

# Virginia Property and Casualty 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**

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- 1. The term "Time Element Coverage" is used when the amount of loss depends on which of the following?**
  - A. The time between the date of loss and the policy expiration date**
  - B. The time it takes to repair, rebuild, or restore damaged property**
  - C. The time between the policy effective date and date of loss**
  - D. The time of year when a seasonal business suffers a loss**
- 2. What does a Commercial General Liability (CGL) policy primarily cover?**
  - A. Property damage only**
  - B. Bodily injury and personal injuries**
  - C. Both bodily injury and property damage**
  - D. Professional errors and omissions**
- 3. What type of insurance protects an individual against claims for bodily injury or property damage to others?**
  - A. A. Life Insurance**
  - B. B. Auto Liability Insurance**
  - C. C. Workers' Compensation**
  - D. D. Health Insurance**
- 4. What type of policy provides coverage for loss or damage to businesses' physical assets?**
  - A. A. General Liability Insurance**
  - B. B. Commercial Property Insurance**
  - C. C. Workers' Compensation Insurance**
  - D. D. Professional Liability Insurance**
- 5. Under an auto insurance policy, what does the term "collision" refer to?**
  - A. A. Damage from theft**
  - B. B. Damage from a fire**
  - C. C. Damage resulting from hitting another object**
  - D. D. Damage from weather-related incidents**

**6. What is the main function of the insurance commissioner in Virginia?**

- A. To underwrite insurance policies**
- B. To regulate insurance companies**
- C. To represent policyholders in claims**
- D. To sell insurance products**

**7. How many days does a licensed agent have to report a name change to the Commission?**

- A. 30 days**
- B. 45 days**
- C. 60 days**
- D. 90 days**

**8. How do "flood" and "water damage" differ in insurance terms?**

- A. Flood generally refers to rising water affecting a single property**
- B. Flood refers to rising water that affects multiple properties; water damage refers to intrusions like leaks**
- C. Flood coverage is included in all homeowners policies; water damage is not**
- D. Flood is a type of water damage that is covered by auto insurance**

**9. Which type of insurance policy typically includes liability coverage for personal injuries?**

- A. Property insurance**
- B. Casualty insurance**
- C. Homeowners insurance**
- D. Health insurance**

**10. Which Coverage typically covers personal property?**

- A. Coverage A**
- B. Coverage B**
- C. Coverage C**
- D. Coverage D**

## **Answers**

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

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## **Explanations**

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- 1. The term "Time Element Coverage" is used when the amount of loss depends on which of the following?**
  - A. The time between the date of loss and the policy expiration date**
  - B. The time it takes to repair, rebuild, or restore damaged property**
  - C. The time between the policy effective date and date of loss**
  - D. The time of year when a seasonal business suffers a loss**

"Time Element Coverage" refers to insurance that provides financial protection for losses that occur over a specific period of time, particularly focusing on the duration required to repair, rebuild, or restore property after a covered loss. This coverage is crucial for businesses, as it helps to cover the income that might be lost during the time it takes to resume normal operations following a damaging event. The correct answer highlights that the loss is sustained as a direct result of the time required for recovery processes. If a business experiences physical damage, it may not only incur repair costs but could also suffer from interruptions in its revenue stream while it is unavailable to operate. This coverage ensures that the insurer compensates the business for income lost during this recovery phase. In contrast, other options do not encapsulate the essence of Time Element Coverage. For instance, the time between the date of loss and the policy expiration date does not necessarily relate to the operational recovery process. Similarly, the time between the policy effective date and the date of loss is more about the coverage period rather than the consequences of a loss itself. The time of year when a seasonal business suffers a loss may influence the severity of the impact but does not define the key component of coverage concerning the duration of recovery. By focusing specifically

- 2. What does a Commercial General Liability (CGL) policy primarily cover?**
  - A. Property damage only**
  - B. Bodily injury and personal injuries**
  - C. Both bodily injury and property damage**
  - D. Professional errors and omissions**

