

DAY FOUR – QUIZ #5

.Which one of the following is eligible for the Businessowners policy (BOP)?

- A. Automobile dealer
- B. Fast food restaurant
- C. Farm
- D. Manufacturer

.A fidelity bond covers which one of the following:

- A. Loss of receipts caused by a dishonest employee
- B. Loss discovered when an inventory reveals a shortage
- C. Theft of merchandise from a locked delivery van
- D. Theft of money by a customer of the insured

Which one of the following statements about a surety bond is CORRECT?

- A. The principal is the surety bond's beneficiary
- B. Because surety involves three parties, it is called third-party insurance
- C. The person whose work is being bonded is called the obligee.
- D. The surety acts as a guarantor of the principal's obligations.

Which one of the following is NOT a consideration when underwriting an application for a surety bond?

- A. Applicant's financial strength
- B. Principal's character and reputation
- C. Past works of a similar nature the applicant has completed
- D. Obligee's financial status

Which one of the following people may NOT obtain a fiduciary bond?

- A. Executor of an estate
- B. Guardian of a minor child
- C. Trustee in a bankruptcy proceeding
- D. Beneficiary of a life insurance policy

