

# Your Exam Content Outline

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 - 150-minute time limit

### 1.0 Insurance Regulation 7%

#### 1.1 Licensing requirements (402-B:1)

- Qualifications (402-B:3)
- Process (402-B:3, 4)
- 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 requirements (402-B:5-a; Reg 1302.04)

#### 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 1002.01–.20)

#### 1.5 Federal regulation

- Fraud and false statements (18 USC 1033, 1034)

#### 1.6 Records Retention (400-B)

### 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:1-4, 6)
- Concealment, misrepresentation or fraud (407:22; RL 638:20)
- Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

## **3.0 Adjusting Losses 22%**

### **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 ('02) 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)
- Dwelling under construction (DP 11 43)

### **4.7 Personal liability supplement**

## **5.0 Homeowners ('11) 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 25%

#### 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 ('05) auto policy

Definitions

Liability coverage

Bodily injury and property damage

Supplementary payments

Exclusions

Medical payments

Uninsured motorist / underinsured motorist  
coverage

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 — vehicles  
furnished or available for regular use  
(PP 03 06)

Miscellaneous type vehicle — New Hampshire  
(PP 13 32)

Joint ownership coverage — New Hampshire  
(PP 13 34)

#### 6.3 Commercial auto ('10)

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)

### 7.0 Commercial Package Policy (CPP) 5%

#### 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 ('07)

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 liability

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  
    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 ('07)

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 coverage  
    Ordinance or law (CP 04 05)  
    Spoilage coverage (CP 04 40)  
    Peak season limit of insurance (CP 12 30)  
    Value reporting form (CP 13 10)

### 7.4 Commercial crime ('06)

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 coverage  
    Extortion — commercial entities (CR 04 03)

### 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 ('11)

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

### 7.7 Farm coverage

Farm property coverage form ('03)  
    Coverage A — Dwellings  
    Coverage B — Other private structures  
    Coverage C — Household personal property  
    Coverage D — Loss of use  
    Coverage E — Scheduled farm personal property  
    Coverage F — Unscheduled farm personal property  
    Coverage G — Other farm structures  
Farm liability coverage form ('06)  
    Coverage H — Bodily injury and property damage liability  
    Coverage I — Personal advertising injury liability  
    Coverage J — Medical payments  
Livestock coverage form  
Mobile agriculture machinery and equipment coverage form  
Causes of loss (basic, broad and special)  
Exclusions  
Additional coverages  
Limits of insurance  
Conditions  
Definitions

## 8.0 Businessowners ('10) Policy 3%

### 8.1 Characteristics and purpose

### 8.2 Businessowners Section I — Property

Coverage  
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)