

MASSACHUSETTS

Division of Insurance

Licensing Information Bulletin

For examinations on and after November 1, 2008

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Providing License Examinations for the Commonwealth of Massachusetts

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Introduction

A message from the Division

This bulletin provides you with information about the examination process for becoming licensed by the Massachusetts Division of Insurance (the Division) to sell or provide insurance services and products. The Division has contracted with Prometric to conduct its examination program.

We wish you well in preparing for your examination and remind you that by law you are required to continue your insurance education after becoming licensed. Remember, however, a license is a privilege, not a right or a gift. You must commit yourself from the beginning to comply with the laws and regulations set forth to regulate the insurance industry.

At a glance

Follow these main steps if you are interested in obtaining an insurance license.



To obtain your insurance license

- 1 Review this bulletin thoroughly to:
 - Determine exams needed and other license requirements.
 - Understand exam registration, expiration and rescheduling provisions.
- 2 Contact Prometric to register and pay for your exam and to schedule an appointment to take it. (See Page 4.)

The easiest way to register is online at www.prometric.com/massachusetts. Phone, fax and mail options are also available.
- 3 Prepare for your exam using this bulletin and other materials.

The content outlines in this guide are the basis for the exams. (See Page 17.)
- 4 Take the scheduled exam, bringing required identification to the test center. (See Page 10.)

You will receive your results immediately after the exam. If you pass your exam, go on to step 5. If you do not pass, repeat steps 2 through 4 until you do.
- 5 Send the license application form, your original exam score report(s), any other required filing documents and the correct fees to the Division's P.O Box only; do not send to the Division's street address. (See Page 14.)



To get answers not provided in this bulletin

Direct all questions and requests for information about exams to:

Prometric

Phone: 800.741.9380

Fax: 800.347.9242

TDD User: 800.790.3926

Visit our Web site at www.prometric.com/massachusetts

Direct written questions about applications for licensure to:

Massachusetts Division of Insurance

One South Station, Fifth Floor

Boston, MA 02110

Phone: 617.521.7794, and opt for line #2

Visit the Division's Web site at www.mass.gov/doi

Understanding license requirements

This section describes:

- The types of licenses offered by the Division.
- Licensing requirements based on residence.

Overview of the licensing process

The Division is authorized to license individuals and business entities (corporations, partnerships, limited liability companies and limited liability partnerships) who wish to operate as producers, advisers, public insurance adjusters, motor vehicle damage appraisers, surplus lines brokers, reinsurance intermediaries, and viatical settlement or loan brokers, as defined in Massachusetts Insurance Laws.

After you fulfill your exam requirements, submit your application for licensure, your original exam score report(s), any other required documentation, and appropriate fees to the Division's P.O. Box address only. For application instructions, see "Applying for your license" on Page 14. Licensing requirements and application forms are available at www.mass.gov/doi and click on the Licensing Link.

If the Division approves your application, you will receive a license and may solicit insurance of the type for which you have been licensed.



Note Passing an exam does not guarantee that you will be issued a license. If you take an exam unnecessarily or are found unqualified, neither the exam fee nor the license-processing fee will be refunded.

Producer licensing requirements

The laws relative to the licensing of insurance producers in Massachusetts are M.G.L. c. 175 §162G to 162X. To be licensed as a resident insurance producer, an applicant **must**:

- 1 Be a resident of the Commonwealth of Massachusetts.
- 2 Be at least 18 years of age.
- 3 Not have committed any act that is a ground for denial, suspension or revocation set forth in section M.G.L. c. 175 §162R.
- 4 Have passed an examination administered by Prometric for the lines of authority for which the person has applied (not required for Variable [as one must have his/her Life line of authority] and Travel & Baggage).
- 5 Pay the correct license fee to the Commonwealth of Massachusetts.
- 6 Comply with M.G.L. c. 175 § 162.

Massachusetts issues Producer licenses with the following lines of authority:

- Life.
- Accident and Health or Sickness.
- Property.
- Casualty.
- Personal Lines.
- Limited Lines Credit Insurance.
- Travel & Baggage.
- Variable Life and Variable Annuity Products.

*Nonresident
Producer
licensing
requirements*

To be licensed as a nonresident insurance producer, an applicant **must**:

- 1 Be currently licensed as a resident and in good standing in his/her home state.
- 2 Not have committed any act that is a ground for denial, suspension or revocation set forth in section M.G.L. c. 175 §162R.
- 3 Pay the appropriate fees.

*Adviser
licensing
requirements*

The requirements for advisers are governed by M.G.L. c. 175 §177A and §177B. To become an insurance adviser in the Commonwealth, an applicant **must**:

- 1 Pass the adviser licensing examination administered by Prometric.
- 2 Be at least 18 years of age.
- 3 Not previously have had a revoked or suspended license.
- 4 Be trustworthy and competent.

*Public
Insurance
Adjuster
licensing
requirements*

The requirements for public insurance adjusters are governed by M.G.L. c. 175 §172. To become a public insurance adjuster in the Commonwealth, an applicant **must**:

- 1 Demonstrate that he/she has two years experience performing services in connection with adjusting of property losses.
- 2 Schedule, take and pass the adjuster licensing exam.
- 3 Not previously have had a revoked or suspended license.
- 4 Be at least 21 years of age.

*Surplus Lines
Broker
licensing
requirements*

The requirements for surplus lines are governed by M.G.L. c. 175 §168. In order to qualify as a surplus lines broker in the Commonwealth, an applicant **must**:

- 1 Be currently licensed as a Massachusetts property & casualty producer, if a resident. If a nonresident, he/she must be licensed as a surplus lines broker in his/her home state.
- 2 Be at least 18 years of age.
- 3 Not previously have had a revoked or suspended license.
- 4 Be trustworthy and competent.

*Motor Vehicle
Damage
Appraisers
licensing
requirements*

The Automobile Damage Appraiser Licensing Board is responsible for the regulation of Motor Vehicle Damage Appraisers (MVDA) in Massachusetts. The MVDA licensing process requires candidates to submit all application materials to the Board and be pre-approved **prior** to taking either the written exam or the appraisal exam.

Candidates **must submit** all of the following to the Automobile Damage Appraiser Licensing Board, One South Station, Boston, MA 02110-2208:

- 1 An MVDA Application (available at www.mass.gov/doi).
- 2 A work experience letter from a licensed Massachusetts appraiser with whom you have worked for a period of at least three months. This letter must be signed by the appraiser and his/her seal affixed.
- 3 A copy of certification received from a Board-approved damage appraiser course. **Please note:** Two years practical work experience writing appraisals may be substituted for the required course work.

- 4 A certified transcript from the courts and a letter of explanation if you have had any convictions.
- 5 A check for \$100 made payable to the **Commonwealth of Massachusetts** for application processing and examination registration.

You will be notified by the Board when your application has been approved. The Board will also send notification of your approval to Prometric. You may then contact Prometric at www.prometric.com/massachusetts or call 800.741.9380 to schedule your written exam. After successfully completing your written exam, you will be notified by the Board on how to complete the Part 2 Vehicle Appraisal Examination.



Note **Do not** register or schedule your MVDA exam **until** you receive authorization from the Board.

