

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 Adjuster's Property and Casualty Exam Series 17-11

150 questions (plus 5 unscored items)

2.5-hour time limit

Effective date: January 1, 2020

1.0 Insurance Regulation 8% (12 Items)

1.1 Licensing requirements

- Definitions (31A-26-102)
- Qualifications (31A-26-203, 205)
- Purpose (31A-26-202)
- Process (31A-26-202)
- Classifications of licenses (31A-26-204)
- License/character requirements (31A-26-204 & 205)
- Licensing exceptions (31A-26-201(2))
- Adjusters (31A-26-102, 201, 204 (1)(c))
- Nonresident adjuster (31A-26-208)
- Emergency adjuster license (31A-26-212)

1.2 Maintenance and duration

- Renewal (31A-26-213; 31A-26-214.5; Reg. R590-244-7 through 9)
- Continuing education requirements (31A-26-206; Reg. R590-142-1 through 10)
- Reinstatement (31A-26-214.5 (2); Reg. R590-244-8)
- Assumed name (31A-26-209(2))
- Records (31A-26-306(2-4))
- Change of address or telephone number (31A-26-306(1)(b))
- Reporting of actions (31A-26-203)

1.3 Disciplinary actions

License Termination, suspension, revocation, refusal to issue or renew (31A-26-213)

Probation (31A-26-214)

Monetary forfeiture (fines) (31A-2-308)

1.4 Unfair claim settlement laws and regulations (31A-26-301, 303; Reg R590-190-1-14)

Place of business/records maintenance (31A-26-102)

2.0 Insurance Basics 23% (35 Items)

2.1 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

2.2 Principles and concepts

- Insurable interest
- 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
- Causes of loss (perils)
- Named perils versus special (open) perils
- Direct loss
- Consequential or indirect loss
- Blanket versus specific insurance
- Basic types of construction
- Loss valuation
 - Actual cash value
 - Replacement cost
 - Functional replacement cost
 - Market value
 - Agreed value
 - Stated amount
 - Valued policy

2.3 Policy structure

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

2.4 Common policy provisions

- Insureds — named, first named and additional
- Policy period
- Policy territory
- Cancellation and nonrenewal

- Deductibles
- Other insurance
 - Nonconcurrency
 - Primary and excess
 - Pro rata
 - Contribution by equal shares
- Limits of liability
 - Per occurrence (accident)
 - Per person
 - Aggregate — general versus products — completed operations
 - Split
 - Combined single
- Restoration/nonreduction of limits
- Coinsurance
- Vacancy or unoccupancy
- Assignment
- Insurer provisions
 - Liberalization
 - Duty to defend
- Third-party provisions
 - Standard mortgage clause
 - Loss payable clause
 - No benefit to the bailee

3.0 Adjusting Losses 24% (36 Items)

3.1 Role of the adjuster

- Duties and responsibilities (31A-26-304-311)
- Staff and independent adjuster versus public adjuster
- Relationship to legal profession

3.2 Claim reporting

- Claim investigation
- Claim file documentation of events
- Types of reports
 - Initial or first field
 - Interim or status
 - Full formal

3.3 Property losses

- Duties of insured after a loss
 - Notice to insurer
 - Minimizing the loss

- Proof of loss
- Special requirements
- Production of books and records
- Abandonment

Determining value and loss

- Burden of proof of value and loss
- Estimates
- Depreciation
- Salvage

Claim settlement options

Payment and discharge

3.4 Liability losses

Investigation procedures

- Verify coverages
- Determine liability

Gathering evidence

- Physical evidence
- Witness statements

Determining value of intangible damages

3.5 Coverage problems

Dealing with coverage disputes

- Reservation of rights letter
- Nonwaiver agreement
- Declaratory judgment action

3.6 Claims adjustment procedures

Settlement procedures

- Advance payments
- Draft authority
- Execution of releases

Subrogation procedures

Alternative dispute resolution

- Appraisal
- Arbitration
- Competitive estimates
- Mediation
- Negotiation

4.0 Dwelling Policy 4% (6 Items)

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against

- Basic
- Broad

Special

4.3 Property coverages

Coverage A — Dwelling

Coverage B — Other structures

Coverage C — Personal property

Coverage D — Fair rental value

Coverage E — Additional living expense

Other coverages

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements

Special provisions — Utah (DP 01 43)

Automatic increase in insurance (DP 04 11)

