

Your Exam Content Outline

The following outline describes the content of one of the Utah insurance examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weight assigned to each section of the examination. For example, 10 percent means that 6 questions will be drawn from the section on a 60-question exam, 10 will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

Utah Consultant's Casualty Exam Series 17-29

100 questions (plus 5 unscored items)

2-hour time limit

Effective date: January 1, 2020

1.0 Insurance Regulation 11% (11 Items)

1.1 Licensing

- Purpose (31A-23a-101)
- Process (31A-23a-103-105, 107, 302)
- Qualifications (31A-23a-107, 108)
- Types of licensees (31A-1-301, 31A-23a-106, 203, 401, 504)
 - Producers
 - Consultants
 - Adjusters
 - Nonresidents (31A-23a-109)
- Maintenance and duration
 - Renewal (31A-23a-105; 31A-23a-111)
 - Continuing education requirements (31A-23a-202; Reg R590-142-1 through 10)
 - Reinstatement (31A-23a-111(2), 113)
 - Assumed name (31A-23a-110(2))
 - Change of address or telephone number (31A-23a-412(1)(c))
 - Reporting of actions (31A-23a-105(2)(b))
- Disciplinary actions
 - License termination, suspension, or revocation (31A-2-308(10)(a); 31A-23a-111)
 - Probation (31A-23a-112)
 - Monetary forfeiture (fines) (31A-2-308)

1.2 State regulation

- Commissioner's general duties and powers (31A-2-201)
- Company regulation
 - Solvency (31A-4-105, 105.5)
 - Rates (31A-19a-201-203)
 - Policy forms (31A-21-201-203)
 - Producer appointment (31A-23a-115; Reg R590-244-1-14)
 - Termination of appointment (Reg R590-244-1-14)
 - Unfair claim settlement practices (31A-26-303; Reg R590-190-192)
- Producer regulation
 - Fiduciary and trust account responsibilities (31A-23a-409)
 - Place of business/records maintenance (31A-23a-412)
 - Controlled business (31A-23a-502)
 - Shared commissions (31A-23a-504)
- Unfair marketing practices (Reg R590-154)
 - Misrepresentation (31A-21-105; 31A-23a-402(1))
 - False advertising (31A-23a-402(1))
 - Rebating (31A-23a-402(2), 31A-1-301(145))
 - Unfair discrimination (31A-23a-402(3))
 - Boycott, coercion or intimidation (31A-23a-402(4))
 - Illegal inducement (31A-23a-402.5, Reg R590-154-11)
 - Examination of records (31A-2-203-205; 31A-23a-412)
- Privacy of Consumer Information (Reg R590-206)
- Insurance fraud regulation (31A-31-103-106)

Personal liability for unpaid claims (31A-15-105)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681-1681d)

Fraud and false statements (18 USC 1033, 1034)

Privacy (Gramm Leach Bliley)

Motor Carrier Act (MCS-90 and others)

2.0 General Insurance 11% (11 Items)

2.1 Concepts

Risk management key terms

Risk

Exposure

Hazard

Peril

Loss

Methods of handling risk

Avoidance

Retention

Sharing

Reduction

Transfer

Elements of insurable risks

Adverse selection

Law of large numbers

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Reciprocals

Lloyd's associations

Risk retention groups

Private versus government insurers

Admitted versus nonadmitted insurers

Domestic, foreign and alien insurers

Financial status (independent rating services)

Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal

Producer/insurer relationship

Authority and powers of producer

Express

Implied

Apparent

Responsibilities to the applicant/insured

2.4 Contracts

Elements of a legal contract

Offer and acceptance

Consideration

Competent parties

Legal purpose

Distinct characteristics of an insurance contract

Contract of adhesion

Aleatory contract

Personal contract

Unilateral contract

Conditional contract

Legal interpretations affecting contracts

Ambiguities in a contract of adhesion

Reasonable expectations

Indemnity

Utmost good faith

Representations/misrepresentations

Warranties

Concealment

Fraud

Waiver and estoppel

3.0 Property and Casualty Insurance Basics 13% (13 Items)

3.1 Principles and concepts

Insurable interest

Underwriting

Function

Loss ratio

Rates

Types

Loss costs

- Components
- Hazards
 - Physical
 - Moral
 - Morale
- Negligence
 - Elements of a negligent act
 - Defenses against negligence
- Damages
 - Compensatory — special versus general
 - Punitive
- Absolute liability
- Strict liability
- Vicarious liability

3.2 Policy structure

- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

3.3 Common policy provisions

- Insureds — named, first named and additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
 - Nonconcurrency
 - Primary and excess
- Limits of liability
 - Per occurrence (accident)
 - Per person
 - Aggregate—general versus products—completed operations
 - Split
 - Combined single
 - Policy limits
- Named insured provisions

- Duties after loss
- Assignment
- Insurer provisions
- Liberalization
- Subrogation

3.4 Utah laws, regulations and required provisions

- Utah Property and Casualty Insurance Guaranty Association (31A-28-202-210, 212-215, 217-218, 220, 222)
- Cancellation, issuance and renewal (31A-21-303)
- Binders (31A-21-102)
- Other insurance (31A-21-307)
- Suit against insurer (31A-21-313)
- Concealment or fraud (RL 76-6-521)
- Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

4.0 Homeowners Policy 14% (14 Items)

4.1 Coverage forms

- HO-2 through HO-6
- HO-8

4.2 Definitions

4.3 Section II — Liability coverages

- Coverage E — Personal liability
- Coverage F — Medical payments to others
- Additional coverages

4.4 Exclusions

4.5 Conditions

4.6 Selected endorsements

- Special provisions — Utah (HO 01 43)
- Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27, HO 04 28)
- Permitted incidental occupancies — residence premises (HO 04 42)
- Home day care (HO 04 97)
- Business pursuits (HO 24 71)
- Personal injury (HO 24 82)

5.0 Auto Insurance 14% (14 Items)

5.1 Laws

Utah Financial Responsibility of Motor Vehicle Owners and Operators Act (RL 41-12a-101-104)

Required motor vehicle limits of liability (31A-22-301-304)

Personal injury protection (31A-22-306-309)

Medical

Loss of income

Special damages allowance

Funeral

Death

Uninsured/underinsured motorist (31A-22-305-305.3)

Definitions

Bodily injury

Property damage (31A-22-305.5)

UM/UIM rejection

Required limits

Utah Assigned Risk Insurance Plan (31A-22-310)

Aftermarket Crash Parts Act (31A-22-316-319)

5.2 Personal auto policy

Definitions

Liability coverage

Bodily injury and property damage

Supplementary payments

Exclusions

Medical payments coverage

Uninsured motorists coverage

Coverage for damage to your auto

Collision

Other than collision

Deductibles

Transportation expenses

Exclusions

Duties after an accident or loss

General provisions

Selected endorsements

Amendment of policy provisions — Utah (PP 01 93)

Towing and labor costs (PP 03 03)

Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)

Miscellaneous type vehicle (PP 03 23)

Joint ownership coverage (PP 03 34)

5.3 Commercial auto

Commercial auto coverage forms

Business auto

Garage

Business auto physical damage

Truckers

Motor carrier

Coverage form sections

Covered autos

Liability coverage

Garagekeepers coverage

Trailer interchange coverage

Physical damage coverage

Exclusions

Conditions

Definitions

Selected endorsements

Lessor — additional insured and loss payee (CA 20 01)

Mobile equipment (CA 20 15)

Auto medical payments coverage (CA 99 03)

Drive other car coverage (CA 99 10)

Individual named insured (CA 99 17)

Commercial carrier regulations

The Motor Carrier Act of 1980

Endorsement for motor carrier policies of insurance for public liability (MCS-90)