Scheduling your exam appointment

Prometric provides computerized testing through its multistate testing network. A list of testing centers in Massachusetts is located on Page 7.

Follow the instructions below to register and schedule an appointment to take your exam.

Registering and scheduling exams

Before you can test, you must contact Prometric to:

- 1 Register by providing your Social Security number and contact information (first-time testers).
- 2 Pay the exam fee.
- 3 Schedule an appointment.

Confidentiality. Be assured that Prometric treats your Social Security number as **confidential**. It is used only as an identification number in maintaining your record and reporting your grades to the Division.

Accommodations. If you require ADA accommodation or ESL consideration, see “Special test considerations” on Page 6 before registering.

Holidays. Testing generally does not occur on the following holidays:

- New Year’s Day
- Martin Luther King Jr. Day
- Presidents’ Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Additional holidays may be observed in the state where you schedule your exam appointment.

On the Internet—register and schedule at one time

Register and schedule your exam online at any time using our Internet Registration Service.



To register and schedule an exam online

- 1 Access www.prometric.com/massachusetts.
- 2 Under Insurance, click **Insurance license exams**.
- 3 Click on **Schedule your test** and follow the prompts.

By phone—a one-step process

You may register and schedule your examination by calling 800.741.9380 between 8 a.m. and 9 p.m. (Eastern time), Monday through Friday. Please have your exam registration form and your Visa or MasterCard information available. At the end of the call, you will be given a number confirming your appointment. Record and keep this confirmation number for your records.

By fax or mail—a two-step process

You can register by fax or mail in two steps: (1) register and pay your exam fee; and (2) schedule your exam appointment by phone.

You may fax your completed exam registration form (Page 41) to Prometric at 800.347.9242. You must include the Visa or MasterCard number and the cardholder's signature on the fax. Faxed registrations are processed within 24 hours, or one business day, of receipt.

You may mail your completed exam registration form and the appropriate exam fee (\$57). Assume four to eight days for delivery of mailed registrations and then 48 hours for processing.

Once your registration has been processed, you must schedule an appointment to take the exam by calling 800.741.9380. Please record and retain the number confirming your appointment.

Registration fee, expiration and refund policy

Fees for all exams may be included in one payment. MasterCard, Visa, money order, company check and cashier's check are accepted forms of payment. **Personal checks and cash are not accepted. Exam registration fees are not refundable or transferable.**



Note An exam registration remains valid for 90 calendar days after it has been processed. It will expire without further notice at that time. We recommend that you do not register for your exam until you are prepared to take it.

If you allowed your exam registration to expire or did not pass your exam, you must re-register. Another exam registration fee is required.

Rescheduling your appointment

You may reschedule your exam appointment up to **three full business days** before the day of your originally scheduled appointment. If you do not allow at least three full business days to reschedule your appointment, you are required to pay a new, full exam fee prior to choosing another appointment. Refer to the following table to determine the **last day** you may reschedule without paying another exam fee.

Last day to reschedule with no fee

If your exam is on:	Call by 9 p.m. (Eastern time) the previous:
Monday	Tuesday
Tuesday	Wednesday
Wednesday	Thursday
Thursday	Friday
Friday	Monday

Note that this schedule **does not** include holidays. Since holidays are not business days, they do not count against the three days (call earlier).

If you need to make a new appointment, you may call Prometric at 800.741.9380 and pay the new exam fee by Visa or MasterCard and. You may also pay the new fee by mailing a cashier's check, company check, money order or Visa, MasterCard or American Express information to Prometric.

If absent or late for your appointment

If you miss your appointment or arrive late and are not allowed to test, you will forfeit your exam fee. You will be required to submit a new exam fee prior to scheduling a new appointment.

If you are unable to attend your scheduled exam due to illness or emergency, call Prometric. Under certain circumstances, the fee to reschedule may be waived. Prometric reserves the right to request documentation to support any illness or emergency claim.

Emergency closings

Severe weather or an emergency could require canceling scheduled exams. If this occurs, Prometric will attempt to contact you by phone or e-mail; however, you may check for testing site closures by calling Prometric. If the site is closed, your exam will be rescheduled without a rescheduling fee.

If a test center is open for testing and you choose not to appear for your appointment, your fee will be forfeited. You must then reschedule your exam and pay another full examination fee.

Special test considerations

ADA accommodation. If you require testing accommodations under the Americans with Disabilities Act (ADA), please call Prometric at 888.226.9406 to obtain an accommodation request form. Reasonable testing accommodations are provided to allow candidates with documented disabilities recognized under the Americans with Disabilities Act an opportunity to demonstrate their skills and knowledge.

Candidates should submit professional documentation of the disability with their form to help us determine the necessary testing arrangements. Thirty days' advance notice is required for all testing arrangements. There is no additional charge for these accommodations.

ESL Accommodation. If English is not your primary language, you may qualify for additional time for your test by requesting an ESL Authorization from Prometric. Please include:

- A personal letter requesting the authorization; and
- A letter from your English instructor or sponsoring company (on company letterhead), certifying that English is not your primary language.

If documentation is approved, Prometric may extend the time limit on your examination to time and a half. You will be notified by mail of this approval and should not schedule your exam until you have received the approval letter.

Testing Centers

Massachusetts

Test center locations are subject to change. Test center locations in surrounding states are available online at www.prometric.com or by calling 800.853.5448.

Test Sites	Directions
<p>Boston 27 Wormwood Street (Fort Point Place) Boston, MA 02110 617.345.8980</p>	<p>From the north: Take Route 93 south to Purchase Street (Exit 23). At the second light, turn left onto Congress Street. Turn right on A Street then turn left onto Wormwood Street.</p> <p>From the south: Take Route 93 north to Exit 20. Stay left into the tunnel and follow the signs for South Boston. Turn left onto Congress Street. Go to the second light and turn left on A Street then turn left onto Wormwood Street. The Nicco Street Parking Garage is on the right.</p>
<p>Brockton 130 Liberty Street, Suite 7A Brockton, MA 02301 508.427.9346</p>	<p>Take Route 24 to Exit 17B and turn left at the lights. Turn left onto Mill Street, which becomes Liberty Street. The testing center will be on the left.</p>
<p>Brookline 1330 Beacon Street, Suite 355 Brookline, MA 02446 617.278.3970</p>	<p>From Mass. Pike (Rte. 90W) take Exit 20 (Rte. 90E). Take Exit 18 (Cambridge Allston). Bear left onto Brighton/Allston. The road curves onto Cambridge Ave. After the overpass, turn left at light onto Harvard Ave. The testing center is on the corner of Beacon Street and Harvard Street.</p>
<p>Burlington 8 New England Executive Park Suite 230 Burlington, MA 01803 781.221.7860</p>	<p>From the north: Take 95 South to Exit 32B (Middlesex Turnpike). Bear right on the Middlesex Turnpike past the Burlington Mall. Take a right on Mall Road. Take a right at the third stoplight.</p> <p>From the south: Take 95 to Exit 33B. Go straight through the lights onto Burlington Mall Road. At the fifth set of stoplights, turn left into New England Executive Park. The testing center parking lot is adjacent to the Burlington Mall parking lot.</p>
<p>Lowell 650 Suffolk Street Wannalancit Mills Building Lowell, MA 01854 978.275.2873</p>	<p>Take Route 495 or Route 3 to the Lowell Connector N (Exit 30AB). Take Exit 5B (Thorndike Street). Thorndike Street becomes Dutton Street then Moody Street then Arcand Drive. Turn left onto Father Morrisette Boulevard. Turn right at Suffolk Street. There is free parking lot on the right.</p>
<p>West Springfield 59 Interstate Drive West Springfield, MA 01089 413.733.2374</p>	<p>From I-91: Take the Prospect Avenue Exit and travel west. Turn right onto Interstate Drive.</p>