Broad theft coverage (DP 04 72)

Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners Policy 9% (13 Items)

5.1 Coverage forms

HO-2 through HO-6

HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling

Coverage B — Other structures

Coverage C — Personal property

Coverage D — Loss of use

Additional coverages

5.4 Section II — Liability coverages

Coverage E — Personal liability

Coverage F — Medical payments to others

Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 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)

Earthquake (HO 04 54)

Scheduled personal property (HO 04 61)
Personal property replacement cost (HO 04 90)
Home day care (HO 04 97)
Business pursuits (HO 24 71)
Personal injury (HO 24 82)

6.0 Auto Insurance 9% (13 Items)

6.1 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)

6.2 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)

6.3 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
 Deductible liability (CA 03 01)
 Lessor — additional insured and loss payee (CA 20 01)
 Mobile equipment (CA 20 15)
 Broad form products (CA 25 01)
 False pretense coverage (CA 25 03)
 Auto medical payments coverage (CA 99 03)
 Drive other car coverage (CA 99 10)
 Hired autos specified as covered autos you own (CA 99 16)
 Individual named insured (CA 99 17)
 Employees as insureds (CA 99 33)

Pollution liability — broadened coverage
(CA 99 48; CA 99 55)

Commercial carrier regulations

The Motor Carrier Act of 1980

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

7.0 Commercial Package Policy (CPP) 8% (12 Items)

7.1 Components of a commercial policy

Common policy declarations

Common policy conditions

Interline endorsements

One or more coverage parts

7.2 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

Owners and contractors protective liability
coverage form

Pollution liability

Pollution liability coverage form (CG 00
39)

Pollution liability limited coverage form
(CG 00 40)

Pollution liability coverage extension
endorsement (CG 04 22)

7.3 Commercial property

Commercial property conditions form

Coverage forms

Building and personal property

Condominium association

Condominium commercial unit-owners

Builders risk

Business income

Legal liability

Extra expense

Causes of loss forms

Basic

Broad

Special

Selected endorsements

Ordinance or law (CP 04 05)

Spoilage (CP 04 40)

Peak season limit of insurance (CP 12 30)

Value reporting form (CP 13 10)

7.4 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)
Lessees of safe deposit boxes (CR 04 09)
Securities deposited with others (CR 04 10)
Guests' property (CR 04 11)
Safe depository (CR 04 12)

7.5 Commercial inland marine

Nationwide marine definition
Commercial inland marine conditions form
Inland marine coverage forms
 Accounts receivable
 Bailee's customer
 Commercial articles
 Contractors equipment floater
 Electronic data processing
 Equipment dealers
 Installation floater
 Jewelers block
 Signs
 Valuable papers and records
Transportation coverages
 Common carrier cargo liability
 Motor truck cargo forms
 Transit coverage forms

7.6 Equipment breakdown

Equipment breakdown protection coverage form (EB 00 20)
Selected endorsement
 Actual cash value (EB 99 59)

7.7 Farm coverage

Farm property coverage form
 Coverage A — Dwellings
 Coverage B — Other private structures
 Coverage C — Household personal property
 Coverage D — Loss of use
 Coverage E — Scheduled personal property
 Coverage F — Unscheduled farm personal property
 Coverage G — Other farm structures
Farm liability coverage form

Coverage H — Bodily injury and property damage liability
Coverage I — Personal and advertising injury liability
Coverage J — Medical payments
Mobile agricultural machinery and equipment coverage form
Livestock coverage form
Definitions
Causes of loss (basic, broad and special)
Conditions
Exclusions
Limits
Additional coverages

8.0 Businessowners Policy 7% (11 Items)

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

Coverages
Exclusions
Limits
Deductibles
Loss conditions
General conditions
Optional coverages
Definitions

8.3 Businessowners Section II — Liability

Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions

8.4 Businessowners Section III — Common Policy Conditions

8.5 Selected endorsements

Hired auto and non-owned auto liability (BP 04 04)
Protective safeguards (BP 04 30)
Utility services — direct damage (BP 04 56)
Utility services — time element (BP 04 57)

9.0 Workers Compensation Insurance 8% (12 Items)

9.1 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)

Federal workers compensation laws

U.S. Longshore and Harbor Workers'
Compensation Act (33 USC 904)

The Jones Act (46 USC 688)

9.2 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

Foreign coverage

Anniversary rating date

Other states

Sole proprietors, partners, officers and
others coverage