covered against risks such as theft, damage, or loss while they are on the job site. It is particularly relevant for contractors and businesses that handle equipment and materials that will be installed as part of their service. The other options do not accurately describe the focus of an Installation Floater. Coverage for inventory lost in transit pertains to transportation insurance, which protects goods while they are being transported from one location to another. Insurance for retail store fixtures only would be more limited and does not cover installed products. Liability insurance for installation errors addresses potential legal liabilities stemming from mistakes made during the installation process, rather than covering the physical items being installed. Therefore, the correct answer highlights the core function of the Installation Floater in providing protection for items during installation.

2. What does ICC stand for in the context of flood insurance?

- A. Increased Coverage Cost
- B. Insurance Compliance Code
- C. Increased Cost of Compliance**
- D. Insurance Compliance Coverage

In the context of flood insurance, ICC stands for Increased Cost of Compliance. This term refers to an important provision within flood insurance policies that provides financial assistance to property owners who must comply with updated floodplain management regulations after a flood event. When a property is damaged by flooding and determined to be located in a designated flood zone, owners may face additional costs to elevate or otherwise bring their structures up to current safety standards established by the community's floodplain management regulations. The Increased Cost of Compliance coverage helps to cover these costs, offering a critical safety net for policyholders who need to make significant improvements to their properties to reduce future flood risks. Understanding this component is vital for insured individuals, as it can greatly affect their financial responsibilities following a flood event and ensures that they can comply with local governing requirements designed to reduce flood damage in the future. This aspect of flood insurance underscores the importance of compliance with regulations not just for individual safety but also for community resilience against floods.

3. What quality is essential for an adjuster to effectively communicate with policyholders?

- A. Knowledgeable about only company policies
- B. Ability to listen actively**
- C. Encouraging disputes
- D. Using technical jargon frequently

The ability to listen actively is essential for an adjuster when communicating with policyholders. Active listening involves fully concentrating, understanding, responding, and remembering what the policyholder is expressing. This skill allows the adjuster to grasp the nuances of the policyholder's concerns, questions, and emotions, which is crucial in building trust and rapport. Moreover, it enables adjusters to provide more accurate and helpful responses, ensuring that policyholders feel heard and validated. In the context of insurance claims, effective communication can facilitate a smoother claims process and help in resolving issues efficiently. When adjusters actively listen, they are also better equipped to gather pertinent information that may assist in making informed decisions regarding claims. This quality enhances not only customer satisfaction but can also lead to better outcomes for both the policyholder and the company.

4. What does 'loss of use' coverage provide for the insured?

- A. Coverage for lost personal items
- B. Compensation for damages to the dwelling
- C. Coverage for additional expenses incurred while temporarily living away from home**
- D. Coverage for medical expenses

'Loss of use' coverage is designed to assist the insured when their home becomes uninhabitable due to a covered loss, such as fire or severe weather damage. This type of coverage provides compensation for additional living expenses that the insured incurs while residing away from their home. This can include costs for temporary accommodations, meals, and other necessary expenses that arise because they cannot live in their home during repairs or restoration. For example, if a homeowner's residence is damaged and they need to stay in a hotel, 'loss of use' coverage would help cover those hotel costs alongside any additional living expenses that exceed their normal costs of living. In contrast, coverage for lost personal items pertains to personal property protection, while compensation for damages to the dwelling addresses repairs to the structure itself. Coverage for medical expenses, on the other hand, typically relates to injuries sustained by individuals regardless of property damage. Thus, 'loss of use' distinctly focuses on the additional costs incurred during the period the insured cannot live in their home, making it a critical component of comprehensive homeowners insurance.

5. Which of the following is an example of 'other structures'?

- A. The main house
- B. A fence around the property**
- C. Real estate investment properties
- D. Liability coverage for accidents

The selection regarding a fence around the property as an example of 'other structures' is accurate because 'other structures' typically refers to buildings or constructions on a property that are not part of the main dwelling. In residential insurance terms, this designation includes items such as fences, detached garages, sheds, or any similar structures that are separate from the primary house. Understanding the distinction between the primary dwelling and other structures is vital for homeowners, especially when it comes to coverage types in insurance policies. While the main house represents the insured's primary residence and investment properties refer to separate real estate for profit, they do not fall under the category of 'other structures' in most policy contexts. Liability coverage, on the other hand, focuses on accountability for injuries or damages to others, which is also separate from the concept of physical structures on the property.