<p>Worcester 146 West Boylston Drive Suite 302 Worcester, MA 01606 508.853.7250</p>	<p>From the South: Take I-190 to RT-12/Gold Star Blvd. Exit 1. Turn right onto Boylston Street. Take a slight right onto Neponset Street. Turn right onto West Boylston Drive. From the North: Take the I-190 to RT-12/Gold Star Blvd. Exit 1. Stay on Boylston Street. Turn right onto West Boylston Drive.</p>
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Preparing for your exam

Being well prepared can help you pass your exam and possibly save you money and time spent retaking it. This section offers:

- Helpful tips for preparing.
- Information about study materials.
- An overview of the exam content outlines in this bulletin.

Tips for preparing

Planned preparation increases your likelihood of passing your qualifying exam. Use the following suggestions to help you prepare.

- ▶ Use the correct edition of the bulletin.
 Make sure your copy of this bulletin applies to exams given on the date you intend to take the exam. You should use **this** edition of the bulletin **only** if you expect to take the exam on or after November 1, 2008.
- ▶ Base your study on the content outlines in the current bulletin.
 Read the content outline as a basis of study and to familiarize yourself with insurance terms and policy components. Make sure you can explain the major points associated with each outline topic. Use new terms or concepts as frequently as you can in discussions or conversations with colleagues.
- ▶ Use materials and policies that apply to the subjects on which you will be tested.
 Obtain copies of and read the actual policies on which you will be tested. Take notes, highlight key ideas for later review and check off each topic when finished.
- ▶ Consider enrolling in a pre-licensure study course.
 Pursuant to M.G.L. Chapter 175, §162L, pre-licensing coursework is no longer required of individuals seeking licensure as Insurance Producers. However, the Division recommends that applicants complete a course of study prior to taking an insurance examination.

Study materials

The exam content outlines starting on Page 17 of this bulletin are the basis for the exams. The content outlines are updated periodically, and outdated study materials may not be consistent with them. Where such discrepancies exist, the outlines take precedence. **Make sure your study materials cover the topics in the outlines.**

The Division does not specify an official study manual. You are free to use materials of your own choosing to prepare for the license exam. You may obtain recommendations for study materials from insurance companies, the company or agency you plan to work for, or local insurance agents' associations. However, because of the number, the diversity of approach and the currency of publications, **neither the Division nor Prometric lists or recommends any specific study materials.**

Content outlines overview

Each license exam consists of questions that test knowledge of topical areas listed in the content outline for that exam. These exam content outlines appear in this bulletin, beginning on Page 17. They were developed in cooperation with the Division and an Examination Review Workshop (ERW) consisting of individuals from the Massachusetts insurance industry. The purpose was to identify and classify the level of knowledge that insurance licensees need to properly serve their clients.

The Division and Prometric work together closely to ensure that exams meet local requirements and professional exam development standards. Item-development staff at Prometric and insurance professionals research the content and write questions. The questions are then submitted to industry professionals in Massachusetts for review and approval.

In addition to listing the topical areas to be tested, the outlines indicate the proportion of the exam questions that will be drawn from each subject area. For example, if an exam contains 150 questions and a section is labeled 10%, then 10% of 150 (or 15 questions) will be drawn from that area.

Be sure you read the introduction to the “Exam Content Outline” section. If you prefer, you can view a complete outline specific to your exam on Prometric’s Web site at www.prometric.com/massachusetts.



Hint Do not schedule your exam until you are familiar with all subject areas in the applicable content outline.

Taking your exam

Knowing what to expect when taking your exam may help you prepare for it. This section contains:

- An overview of the testing process.
- Regulations that will be enforced at the testing center.
- Information about the types of questions used on the exams.
- A guide to understanding your exam results.
- Information about appeals.

The testing process

Your exam will be given by computer at a Prometric testing center. You do not need any computer experience or typing skill to take your exam. Before you start the exam, you will receive a personalized introduction to the testing system. You can also take an introductory lesson on the computer.

Arrival. You should arrive at least **30 minutes before** your scheduled exam appointment. This allows time for you to sign in and for staff to verify your identification.

If you cannot provide the identification listed below, contact Prometric **before** scheduling your appointment to arrange an alternative way to meet this requirement.

Identification required. You must present a valid form of identification before you can test. That identification document **must**:

- Be government-issued (e.g., driver's license, state-issued identification card or military identification card).
- Contain **both** a current photo and your signature.
- Have a name that exactly matches the name used to register for the exam (including designations such as "Jr." and "III").



Important Failure to provide appropriate identification at the time of the exam is considered a missed appointment. As a result, you forfeit your exam fees and must pay a new exam fee before choosing another appointment date.

Testing regulations

To ensure that all candidates are tested under equally favorable conditions, the following regulations and procedures will be observed at each testing center. Failure to follow any of these security procedures may result in the disqualification of your examination.

References

- No reference materials, papers or study materials are allowed at the test center. If you are found with these or any other aids, you will not be allowed to continue the exam and your answers will not be scored.

Calculators

- A calculator or slide rule are allowed. Only silent, handheld, solar or battery-operated, nonprogrammable calculators (without paper tape-printing capabilities or alphabetic keypads) may be used. Calculators will be available at the test center.

Personal items

Prometric is not responsible for items left in the reception area of the testing center. While lockers are provided, it is recommended that personal items not be brought into the testing center. Note the following:

- Electronic equipment— cell phones, PDAs, pagers, cameras, tape recorders, etc.— is not permitted in the testing room and must be powered off while stored in a locker.
- Pocket items—keys, wallet, etc.—must remain in your pocket or be stored in a locker during testing.
- Other personal items—digital watches, outerwear that is not being worn while testing (sweater, jacket, etc.), briefcases, purses, backpacks, etc.—are not permitted in the testing room.

Breaks

- If you leave the testing room while an exam is in progress, you must sign out/in on the roster and you will lose exam time.
- You are not allowed to go outside of the testing center building during breaks.
- You are not allowed to use any electronic devices or phones during breaks.

Visitors

- No guests, visitors or family members are allowed at the testing center.

Security procedures and misconduct

Candidates who engage in any kind of misconduct or disruptive or offensive behavior will be automatically disqualified and summarily dismissed from the examination. Examples are: giving or receiving help, taking part in an act of impersonation, removing test materials or notes from the testing room, bringing concealed notes into the testing room, using rude or offensive language and behavior that delays or interrupts testing. Prometric reserves the right to videotape an examination session. If caught violating any of the above security procedures, you will not be permitted to

retake the examination for a minimum of three months and not until the Division of Insurance, of the Commonwealth of Massachusetts permits you to do so.

- Weapons**
- Weapons are not allowed at the testing center.