6.0 Commercial Package Policy (CPP) 10% (10 Items)

6.1 Components of a commercial policy

Common policy declarations

Common policy conditions

Interline endorsements

One or more coverage parts

6.2 Commercial general liability

Commercial general liability coverage forms

Bodily injury and property damage liability
Personal and advertising injury liability
Medical payments
Supplementary payments
Who is an insured
Limits of insurance
Conditions
Definitions
Exclusions

Occurrence versus claims-made

Claims-made features

Trigger

Retroactive date

Extended reporting periods — basic versus supplemental

Claim information

Premises and operations

Products and completed operations

Insured contract

Pollution liability coverage form (CG 00 39)

6.3 Commercial crime

General definitions

Burglary

Theft

Robbery

Crime coverage forms

Commercial crime coverage forms
(discovery/loss sustained)

Government crime coverage forms
(discovery/loss sustained)

Coverages

Employee theft

Forgery or alteration

Inside the premises — theft of money and securities

Inside the premises — robbery or safe burglary of other property

Outside the premises

Computer fraud

Funds transfer fraud

Money orders and counterfeit money

Other crime coverages

Extortion — commercial entities (CR 04 03)

Guests' property (CR 04 11)

6.4 Farm coverage

Farm liability coverage form

Coverage H — Bodily injury and property damage liability

Coverage I — Personal and advertising injury liability

Coverage J — Medical payments

Definitions

Conditions

Exclusions

Limits

Additional coverages

7.0 Businessowners Policy 10% (10 Items)

7.1 Characteristics and purpose

7.2 Businessowners Section II — Liability

Coverages

Exclusions

Who is an insured

Limits of insurance

General conditions

Definitions

7.3 Businessowners Section III — Common Policy Conditions

7.4 Selected endorsement

Hired auto and non-owned auto liability (BP 04 04)

8.0 Workers Compensation Insurance 9% (9 Items)

8.1 Workers compensation laws

Type of law

Monopolistic versus competitive

Compulsory versus elective

Utah Workers' Compensation Law

Exclusive remedy (RL 34A-2-105)

Employment covered (required, voluntary)
(RL 34A-2-103, 104)

Covered injuries (RL 34A-2-401, 402)

Occupational disease (RL 34A-3-101-112)

Benefits provided (RL 34A-2-401, 408-418)

Employers' Reinsurance Fund (RL 34A-2-702, 703)

Uninsured Employers' Fund (RL 34A-2-704)

8.2 Workers compensation and employers liability insurance policy

General section

Part One — Workers compensation insurance

Part Two — Employers liability insurance

Part Three — Other states insurance

Part Four — Your duties if injury occurs

Part Five — Premium

Part Six — Conditions

Selected endorsements

Voluntary compensation

Anniversary rating date

Other states

Sole proprietors, partners, officers and others coverage

8.3 Premium computations

Job classification

Rates

Payroll

Adjustment upon audit

Experience modification factor

Premium discounts

8.4 Other sources of coverage

Workers' Compensation Fund (31A-22-1001; 31A-33-101-118)

Self-insured employers (RR R612-400-3)

8.5 Rating organization (31A-301-309)

9.0 Other Coverages and Options 8% (8 Items)

9.1 Umbrella/excess liability policies

Personal (DL 98 01)

Commercial (CU 00 01)

9.2 Specialty liability insurance

Errors and omissions

Professional liability

Directors and officers liability

Fiduciary liability

Liquor liability

Employment practices liability

9.3 Surplus lines (31A-15-103)

Definitions and markets

Licensing requirements

9.4 Surety bonds

Principal, obligee and surety

Contract bonds

License and permit bonds

Judicial bonds

9.5 Aviation insurance

Aircraft liability

9.6 Ocean marine insurance

Major coverages

Protection and indemnity

9.7 Other policies

Boatowners (31A-22-1501-1504)