A Commercial General Liability (CGL) policy primarily covers both bodily injury and property damage, making it a vital component for businesses in protecting themselves from various types of liability claims. This type of policy is designed to address claims arising from incidents that lead to physical harm to individuals or damage to their property due to the operations of a business, its products, or its premises. Bodily injury coverage under a CGL policy provides protection in instances where a person is injured on your business premises or as a result of your business operations. This can encompass medical expenses, legal fees, and any settlements or judgments that might arise from such claims. Property damage coverage steps in when the operations of a business cause harm to someone else's property. This could include damage caused during the delivery of goods, accidental damage during on-site work, or damage arising from products sold by the business. While the option related to professional errors and omissions pertains to a specific type of liability known as professional liability insurance, which is more focused on negligence and errors in professional services, it is not covered under a CGL policy. Thus, the understanding that a CGL policy encompasses both bodily injury and property damage is essential for comprehensively assessing a business's risks and ensuring they have appropriate coverage in

**3. What type of insurance protects an individual against claims for bodily injury or property damage to others?**

- A. A. Life Insurance**
- B. B. Auto Liability Insurance**
- C. C. Workers' Compensation**
- D. D. Health Insurance**

Auto Liability Insurance is the type of insurance that protects an individual against claims for bodily injury or property damage to others. This insurance is essential for drivers, as it covers costs arising from accidents where the insured is at fault. This includes medical expenses for injuries sustained by other parties and repair costs for damage to their property. The primary purpose of auto liability insurance is to provide financial protection in situations where the insured is held legally responsible for causing harm to others while operating a vehicle. Since accidents can result in significant costs, this type of insurance helps alleviate the financial burden on the insured by covering legal fees and compensation payments required to settle claims. In contrast, the other types of insurance listed do not primarily offer protection against claims for bodily injury or property damage to others in the context of operating a vehicle. Life insurance focuses on financial support for beneficiaries after the policyholder's death, workers' compensation provides wage replacement and medical benefits to employees injured at work, and health insurance covers medical expenses for the insured's own healthcare needs. Therefore, auto liability insurance is specifically designed to address the liabilities that come with driving, making it the correct choice for the question posed.

**4. What type of policy provides coverage for loss or damage to businesses' physical assets?**

- A. A. General Liability Insurance**
- B. B. Commercial Property Insurance**
- C. C. Workers' Compensation Insurance**
- D. D. Professional Liability Insurance**

The chosen answer is appropriate because Commercial Property Insurance specifically addresses the needs of businesses for protection against loss or damage to their physical assets. This type of insurance covers a range of physical items such as buildings, equipment, inventory, and furniture, typically due to perils like fire, theft, vandalism, or certain natural disasters. The intent of this insurance is to ensure that businesses can replace or repair their tangible assets, which is crucial for maintaining operations and financial stability after a loss. In contrast, General Liability Insurance focuses on protecting a business from third-party claims of bodily injury or property damage that may occur on its premises or as a result of its operations. Workers' Compensation Insurance is designed to cover medical expenses and lost wages for employees who are injured on the job, ensuring that worker-related risks are managed rather than the physical assets of the business. Professional Liability Insurance, also known as errors and omissions insurance, protects businesses against claims of negligence, errors, or omissions in the professional services they provide, rather than covering the physical property itself. Thus, Commercial Property Insurance is the correct option for businesses seeking coverage for their physical assets.

**5. Under an auto insurance policy, what does the term “collision” refer to?**

- A. A. Damage from theft**
- B. B. Damage from a fire**
- C. C. Damage resulting from hitting another object**
- D. D. Damage from weather-related incidents**

The term “collision” in an auto insurance policy specifically refers to damage that occurs when your vehicle strikes another vehicle or an object, such as a tree, guardrail, or any other stationary object. This coverage is designed to help pay for repairs or the replacement of your vehicle after such an event, regardless of who is at fault. Collision coverage is a key component of a comprehensive auto insurance policy, as it provides financial protection in scenarios where an accident involving a collision causes damage. Other types of damages, like those from theft, fire, or weather-related incidents, fall under different sections of an auto policy and are typically covered under other forms of insurance, such as comprehensive coverage. Understanding this distinction is critical for drivers when assessing their coverage options and ensuring they have the protection they need for various types of incidents.