Copyrighted questions. All test questions are the copyrighted property of Prometric Inc. It is forbidden under federal copyright law to copy, reproduce, record, distribute or display these test questions by any means, in whole or in part, without our written permission. Doing so, may subject you to severe civil and criminal penalties, including up to five years in prison and/or a \$250,000 fine for criminal violations.

If questions arise. Test center administrators are not allowed to answer any questions pertaining to the exam content. If you do not understand a question on the examination, you should answer the question to the best of your ability.

If you would like to formally appeal your exam score results, you must follow the process outlined in the “Appeals process” section on Page 13.

Question types

The questions in your licensing exam are multiple choice. Each provides four options from which you choose your answer.

Question formats. Three different multiple-choice formats are used. Each format is shown in the following examples. An asterisk (*) indicates the correct answer in each sample question.

Format 1—Direct question

Under a Modified Life Insurance Policy, what increases over time?

1. Policy loan rate
- * 2. Premiums
3. Face amount of policy
4. Grace period

Which one of the following is a type of health insurance policy designed to replace the wages of an insured who is unable to work due to an accident or sickness?

- * 1. Disability Income Insurance Policy
2. Employer-Sponsored Group Major Medical Policy
3. Hospital Expense Insurance Policy
4. Special Risk Policy

Format 2—Incomplete sentence

A guaranteed renewable Disability Income Insurance Policy:

- * 1. Is renewable at the insured’s option to a specified age
2. Cannot be canceled by the insured before a specified age
3. Has guaranteed level premiums for the life of the policy
4. Is renewable at the insurer’s option without restrictions or conditions

Benefits under workers’ compensation insurance are payable:

1. For bodily injury that is accidental or intentional
- * 2. Regardless of the liability of the employer
3. Unless safety rules are violated
4. Up to a maximum of 30 percent of weekly wages

Format 3—All of the following except

All of the following coverages may be provided under health insurance policies EXCEPT:

1. Medical expense
2. Disability income
- * 3. Workers' compensation
4. Accidental death and dismemberment

A life insurance policy may include provisions that do all of the following EXCEPT:

1. Restrict coverage if death is caused by suicide
2. Require evidence of insurability to reinstate coverage
- * 3. Extend the contestable period beyond two years
4. Adjust proceeds if the insured's age is misstated on the application

Experimental questions. Your exam may include up to five extra questions that will not be scored. If included, the experimental questions are distributed throughout the exam. These are used to gather statistical information on the questions before they are added to the actual exam. Projected questions.

These "experimental" questions **will not**:

- Be counted for or against you in your final exam score.
- Take any time away from your allotted testing time.

Your exam results

At the end of your exam, your score will be shown on the screen and you will receive a printed score report. The report indicates your overall score and grade, including the numerical percentage of questions answered correctly and whether you passed or failed. You are required to receive a minimum of 70% to pass your exam.

The report also displays your percentage correct in each major section of the exam, as defined by the exam content outline. These section scores are shown to guide you about areas requiring additional preparation for retesting if you do not pass the exam. Even after you pass, you may want to focus on these areas as you begin to provide insurance products and services to the public.

Note: The section percentages will not average out to your total percentage score. That is because individual exam outline sections are allocated different numbers of questions on the exam. Your total percentage score is computed by dividing the number of questions you answered correctly by the total number of questions in the exam. The total score is **not** computed by adding the section percentages and dividing by the total number of sections.

Sample score report

Score Report for Sample, Sarah A.

Massachusetts Life Insurance Producer Examination

	Number of Questions	Number Correct	Percent Correct
Life Total Test Score	100	65	65%
Insurance Regulation	10	6	60%
General Insurance	10	7	70%
Life Insurance Basics	22	12	55%
Life Insurance Policies	16	11	69%
Life Insurance Provisions, Options and Riders	19	14	74%
Annuities	10	7	70%
Tax Considerations	9	5	56%
Qualified Plans	4	3	75%

Score: 65%
Grade: Fail
(A total score of 70 percent is required to pass)

Exam scores are confidential and will be revealed only to you and the Division. The original passing exam score report(s) is to be submitted to the Division along with your application for licensure.



Important There is no limit to the number of times an applicant may take an examination.

Duplicate score report. You may call or write to Prometric to request a duplicate of your score report for a period of up to two years after an exam. There is a \$15 processing fee per report.

Appeals process

Our goal is to provide a quality exam and a pleasant testing experience for every candidate. If you are dissatisfied with your experience and believe we can correct the problem, we would like to hear from you. We provide an opportunity for general comments at the end of your exam. Your comments will be reviewed by our personnel, but you will not receive a direct response.

If you are requesting a response about exam content, registration, scheduling or test administration (testing site procedures, equipment, personnel, etc.), please submit an appeal in writing.

Your appeal letter must provide your name and Social Security number, the exam title, the date you tested and the details of your concern, including all relevant facts. Be sure to include your signature and return address. Mail your appeal letter to:

Prometric
ATTN: Appeals Committee
1260 Energy Lane
St. Paul, MN 55108

The Appeals Committee will review your concern and send you a written response within 10 business days of receipt. **Faxed appeals will not be accepted** because an original signature is required.

Obtaining your license

This section offers information about:

- Applying for your license.
- Filing of documents.
- Continuing education.

Applying for your license

Issuance of a license depends on review and approval of all license application documents. Licensing requirements and application forms may be obtained from the Division's Web site at www.mass.gov/doi and click on to the licensing link. Any questions relating to licensing should be directed to the Division, by calling 617.521.7794 and opt for line #2.



Important You must apply for and be issued a license within 12 months of passing the exam or you will have to retake the exam.

Required documentation

Be sure to complete and submit all required documents, as incomplete applications **will not** be processed. Fees are nonrefundable.

The following tables show what documentation needs to be submitted for each licensure category.

Producer Documents					
1	NAIC's Uniform Producer Applications				
	<p>A. The Division accepts the following application forms from new and renewing applicants:</p> <ul style="list-style-type: none"> • The Uniform Application for Resident and Non-Resident Individual Insurance Producer. • The Uniform Application for Resident and Non-Resident Business Entity Insurance Producer. • The Renewal/Continuation Application for Resident and Non-Resident Individual Insurance Producer. • The Renewal/Continuation Application for Resident and Non-Resident Business Entity Insurance Producer. 				
2	"DBA" Certificate, if applicable (First, you must apply to the Division of Insurance for DBA name approval)				
3	Documentation relative to background questions, if applicable				
4	Original test score report for any new line of authority				
5	Documentation relative to exempt status, if applicable				
6	Check made payable to Commonwealth of Massachusetts for the total license fee as follows:				
	<table border="1"> <tr> <td>Life, Accident/Health or Sickness, Variable Lines and Credit lines of authority</td> <td>\$225</td> </tr> <tr> <td>Property, Casualty, Personal lines (<i>This fee includes the statutorily required lead paint surcharge of \$75.</i>)</td> <td>\$300</td> </tr> </table>	Life, Accident/Health or Sickness, Variable Lines and Credit lines of authority	\$225	Property, Casualty, Personal lines (<i>This fee includes the statutorily required lead paint surcharge of \$75.</i>)	\$300
Life, Accident/Health or Sickness, Variable Lines and Credit lines of authority	\$225				
Property, Casualty, Personal lines (<i>This fee includes the statutorily required lead paint surcharge of \$75.</i>)	\$300				

Resident producer applicants may be exempt from paying licensing and lead paint surcharge fees. Applicants who are either 1) a Massachusetts resident **and** a veteran and 2) blind, are exempt from paying these fees. Exempt applicants must submit the following documentation to the Division with their test scores and applications:

- **Veteran:** Submit a copy of the DD-214 discharge papers, if not previously submitted to the Division.
- **Blind:** Submit appropriate documentation verifying legal blindness, if not previously submitted.