6. What is covered by the running down clause in ocean marine policy?

- A. Injury to passengers
- B. Collision damage to another vessel**
- C. Damage to docks
- D. Loss of crew wages

The running down clause in an ocean marine policy specifically addresses the coverage for collision damage caused by a vessel that is under the policy. This clause provides protection for damages that occur as a result of colliding with another vessel. It ensures that the insured party will be covered for the liabilities incurred when their ship is at fault and damages another ship, making it an essential aspect of marine insurance for vessel operators. In contrast, while other aspects of maritime operations – such as passenger injuries, damage to docks, and loss of crew wages – are significant, they fall under different coverage scenarios or clauses within a marine insurance policy. Therefore, the protection offered by the running down clause is distinctly focused on the liability for collisions with other vessels.

7. What is the primary responsibility of the Office of Injured Employee Counsel?

- A. To offer legal representation to employees
- B. To assist employers in claims
- C. To aid injured employees in navigating workers' compensation**
- D. To evaluate workplace safety

The primary responsibility of the Office of Injured Employee Counsel is to aid injured employees in navigating the workers' compensation system. This office serves as a resource for employees who have been injured on the job, helping them understand their rights and the processes they need to follow in order to receive benefits. This includes providing information and guidance on filing claims, understanding the benefits available, and navigating any appeals processes that may arise. By focusing on educating and assisting injured workers, the office aims to empower these individuals, ensuring they have access to the support necessary to advocate for themselves in often complex and challenging situations. This helps to ensure that injured employees can effectively manage their claims and secure the benefits they're entitled to under Texas law. The other options are related but do not capture the primary mission of the Office of Injured Employee Counsel as accurately. While the office may indirectly impact workplace safety or support employers, its core function is specifically aimed at assisting the injured employees themselves.

8. What is a key feature of bailees customer policies in inland marine insurance?

- A. They cover goods during transportation only
- B. They are written on named-peril basis**
- C. They exclude coverage for direct damage
- D. They pertain only to electronics repair.

Inland marine insurance is designed to protect items that are in transit or in the custody of a bailee, which is a person or entity that holds the goods of another for a specific purpose. Bailees customer policies specifically provide coverage for items that are being stored, repaired, or processed by the bailee. A key feature of these policies is that they are generally written on a named-peril basis. This means that the coverage explicitly lists the perils or risks that are covered, as opposed to an all-risk basis that would include coverage for all risks except those specifically excluded. This approach ensures that the policyholder knows exactly what is covered under the policy, allowing for better risk management and understanding of their insurance protection. The other options do not accurately reflect the nature of bailees customer policies. For instance, they do cover goods in custody, not just during transportation. Coverage does not exclude direct damage; rather, it specifically addresses the risks applicable to the bailee's responsibilities. Additionally, while some bailees might deal exclusively with electronics, the policies themselves are not limited to this category and can apply to a wider range of goods.

9. Who are the typical beneficiaries of dwelling forms?

- A. Individuals with commercial properties
- B. Individuals living in multifamily homes
- C. Individuals who own rental property occupied by tenants**
- D. Individuals who rent apartments

The typical beneficiaries of dwelling forms are individuals who own rental property occupied by tenants. This type of insurance is designed specifically for property owners who lease their properties to others. It provides coverage for the dwelling itself, protecting against risks such as fire, theft, or liability claims that may arise from tenants residing in the rental units. This is particularly important for landlords, as they need to safeguard their investments while also ensuring that they comply with legal requirements regarding property insurance. Dwelling forms are generally not suited for individuals with commercial properties, which would require separate coverage tailored to the commercial sector. Similarly, individuals living in multifamily homes typically require homeowners insurance or renters insurance rather than dwelling forms, as they are not the owners of the property being insured. Lastly, individuals who rent apartments are not beneficiaries of dwelling forms, since their needs are covered under renters insurance rather than dwelling insurance, which is focused on property ownership.

10. What does the equipment dealers coverage form primarily cover?

A. Mobile equipment and construction equipment

B. Office supplies and furniture

C. Retail inventory

D. Commercial vehicles

The equipment dealers coverage form is specifically designed to provide insurance for mobile equipment and construction equipment. This type of coverage acknowledges the unique risks faced by businesses that deal with such specialized machinery, which often includes items like excavators, bulldozers, and other types of heavy equipment used in construction or similar industries. Businesses in this sector typically require insurance tailored to the nuances of operating and holding inventory of this equipment, as it can be susceptible to a variety of risks, including theft, damage, or liability arising from its use. In contrast, the other options pertain to completely different categories of insurance. Office supplies and furniture would fall under a general business property policy, while retail inventory would be covered by a separate commercial property or business owners policy designed for retail operations. Commercial vehicles are insured under vehicle-specific policies that address their unique risks and regulatory requirements. Therefore, the correct coverage form aligns specifically with the needs of equipment dealers, making it essential for their operational continuity and risk management.

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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:

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

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