

# Your Exam Content Outline

The following outline describes the content of one of the Wisconsin insurance examinations. The outlines are the basis of the examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weights assigned to each part 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.

## Wisconsin Personal Lines: General and State Series 22-09

**100 questions (5 pre-test items)**  
**Two-hour time limit**  
**Effective November 16, 2019**

### 1.0 Insurance Regulation 35% (35 Items)

#### 1.1 Licensing

##### Purpose

*Ref: ch. 628*

##### Persons required to be licensed

*Ref: s. 618.41, ch. 628, s. 628.02(1), s. 628.02(3), s. 628.02(4), s. 628.02(5), s. 628.03, s. 628.04, s. 628.49, s. Ins 6.58, s. Ins 42.01, s. Ins 42.03, ch. Ins 47*

##### License Requirements

*Ref: ch. Ins 26, s. 601.31, s. 628.03, s. 628.04, s. 628.04(2), s. 628.34, s. 628.51, s. Ins 6.59, s. Ins 6.59(4)(a), s. Ins 6.59(4)(c)*

##### Record keeping, maintenance and duration

###### Renewal

###### Continuing education requirements

###### Reinstatement

###### Assumed name

###### Change of address or telephone number

###### Reporting of actions

*Ref: s. 134.97, s. 137.20, s. 601.42, s. 628.04, s. 628.08, s. 628.09, s. 628.09(6), s. 628.11, s. Ins 6.57, s. Ins 6.61, s. Ins 6.63(3), s. Ins 28.04(1)(a), s. Ins 28.04(1)(f), s. Ins 28.04(2)(a), s. Ins 28.04(2)(b), s. Ins 28.04(2)(1m), s. Ins 28.06(6)*

##### Disciplinary actions

###### License termination, suspension, or revocation

###### Monetary forfeiture (fines)

*Ref: s. 628.10(1), s. 628.10(2), s. 628.10(3), s. 628.10(4), s. 628.345(1)(b), s. 628.345(2), s. 628.345(3)(a), s. 628.345(3)(d), s. 628.345(3)(e), s. 628.345(3)(f), s. Ins 6.63*

#### 1.2 State regulation

##### Commissioner's general duties and powers

###### Duties

##### Hearings

##### Penalties

##### Insurance security fund

*Ref: ch. 227, s. 227.12, s. 601.41, s. 601.41(4), s. 601.42, s. 601.42(4), s. 601.62, s. 601.62(5), s. 601.64, s. 601.64(2), s. 601.64(3), s. 601.64(3)(d), s. 601.64(4), s. 601.65, s. 628.10, s. 628.10(2)(b), s. Ins 6.59, ch. 646*

##### Company regulation

###### Solvency

###### Responsibilities of the insurer

###### Rates

###### Use of Policy forms

###### Readability

###### Producer appointments/terminations

###### Unfair claims, methods, and practices

###### Notice of right to file complaint

*Ref: s. 628.11, s. 628.40, s. 631.20, s. 631.20(3), s. 631.22, s. 631.28, s. Ins 6.07, s. Ins 6.11, s. Ins 6.11(3), s. Ins 6.55, s. Ins 6.55(4)(b), s. Ins 6.57, s. Ins 6.85*

##### Producer regulation

###### Fiduciary and trust account responsibilities

###### Place of business/records maintenance

###### Compensation of agents

###### Controlled business

###### Shared commissions

###### Proper exchange of business

*Ref: s. 628.32, s. 628.51, s. 628.61, s. Ins 6.66*

##### Marketing practices

###### Misrepresentation

###### False advertising

###### Rebating

###### Unfair discrimination

###### Boycott, coercion or intimidation

###### Illegal inducement

*Ref: ch. 20, s. 628.34, s. 628.34(1) – (14), s. Ins 6.54, s. Ins 6.55, s. Ins 6.67, s. Ins 6.68*

##### Examination of records

*Ref: s. 601.43, s. 601.43(1)(b), s. 601.43(1)(c), s. 601.43(2)(a), s. 601.45, s. 601.49, s. Ins 16.01, s. Ins 26.10, s. Ins 26.10(3), s. Ins 28.10, s. Ins 28.10(3)*