Nonresident Producer Documents	
1	A Non-Resident Individual Uniform Producer Application*
2	"DBA" Certificate, if applicable (First, you must apply to the Division of Insurance for DBA name approval)
3	Documentation relative to background questions, if applicable
4	Documentation relative to exempt status, if applicable
5	Check made payable to the Commonwealth of Massachusetts for the appropriate license fee**

**The Division shall utilize the NAIC Producer Database (PDB) to verify licensure status of nonresident applicants. If licensing status is not verifiable through the PDB, a Letter of Certification (within 90 days of issuance) from the home state shall be required.*

***Nonresident producer applicants may be exempt from the licensing fee if they submit proof of blind status with their applications.*

Adviser Documents	
1	A complete and accurate license application
2	An original passing score report
3	A resume describing credentials and work history
4	A written contract describing advising services
5	Check made payable to the Commonwealth of Massachusetts for: \$200

Public Insurance Adjuster Documents	
1	A completed Public Insurance Adjuster License Application
2	An original passing score report
3	Two passport-sized photos taken within 60 days of the date of the application
4	A certified copy of a criminal background check
5	A written contract describing adjusting services
6	Check made payable to the Commonwealth of Massachusetts for: \$200

Surplus Lines Broker Documents	
1	An accurately completed Surplus Lines Broker Application
2	Check made payable to the Commonwealth of Massachusetts for: \$150

Continuing education

Producer requirements. Massachusetts General Law requires all insurance producers licensed after April 4, 1983 to complete continuing education requirements to maintain their licenses.

The requirements are as follows:

- **60 hours** of instruction during the first 36-month period following the date of original issue of a license (an initial license is issued for three years or less, based upon on your birthday).
- **45 hours** of instruction for subsequent 36-month periods.

The courses, programs of instruction and seminars that qualify one to meet continuing education requirements include such national programs as CPCU, CLU, CIC and AAI. Other courses, such as those sponsored by producers associations, colleges, insurers, and trade associations, may be submitted for approval as accepted courses. (See Chapter 665 of the ACTS of 1982, effective April 3, 1983; and CMT 50.00.)

Effective August 2006, all resident producers with the P&C or Personal Lines of authority who sell or plan on selling National Flood Insurance, are required to take a one-time, three-hour CE class on Flood Insurance.

Public Insurance Adjuster requirements. Massachusetts law requires all persons renewing a public adjuster's license to have completed **15 hours** of continuing education instruction. Be sure to verify prior to taking a course that it has been approved by the Division's commissioner or by any other state or country that requires continuing education instruction, as a condition for obtaining a public insurance adjuster's license.



Note Prometric is the Administrator for the Massachusetts CE program and provides administrative services such as credit tracking and online compliance reporting. For further information, please call 800.742.8731 or visit www.prometric.com/CE.

Exam content outlines

The following outlines describe the content of each of the Massachusetts 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.

Sections 1.0 and 2.0 (Insurance Regulation and General Insurance) are common to many of the exams. Details of these two sections are presented only once, immediately below. You should refer to the outline of the exam you plan to take for the individual section weights.

Customized outlines are available through our Web site at www.prometric.com/massachusetts.

Note: The requirements for surplus lines are governed by M.G.L. c. 175 §168 (which refers to them as “special brokers”).

Section 1.0: Insurance Regulation and Section 2.0: General Insurance

One or both of the following sections are common to outlines for Series 16-51 through 16-57, 16-59 and 16-61.

Individual section percentages are located with the particular Series outline. Be sure to study material that covers Sections 1.0 and 2.0 in addition to the particular line(s) you are studying.

1.0 Insurance Regulation

1.1 Licensing

- Process (175:162G–X)
- Types of licensees
 - Producers (175:162H, L, M)
 - Business entity producers (175:162L)
 - Nonresident producers (175:162N, U)
 - Temporary (175:162Q)
 - Special brokers (175:168)
 - Advisers (175:177A, B)
 - Public insurance adjusters (175:172)
 - Reinsurance intermediaries (175:177M–W)
 - Viatical settlement brokers (175:212–223)
- Maintenance and duration
 - Reinstatement and renewal (175:162M(b–d), 177B, 177O)
 - Address change (175:162M(f))
 - Reporting of actions (175:162V)
 - Assumed names (175:162P)
 - Continuing education requirements, exemptions and penalties (175:177E; Reg 211 CMR 50.00)
 - Disciplinary actions

- Cease and desist order (176D:7)
- Hearings (175:162R; 176D:6)
- Probation, suspension, revocation, refusal to issue or renew (175:162R, 177B; 176D:7, 10; 30A:13)
- Penalties and fines (175:162R(b–e), 170, 174, 175, 176, 177, 194; 176D:7, 10)

1.2 State regulation

- Commissioner's general duties and powers (175:3A; 176D:5)
- Company regulation
 - Certificate of authority (175:4, 32, 151)
 - Solvency (175:6, 180A–L; 175J)
 - Rates (175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3; 176M:4; Reg 211 CMR 55.05)
 - Policy forms (175:2B, 192)
 - Examination of books and records (175:4)
 - Producer appointments (175:162S)
 - Termination of producer appointment (175:162T)
- Producer regulation
 - Impersonation (175:175)
 - Larceny (175:176)
 - Unlicensed persons compensation (175:177)
- Unfair or deceptive insurance practices
 - Misrepresentation (175:181, 186; 176D:3(1), (11))
 - False advertising (175:181; 176D:3(1),(2))
 - Defamation of insurer (176D:3(3))
 - Boycott, coercion and intimidation (176D:3(4), 3A)
 - False financial statements (176D:3(5))

- Failure to maintain complaint record (176D:3(10))
- Unfair discrimination (176D:3(7))
- Unfair claims settlement practices (176D:3(9))
- Rebating (175:182–184; 176D:3(8))
- Insurance fraud regulation (175:170, 181; 176D:3)
- Insurance Information and Privacy Protection (175I)

1.3 Federal regulation

- Fair Credit Reporting Act (15 USC 1681–1681d)
- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance

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
 - Risk retention and risk purchasing groups
 - Self-insurance 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 producers
 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
 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

**Series 16-51
 Producer's Exam for
 Life Insurance**

100 questions – Two-hour time limit

1.0 Insurance Regulation 8%

(See Page 17)

2.0 General Insurance 6%

(See Page 17)

3.0 Life Insurance Basics 17%

3.1 Insurable interest

3.2 Personal uses of life insurance

Survivor protection
 Estate creation
 Cash accumulation
 Security
 Liquidity
 Estate conservation

