

# 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 Producer's Examination for Title Insurance Series 12-72

**100 questions – Two-hour time limit**

### 1.0 Insurance Regulation 8%

#### 1.1 Licensing

- Purpose (402-J:1)
- Process (402-J:5, 6)
- Persons to be licensed (402-J:3, 7, 9; 416-A:15)
- Maintenance and duration (402-J:7)
  - Renewal
  - Expiration
- Disciplinary actions
  - Cease and desist order (417:12)
  - Denial, suspension or revocation (402:49; 402-J:12)
  - Penalties and fines (417:10, 13)

#### 1.2 State regulation

- Commissioner general duties and powers (400-A:3, 15; 417:5, 14)
- Company regulation
  - Solvency (416-A:9–14)
  - Rates (416-A:17)
  - Prohibited business (416-A:8)
- Unfair insurance trade practices
  - Misrepresentation (417:4(I, II))
  - False information and advertising (417:4(III))
  - Defamation (417:4(IV))
  - Boycott, coercion and intimidation (417:4(V))
  - Illegal inducement (417:4(VII))
  - Unfair discrimination (417:4(VIII))
  - Rebating (417:4(IX, X))
- Examination of books and records (400-A:37)

#### 1.3 Federal regulation

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

### 2.0 General Insurance 8%

#### 2.1 Concepts

- Risk management key terms
  - Risk
  - Exposure
  - Hazard
  - Loss
- Methods of handling risk
  - Avoidance
  - Retention

- Sharing
- Reduction
- Transfer
- Elements of insurable risks
- Insurable interest
- Adverse selection
- Law of large numbers
- Reinsurance

#### 2.2 Producers and general rules of agency

- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producer
- Responsibilities to the applicant/insured

#### 2.3 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 Real Property 28%

#### 3.1 Concepts, principles and practices

- Definition of real property
- Types of real property
- Title to real property
- Marketable title

#### 3.2 Acquisition and transfer of real property

- Conveyances
- Encumbrances
- Adverse possession
- Condemnation
- Accession

- Escheats
- Involuntary alienation
- Abandonment
- Judicial sales
- Decedents' estates
  - Intestate
  - Testate
- Trusts
- Types of joint ownership
  - Tenants in common
  - Joint tenancy
- Acknowledgments
- Legal capacity of parties
  - Individuals
  - Corporations
  - General partnerships
  - Limited partnerships
  - Fictitious names
  - Trust agreements
  - Limited Liability Company (LLC)

### **3.3 Legal descriptions**

- Types of legal descriptions
- Types of measurements used
- Language of real descriptions
- Structure and format
- Interpretation

### **3.4 Escrow principles**

- Escrow terminology
- Types of escrows
- Escrow contracts
- Fiduciary responsibilities of escrow agents

### **3.5 Recording**

- Types of records
- Types of recording systems
- Requirements to record
- Recording steps
- Acknowledgments
- Presumptions

## **4.0 Title Insurance 33%**

### **4.1 Title insurance principles**

- Risks covered by title insurance
  - Risk of error in public records
  - Hidden off-record title risks
  - Risk of omission and commission by producer
- Entities that can be insured; need for insurance
  - Individual
  - Commercial
- Interests that can be insured
  - Types of estates
  - Easements
- Title insurance forms
  - Commitments
  - Owner's policy
  - Loan policy
  - Leasehold policies
- Title insurance policy structure and provisions
  - Insuring provisions
  - Schedule A

- Schedule B — Exceptions from coverage
- Exclusions from coverage
- Conditions and stipulations
- Endorsements

### **4.2 Title searching techniques**

- Hard copy index
- Computer index
- Chain sheet

## **5.0 Title Exceptions and Procedures for Clearing Title 23%**

### **5.1 Principles and concepts**

- General exceptions
- Voluntary and involuntary liens
- Federal liens
- Mortgage
- Judgments
- Taxes and assessments
- Surveys
- Condominiums
- Water rights
- Equitable interests
- Attachments
- Executions
- Covenants
- Conditions
- Restrictions

### **5.2 Special problem areas and concerns**

- Acknowledgments
- Mechanic's lien
- Bankruptcy
- Probate
- Good faith
- Foreclosure
- Claims against the title

### **5.3 Principles of clearing title**

- Releases
- Assignments
- Subordinations
- Affidavits
- Reconveyances

### **5.4 Settlement or closing procedures**

- Real Estate Settlement Procedures Act (RESPA)
- Insured closing protection