##### Retention of Electronic Records

*Ref: s. 137.20*

General statutes, rules, and regulations affecting insurance contracts

Definitions

Specific knowledge

Misrepresentation/Warranties

Knowledge and acts of the agent

Certificates of Insurance

*Ref: s. 628.34, ch. 631, s. 631.08, s. 631.09, s. 631.11, s. 631.28, ch. 632*

Electronic delivery of notice of documents

*Ref: s. 610.60*

Regulation of specific clauses in insurance contracts

Cancellation

Renewal/Nonrenewal

Notice of proof of loss

Payment of claims

*Ref: s. 102.31(2)(a), s. 102.31(2)(b)(1), s. 102.315(10)(a)(4), s. 102.315(10)(a)3, s. 102.315(10)(b)3, s. 628.46, s. 631.36, s. 631.43, s. 631.48, s. 631.81, s. 632.36(1-2), s. Ins 18.10, s. Ins 21.01(4)(a-c), s. Ins 21.01(5), s. Ins 21.01(6), s. Ins 21.01(10), s. Ins 21.01(11), s. Ins 6.11, s. Ins 6.77*

Privacy of Consumer Information

*Ref: s. 134.97, s. 610.70, s. Ins 25*

### 1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

### 1.4 Wisconsin statutes, rules, and regulations

**common to property and casualty insurance**

General rate standards

*Ref: s. 625.11, s. 625.13, 625.22, s. 626.13, s. 631.20, s. Ins 3.49(3), s. Ins 4.08, s. 4.10(7)(g), s. Ins 6.78*

Prohibited classification of risks

*Ref: s. 628.34, s. Ins 6.54*

Surplus lines

Definition

Responsibilities of agents and brokers

*Ref: s. 618.41, s. 618.42, s. 618.43, s. 628.02, s. 628.04(2), s. Ins 6.17, s. Ins 6.18, s. Ins 6.19, s. Ins 6.66*

Oral contracts

*Ref: s. 631.05*

### 1.5 Wisconsin statutes, rules, and regulations

**pertinent to property insurance**

Application of the standard fire policy in Wisconsin

Modifications or additions

Required provisions

Limitations on using or disclosing information regarding domestic abuse

*Ref: s. 628.34, s. 631.95(2)(f), s. 632.05, s. 632.07, s. 632.08, s. Ins 4.01, s. Ins 6.76*

Wisconsin Automobile Insurance Plan (WAIP)

*Ref: s. 610.01, ch. 619, s. Ins 4.10*

Lender Requirements

*Ref: s. 632.07*

### 1.6. Wisconsin statutes, rules, and regulations pertinent to casualty insurance

Automobile liability

Financial responsibility defined

Persons required to show proof

Required coverages and prohibited exclusions

Cancellation or nonrenewal

Responsibility for minors operating motor vehicles

The Wisconsin Auto Insurance Plan (WAIP)

*Ref: s. 343.15, s. 344.01, s. 344.01(2)(d), s. 344.29, s. 344.30, s. 344.31, s. 344.34, s. 344.62, s. 619.01, s. 631.35, s. 632.26(1), s. 632.32, s. 632.34, s. 632.36, s. 632.365, s. 632.37, s. 632.38, s. 895.04(4), s. Ins 3.49, s. Ins 6.77(6), s. Ins 21.01(7) – (10)*

## 2.0 General Insurance 5% (5 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

Reciprocal

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

- Loss valuation

- Actual cash value

- Replacement cost

- Functional replacement cost

- Market value

- Agreed value

- Stated amount

- Valued policy

## 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

- Split

- Combined single

- Policy limits

- Restoration/nonreduction of limits

- Coinurance

- Vacancy or unoccupancy

- Named insured provisions

- Duties after loss

- Assignment

- Abandonment

- Insurer provisions

- Liberalization

- Subrogation

- Salvage

- Claim settlement options

- Duty to defend

- Third-party provisions

- Standard mortgage clause

- Loss payable clause

- No benefit to the Bailee

## 3.0 Property and Casualty Insurance Basics 20% (20 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

- Causes of loss (perils)

- Named perils versus special (open) perils

- Direct loss

- Consequential or indirect loss

- Blanket versus specific insurance

- Basic types of construction

## 4.0 Dwelling Policy 10% (10 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 — (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 10% (10 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 — (HO 01 43)  
Limited fungi, wet or dry rot, or bacteria coverage  
(HO 04 26, HO 04 27)  
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 10% (10 Items)

#### 6.1 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 — (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)

### 7.0 Other Coverages and Options 10% (10 Items)

#### 7.1 Personal umbrella policies (DL 98 01)

#### 7.2 National Flood Insurance Program

"Write your own" versus government  
Eligibility  
Coverage  
Limits  
Deductibles

#### 7.3 Other policies

Boatowners