3.3 Viatical Settlement Act (175:212)

Definitions (175:213)

3.4 Determining amount of personal life insurance

Human life value approach
 Needs approach
 Types of information gathered
 Determining lump-sum needs
 Planning for income needs

3.5 Business uses of life insurance

Buy-sell funding
 Key person
 Executive bonuses
 Corporate-owned life insurance

3.6 Classes of life insurance policies

Group versus individual
 Permanent versus term
 Ordinary versus industrial (home service)
 Participating versus nonparticipating
 Fixed versus variable life insurance and annuities
 Regulation of variable products (SEC, FINRA and Massachusetts) (Reg 95.03)

3.7 Premiums

Factors in premium determination
 Mortality
 Interest
 Expense
 Premium concepts
 Net single premium
 Gross annual premium
 Premium payment mode

3.8 Producer responsibilities

Solicitation and sales presentations (Reg 31.06, 31.07)
 Advertising (176D:3)
 Life and Health Insurance Guaranty Association Law (175:146B)
 Policy summary (Reg 31.04)
 Buyer's guide (Reg 31.00)
 Life insurance policy cost comparison methods (Reg 31.04, 31.05)
 Replacement (Reg 34.01–34.09)
 Use and disclosure of insurance information (Reg 31.05)
 Field underwriting
 Notice of information practices
 Application procedures including backdating (175:130)
 Delivery
 Policy review
 Effective date of coverage
 Premium collection
 Statement of good health

Delivery receipt requirement

3.9 Individual underwriting by the insurer

Information sources and regulation
 Application
 Producer report
 Attending physician statement
 Investigative consumer (inspection) report (175:7)
 Medical Information Bureau (MIB)
 Medical examinations and lab tests including HIV (Reg 36.03)
 Selection criteria and unfair discrimination (175:120, 120 A-E)
 Classification of risks
 Preferred
 Standard
 Substandard

4.0 Life Insurance Policies 15%

4.1 Term life insurance

Level term
 Annual renewable term
 Level premium term
 Decreasing term

4.2 Whole life insurance

Continuous premium (straight life)
 Limited payment
 Single premium
 Graded premium
 Modified life
 Interest sensitive
 Equity index (Bulletin 98-17)

4.3 Flexible premium policies

Adjustable life
 Universal life
 Indexed life

4.4 Specialized policies

Joint life (first-to-die)
 Survivorship life (second-to-die)
 Juvenile life

4.5 Group life insurance

Characteristics of group plans
 Types of plan sponsors
 Group underwriting requirements
 Conversion to individual policy (175:134(4), 134A)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 24%

5.1 Standard provisions

Ownership
 Assignability (175:134C)
 Entire contract (175:132(3))
 Modifications

Right to examine (free look)
(Reg 34.06(l)(d); 175:187H)
Payment of premiums
Grace period (175:132(1))
Reinstatement (175:132(11))
Incontestability (175:132(2))
Misstatement of age
(175:132(4), (12))
Exclusions
Interest on insurance proceeds
(175:119A, 119C)

5.2 Beneficiaries

Designation options
Individuals
Classes
Estates
Minors
Trusts
Succession
Facility of payment clause
Revocable versus irrevocable
Common disaster clause
Spendthrift clause

5.3 Settlement options

Cash payment
Interest only
Fixed-period installments
Fixed-amount installments
Life income
Single life
Joint and survivor

5.4 Non-forfeiture options (175:144)

Cash surrender value
Extended term
Reduced paid-up insurance

5.5 Policy loan and withdrawal options

Cash loans (175:142)
Automatic premium loans
Withdrawals or partial surrenders

5.6 Dividend options

Cash payment
Reduction of premium payments
Accumulation at interest
One-year term option
Paid-up additions

5.7 Disability riders

Waiver of premium/waiver of stipulated premium (universal life) (175:24)
Waiver of cost of insurance
Disability income benefit
Payor benefit life/disability (juvenile insurance)

5.8 Living benefit provisions/riders

Accelerated (Reg 55.01-.07, 55.100, 110)
Conditions for payment
Effect on death benefit
Minimum standards (Reg 55.05)
Conditions for payment
Effect on death benefit
Long term care riders (Reg 65.00)

5.9 Riders covering additional insureds

Spouse/other-insured term rider
Children's term rider (175:144(7)(iv))
Family term rider

5.10 Riders affecting the death benefit amount

Accidental death (175:24, 144(7)(i))
Guaranteed insurability
Cost of living
Return of premium
Long term care riders (Reg 65.00)

6.0 Annuities 17%

6.1 Annuity principles and concepts

Accumulation period versus annuity period
Owner, annuitant and beneficiary
Insurance aspects of annuities

6.2 Immediate versus deferred annuities

Single premium immediate annuities (SPIAs)
Deferred annuities (175:144A 1/2)
Premium payment options
Non-forfeiture
Surrender and withdrawal charges
Death benefits

6.3 Annuity (benefit) payment options

Life contingency options
Pure life versus life with guaranteed minimum
Single life versus multiple life
Annuities certain (types)

6.4 Annuity products

Fixed annuities
General account assets (175:144A 1\2)
Interest rate guarantees (minimum versus current)
Level benefit payment amount
Equity indexed annuities (Bul 98-17)
Market value adjusted annuities (modified guaranteed annuities)

6.5 Uses of annuities

Long term care riders (Reg 65.00)
Lump-sum settlements
Qualified retirement plans
Group versus individual annuities
Personal uses
Individual retirement annuities (IRAs)
Tax-deferred growth

Retirement income
Education funds

7.0 Federal Tax Considerations for Life Insurance and Annuities 10%

7.1 Taxation of personal life insurance

Amounts available to policy owner
Cash value increases
Dividends
Policy loans
Surrenders
Amounts received by beneficiary
General rule and exceptions
Settlement options
Values included in insured's estate

7.2 Modified endowment contracts (MECs)

Modified endowment versus life insurance
Seven-pay test
Distributions

7.3 Taxation of non-qualified annuities

Individually-owned
Accumulation phase (tax issues related to withdrawals)
Annuity phase and the exclusion ratio
Distributions at death
Premature distributions (including taxation issues)

Corporate-owned

7.4 Taxation of individual retirement annuities (IRAs)

Traditional IRAs
Contributions and deductible amounts
Premature distributions (including taxation issues)
Annuity phase benefit payments
Values included in the annuitant's estate
Amounts received by beneficiary
Roth IRAs
Contributions and limits
Distributions

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 3%

8.1 General requirements

8.2 Federal tax considerations

Tax advantages for employers and employees
Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers

- Simplified employee pensions (SEPs)
- Self-employed plans (HR 10 or Keogh plans)
- Profit-sharing and 401(k) plans
- SIMPLE plans
- 403(b) tax-sheltered annuities (TSAs)

**Series 16-52
Producer's Exam for Accident and Health or Sickness Insurance**

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

(See Page 17)

2.0 General Insurance 10%

(See Page 17)

3.0 Health Insurance Basics 11%

3.1 Definitions of perils

- Accidental injury
- Sickness

3.2 Principal types of losses and benefits

- Loss of income from disability
- Hospital/medical expense
- Dental/vision expense
- Long-term care expense/home health care

