

YOUR EXAM CONTENT OUTLINE

for examinations on or after March 1, 2006.

If you do not receive all three pages of this outline, please contact Prometric.

The following outline describes the content of one of the New Hampshire 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.

New Hampshire Adjuster's Examination for Property and Casualty Insurance

Series 12-75

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 7%

1.1 Licensing requirements

Qualifications (402-B:3)
Process (402-B:3)
Licensing exemptions (402-B:2)
Temporary adjuster license (402-B:11)
License display (402-B:9)

1.2 Maintenance and duration

Renewal (402-B:10-a)
Records (400-A:37(II))
Continuing education (402-B:5-a; Reg 1302.05)

1.3 Disciplinary actions

Cease and desist order (417:12)
Suspension or revocation (402-B:12)
Penalties and fines (402-B:12, 13; 417.13)

1.4 Claim settlement laws and regulations (407:12–15; 417:4(XV); Reg 1001.01–.16)

1.5 Federal regulation

Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 22%

2.1 Contracts

Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
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 Insurance 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 peril 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

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, 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

2.5 New Hampshire laws, regulations and required provisions

New Hampshire Valued Policy Law (407:11)

New Hampshire Insurance Guaranty Association (404-B)

Standard fire policy (407:1-2a, 22)

Cancellation and nonrenewal (417-B; 417-C)

Concealment, misrepresentation or fraud (407:22, RL 638:20)

Terrorism Risk Insurance Act of 2002 (HR 3210)

3.0 Adjusting Losses 25%

3.1 Role of the adjuster

Duties and responsibilities

Staff and independent adjuster versus public adjuster

Relationship to the 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 coverage

- 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 ('89) Policy 2%

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 — New Hampshire (DP 01 28)

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 ('00) Policy 14%

5.1 Coverage forms

HO-2 through HO-6

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 — New Hampshire (HO 01 28)

Limited fungi, wet or dry rot, or bacteria coverage
(HO 04 26, HO 04 27)

Permitted incidental occupancies (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)

Watercraft (HO 24 75)

Personal injury (HO 24 82)

6.0 Auto Insurance 30%

6.1 Laws

New Hampshire Motor Vehicle Financial

Responsibility Law

Required limits of liability (RL 259:61, 264:20)

New Hampshire Automobile Reinsurance Facility

Plan (Reg 1405)

New Hampshire Commercial Auto Insurance Plan

Uninsured/underinsured motorist (RL 264:15)

Definitions

Bodily injury

Required limits

Cancellation/nonrenewal (417-A)

Grounds

Notice

Notice of eligibility in Automobile Reinsurance

Facility Plan (417-A:5(V))

Residency statement (417-A:3-b)

Medical costs coverage (RL 264:16)

After market parts regulation (407-D)

6.2 Personal ('98) auto policy

Definitions

Liability coverage

Bodily injury and property damage

Supplementary payments

Exclusions

Medical payments

Uninsured motorist

Coverage for damage to your auto

Collision

Other than collision

Deductibles

Transportation expense

Exclusions

Duties after an accident or loss

General provisions

Selected endorsements

Amendment of policy provisions — New
Hampshire (PP 01 76)

Towing and labor costs (PP 03 03)

Extended non-owned coverage for named
individual (PP 03 06)

Miscellaneous type vehicle (PP 03 23)

Joint ownership coverage (PP 03 34)

6.3 Commercial auto ('01)

Commercial auto coverage forms

Business auto

Garage

Business auto physical damage

Coverage form sections

Covered autos

Liability coverage

Garagekeepers 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)

Hired autos specified as covered autos you own
(CA 99 16)

Individual named insured (CA 99 17)

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