**6. What is the main function of the insurance commissioner in Virginia?**

- A. To underwrite insurance policies**
- B. To regulate insurance companies**
- C. To represent policyholders in claims**
- D. To sell insurance products**

The primary role of the insurance commissioner in Virginia is to regulate insurance companies. This involves overseeing the insurance market to ensure that companies comply with state laws and regulations, maintain financial stability, and treat policyholders fairly. The insurance commissioner is responsible for approving insurance rates, overseeing the licensing of insurers and agents, and monitoring the solvency of insurance companies to protect consumers. This regulatory function is essential for maintaining public trust in the insurance system and ensuring that policyholders have recourse if a company acts unfairly or fails. The other roles listed, such as underwriting policies, representing policyholders in claims, and selling insurance products, do not fall under the purview of the insurance commissioner. Underwriting is typically conducted by insurance companies, while representation in claims and sales is more associated with agents and brokers who work directly with consumers. The insurance commissioner's focus is on regulation and oversight, making the option regarding regulating insurance companies the correct choice.

**7. How many days does a licensed agent have to report a name change to the Commission?**

**A. 30 days**

**B. 45 days**

**C. 60 days**

**D. 90 days**

A licensed agent is required to report a name change to the Commission within 30 days. This requirement ensures that the Commission maintains accurate and up-to-date records for all active agents. Timely reporting of such changes is crucial for regulatory compliance and helps in the smooth processing of licensing and related documentation. Adhering to this timeframe also helps to prevent any potential issues with a client's or an agency's business due to outdated information. In contrast, longer timeframes such as 45, 60, or 90 days would not align with the regulations set forth by the Commission, which emphasizes the importance of prompt communication regarding any alterations in an agent's personal information. Therefore, the 30-day limit is designed to maintain the integrity and accuracy of the licensing system.

**8. How do "flood" and "water damage" differ in insurance terms?**

**A. Flood generally refers to rising water affecting a single property**

**B. Flood refers to rising water that affects multiple properties; water damage refers to intrusions like leaks**

**C. Flood coverage is included in all homeowners policies; water damage is not**

**D. Flood is a type of water damage that is covered by auto insurance**

In insurance terms, the distinction between "flood" and "water damage" is significant for understanding coverage and claims. Flood typically refers to a large-scale event where rising waters, often from rivers, lakes, or heavy rain, affect multiple properties. This can lead to widespread damage and is usually associated with natural disasters. On the other hand, water damage encompasses failures or intrusions within a home, such as leaks from pipes, overflows from appliances, or any accidental discharge of water not caused by external flooding events. Understanding this difference is crucial because it affects the type of insurance coverage a homeowner might need. Flood coverage often requires separate policies or endorsements since standard homeowners policies typically do not include flood coverage unless specifically stated. Meanwhile, water damage arising from domestic sources may be covered under standard homeowners insurance, making it essential for policyholders to know precisely what is included in their policies. This differentiation is why the correct understanding of these terms plays an important role in risk management and financial planning related to property insurance.

**9. Which type of insurance policy typically includes liability coverage for personal injuries?**

- A. Property insurance**
- B. Casualty insurance**
- C. Homeowners insurance**
- D. Health insurance**

Homeowners insurance is designed to provide coverage for a variety of risks associated with owning a home, one of the key components being liability coverage for personal injuries. This type of coverage protects the homeowner if someone is injured while on their property, covering legal fees, medical expenses, and potential settlements. Liability coverage within a homeowners policy is crucial because it addresses accidents that may occur, such as slip and fall incidents, which could lead to personal injury claims. The policy not only offers protection against financial loss due to lawsuits but also ensures that the homeowner can manage unforeseen events that may occur during day-to-day activities on their property. Considering the other options, property insurance primarily protects against damage to physical assets rather than liability. Casualty insurance, while it can include liability coverage, is a broader category and does not specifically refer to personal injuries in the context of property ownership. Health insurance, on the other hand, is focused on medical expenses and does not offer liability coverage related to personal injuries occurring on residential property.

**10. Which Coverage typically covers personal property?**

- A. Coverage A**
- B. Coverage B**
- C. Coverage C**
- D. Coverage D**

Coverage C is specifically designed to cover personal property in most homeowners insurance policies. This coverage typically includes items such as furniture, clothing, electronics, and personal belongings within the home. It protects against various perils like theft, fire, or damage caused by certain natural disasters, ensuring that the insured's personal items are financially protected. In contrast, Coverage A generally pertains to the structure of the home itself, providing protection for the dwelling against damage or loss. Coverage B often relates to other structures on the property, such as detached garages or sheds, while Coverage D deals with loss of use, offering financial assistance if the insured is unable to live in their home due to a covered loss. Thus, Coverage C is the appropriate option when referring to the protection of personal property specifically.

# 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://vaproertycasualty.examzify.com>**

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

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