3.3 Classes of health insurance policies

- Individual versus group
- Private versus government
- Limited versus comprehensive

3.4 Limited policies

- Limited benefits
- Required notice to insured
- Types of limited policies
 - Accidental death or dismemberment
 - Specified (dread) disease
 - Hospital indemnity (income)
 - Credit disability
 - Blanket insurance (teams, passengers, other)
 - Prescription drugs
 - Dental
 - Vision care
 - Medicare supplements

3.5 Common non-insurance exclusions from coverage

- Government plans
- Medical savings accounts (MSAs)
 - Definition
 - Eligibility
 - Contribution limits
- Health Savings Accounts (HSAs)
- Massachusetts child health insurance program

3.6 Producer responsibilities in individual health insurance

Marketing requirements (Reg 40.00)

- Advertising (175:110E)
- Life and Health Insurance Guaranty Association (175:146B(19))
- Sales presentations
- Outline of coverage (Reg 42.09)

Field underwriting

- Nature and purpose
- Disclosure of information about individuals (175:108E; Reg 42.09)
- Application procedures
- Requirements at delivery of policy

Common situations for errors/omissions

3.7 Individual underwriting by the insurer

- Underwriting criteria
- Sources of underwriting information
 - Application
 - Producer report
 - Attending physician statement
 - Investigative consumer (inspection) report
 - Medical Information Bureau (MIB)
 - Medical examinations and lab tests (including HIV consent) (Reg 36.05)
 - Genetic information (175:108H, 108I)
- Unfair discrimination (176N:2)

Classification of risks

- Preferred
- Standard
- Substandard
- Declined

3.8 Considerations in replacing health insurance

- Pre-existing conditions — waiting periods (176J:4; 176N:2; Reg 41.04, 66.07)
- Benefits, limitations and exclusions
- Underwriting requirements
- Producer liability for errors and omissions
- Massachusetts replacement requirements (175:110(N)(3)(a); Reg 42.08, 42.11)
- Massachusetts individual mandate for minimum creditable coverage (RL Title XVI M.G.L.C. 111M 956 CMR 5.00)

4.0 Individual Accident and Sickness Insurance Policy General Rights 8%

4.1 Required provisions (175:108(3)(a))

- Entire contract; changes (1)

- Time limit on certain defenses (2)
- Grace period (3)
- Reinstatement (4)
- Claim procedures (5–9)
- Physical examinations and autopsy (10)
- Legal actions (11)
- Change of beneficiary (12)
- Right to examine (free look) (175:187H)

4.2 Optional provisions (175:108(3)(b))

- Change of occupation (1)
- Misstatement of age (2)
- Other insurance in this insurer (3)
- Insurance with other insurers
 - Expense-incurred basis (4)
 - Other benefits (5)
- Unpaid premium (7)
- Conformity with state statutes (9)
- Illegal occupation (10)

4.3 Other general provisions

- Insuring clause
- Consideration clause
- Renewability clause
 - Non-cancelable
 - Guaranteed renewable
 - Conditionally renewable
 - Renewable at option of insurer
- Military suspense provision

5.0 Disability Income and Related Insurance 5%

5.1 Qualifying for disability benefits

- Inability to perform duties (Reg 42.05(1)(g))
 - Own occupation
 - Any occupation
- Pure loss of income (income replacement contracts)
- Presumptive disability
- Requirement to be under physician care

5.2 Individual disability income insurance

- Massachusetts minimum benefit standards
- Basic total disability plan
 - Income benefits (monthly indemnity)
 - Elimination and benefit periods
 - Waiver of premium feature
- Coordination with social insurance and workers compensation benefits
- Additional monthly benefit (AMB)
- Social insurance supplement (SIS)
- Occupational versus non-occupational coverage
- At-work benefits
- Partial disability benefit

Residual disability benefit
 Other provisions affecting income benefits
 Cost of living adjustment (COLA) rider
 Future increase option (FIO) rider
 Relation of earnings to insurance
 Annual renewable term rider
 Other cash benefits
 Accidental death and dismemberment
 Rehabilitation benefit
 Medical reimbursement benefit (non-disabling injury)
 Refund provisions
 Return of premium
 Cash surrender value
 Exclusions

5.3 Unique aspects of individual disability underwriting

Occupational considerations
 Benefit limits
 Policy issuance alternatives

5.4 Group disability income insurance

Group versus individual plans
 Short-term disability (STD)
 Long-term disability (LTD)

5.5 Business disability insurance

Key person disability income
 Disability buy-sell policy
 Business overhead expense policy
 Disability reducing term policy

5.6 Social Security disability

Qualification for disability benefits
 Definition of disability
 Waiting period
 Disability income benefits

5.7 Workers compensation

Eligibility
 Benefits

6.0 Medical Plans 21%

6.1 Medical plan concepts

Fee-for-service basis versus prepaid basis
 Specified coverages versus comprehensive care
 Benefit schedule versus usual/reasonable/customary charges
 Any provider versus limited choice of providers
 Insureds versus subscribers/participants

6.2 Types of providers and plans

HIPAA (Health Insurance Portability and Accountability Act) requirements
 Eligibility
 Guaranteed issue
 Preexisting conditions

Creditable coverage
 Renewability
 Blue Cross and Blue Shield Plans (BCBS)
 Contracts with insureds and providers
 Reimbursement of providers
 Basic medical, major medical and HMO plans
 Commercial Insurers and Fraternal — open network
 Characteristics
 Provider plans offered
 Other services
 Open enrollment
 Qualified providers
 Choice of provider
 Disclosure of benefits

Health Maintenance

Organizations (HMOs) — closed network
 General characteristics
 Preventive care services
 Primary care physician versus referral (specialty) physician
 Emergency care
 Hospital services
 Other basic services
 Insured preferred provider plans
 General characteristics
 Open panel
 Types of parties to the provider contract (Reg 51.03)
 Nature and purpose
 PCP referral (gatekeeper PPO) vs. non-gatekeeper PPO
 Indemnity plan features

6.3 Cost containment in health care delivery

Cost-saving services
 Preventive care
 Hospital outpatient benefits
 Alternatives to hospital services
 Utilization management
 Prospective review
 Concurrent review
 Retrospective review

6.4 Massachusetts eligibility requirements (individual and group)

Dependent child age limit (175:108(2)(a)(3); 175:110(P); 176A:8BB; 176B:4BB; 176G:4T)
 Disabled adult children (175:108(2)(a)(3)); 176A:8(d); 176B:6(c))
 Newborn child coverage (175:47C; 176A:8B; 176G:4)
 Coverage of adopted children (175:47C; 176A:8B; 176B:4C; 176G:4)

7.0 Group Health Insurance 16%

7.1 Characteristics of group insurance

Group contract
 Certificate of coverage
 Experience rating versus community rating

7.2 Types of eligible groups

Employment-related groups
 Individual employer groups
 Multiple-Employer Trusts (METs)

Customer groups (depositors, creditor-debtor, other)

7.3 Marketing considerations

Advertising
 Regulatory jurisdiction/place of delivery

7.4 Employer group health insurance

Insurer underwriting criteria
 Nondiscrimination

(175:108C; 176A:3A; 176A:8E; 176B:4E; 176B:5A; 176G:19)

Characteristics of group

Plan design factors

Persistency factors

Administrative capability

Eligibility for coverage (175:110)

Annual open enrollment

Employee eligibility (Reg 66.04)

Dependent eligibility

Coordination of benefits provision (COB) (Reg 38.01-.08)

Change of insurance companies or loss of coverage

Coinurance and deductible

carryover

No-loss no-gain

Events that terminate

coverage

Extension of benefits

Continuation of coverage

under COBRA and

Massachusetts specific

rules (175:110D; 110G,

110I)

7.5 Small employer and individual medical plans

Definition of small employer (176J:1; Reg 66.04)

Benefit plans offered

Availability and eligibility rating rules (Reg 66.05, 66.08)

Pre-existing conditions and

waiting periods

(176J:5; Reg 66.07)

Small group continuation

(176J:9)

Renewability (Reg 66.06)

7.6 Regulation of employer group insurance plans

Civil Rights Act/Pregnancy

Discrimination Act

Applicability

Guidelines
 Relationship with Medicare
 Medicare secondary rules
 Medicare carve-outs and supplements

8.0 Dental Insurance 1%

- 8.1 Types of dental treatment**
 Diagnostic and preventive
 Restorative
- 8.2 Indemnity plans**
 Choice of providers
 Scheduled versus nonscheduled plans
 Benefit categories
 Diagnostic/preventive services
 Basic services
 Major services
 Deductibles and coinsurance
 Combination plans
 Exclusions
 Limitations
 Predetermination of benefits
- 8.3 Employer group dental expense**
 Integrated deductibles versus stand-alone plans
 Minimizing adverse selection

9.0 Insurance for Senior Citizens and Special Needs Individuals 14%

- 9.1 Medicare**
 Nature, financing and administration
 Part A — Hospital Insurance
 Individual eligibility requirements
 Enrollment
 Coverages and cost-sharing amounts
 Part B — Medical Insurance
 Individual eligibility requirements
 Enrollment
 Coverages and cost-sharing amounts
 Exclusions
 Claims terminology and other key terms
 Part C — Medicare Advantage
 Part D — Prescription Drug Insurance
- 9.2 Medicare supplements**
 Purpose
 Open enrollment (176K:3; Reg 71.10)
 Standardized Medicare supplement plans (Reg 71.08)
 Core benefits, Supplement 1 (Reg 71.90 Appen A, 71.91 Appen B, 71.92 Appen C)
 Additional benefits
 Massachusetts regulations and required provisions

- Advertising (Reg 71.17)
- Standards for marketing (Reg 71.16)
- Permitted compensation (Reg 71.18)
- Appropriateness of recommended purchase and excessive insurance (Reg 71.15)
- Required disclosure provisions (Reg 40.15, 71.13)
- Reporting of multiple policies (Reg 71.19)
- Buyer's guide (Reg 40.15, 71.13)
- Right to return (Reg 71.13)
- Replacement (Reg 71.13)
- Benefit standards (Reg 71.08)
- Pre-existing conditions (Reg 176K:3(b))
- Renewability (Reg 71.07)
- Outline of coverage (Reg 71.13, 71.98 Appen F)
- 9.3 Other options for individuals with Medicare**
 Employer group health plans
 Disabled employees
 Employees with kidney failure
 Individuals age 65 or older
 MassHealth (RL Title XVII 118E:9A)
 Eligibility
 Benefits (2)
- 9.4 Long-term care (LTC) insurance**
 LTC, Medicare and Medicaid compared
 Eligibility for benefits
 Levels of care
 Home health care (Reg 65.05(2)(c), 65.06(3))
 Assisted living care
 Adult day care
 Respite care
 Benefit periods
 Benefit amounts
 Optional benefits
 Guarantee of insurability
 Return of premium
 Qualified LTC plans
 Exclusions (Reg 65.05(3))
 Underwriting considerations
 Massachusetts regulations and required provisions
 Standards for marketing (Reg 65.08)
 Suitability of recommended purchase (Reg 65.09(4)(b))
 Your Options for Financing Long-Term Care (Reg 65.09(3)(a))
 Outline of coverage (Reg 65.09(3)(c), 101)
 Non-forfeiture benefit offer (Reg 65.06(2))

- Required disclosure provisions (Reg 65.09)
- Right to return (Reg 65.101(5))
- Policy illustration (Reg 65.09(3)(b), 65.100)
- Inflation adjustment benefit (Reg 65.06(1))
- MassHealth exemption (RR 515.014)
- Benefit triggers (Reg 65.05(1))
- Unintentional lapse (Reg 65.10)

10.0 Federal Tax Considerations for Health Insurance 4%

- 10.1 Personally-owned health insurance**
 Disability income insurance
 Medical expense insurance
 Long-term care insurance
- 10.2 Employer group health insurance**
 Disability income (STD, LTD)
 Benefits subject to FICA
 Medical and dental expense
 Long-term care insurance
 Accidental death and dismemberment
- 10.3 Medical expense coverage for sole proprietors, partners and limited liability corporations**
- 10.4 Business disability insurance**
 Key person disability income
 Buy-sell policy

**Series 16-53
 Producer's Exam for Property Insurance
 100 questions – Two-hour time limit**

1.0 Insurance Regulation 10%
 (See Page 17)

2.0 General Insurance 10%
 (See Page 17)

3.0 Property Insurance Basics 20%

- 3.1 Principles and concepts**
 Insurable interest
 Underwriting
 Function
 Expense ratio, combined ratio
 Loss ratio
 Rates
 Types
 Loss costs
 Components
 Hazards
 Physical
 Moral

- Morale
- 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
- 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, additional
 - Policy period
 - Policy territory
 - Cancellation and nonrenewal
 - Deductibles
 - Other insurance
 - Non-concurrence
 - Primary and excess
 - Pro rata share
 - Policy limits
 - Restoration/non-reduction of limits
 - Coinurance
 - Vacancy or un-occupancy
 - Named insured provisions
 - Duties after loss
 - Abandonment
 - Insurer provisions
 - Liberalization
 - Subrogation
 - Salvage
 - Claim settlement options
 - Third-party provisions
 - Standard mortgage clause
 - Loss payable clause
 - No benefit to the bailee
- 3.4 Massachusetts laws, regulations and required provisions**
 - Massachusetts Insurers
 - Insolvency Fund (175D:1–17)
 - Massachusetts standard fire policy (175:99)
 - Cancellation and nonrenewal (175:99, 187C, 187D, 193P)
 - Concealment, misrepresentation or fraud (175:99, 170, 186)
 - Appraisal (175:99)
 - Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109–144, 110–160; HR 2761)

4.0 Dwelling ('02) Policy 4%

- 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 —
 - Massachusetts (DP 01 20)
 - 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 — Section I 17%

- 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 Perils insured against**
- 5.5 Exclusions**
- 5.6 Conditions**
- 5.7 Selected endorsements**
 - Special provisions —
 - Massachusetts (HO 01 20)
 - 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)
 - Identity fraud expense (HO 04 55)
 - Scheduled personal property (HO 04 61)
 - Personal property replacement cost (HO 04 90)
 - Home day care (HO 04 97)

6.0 Auto Insurance 13%

- 6.1 Massachusetts auto insurance policy (2008 edition)**
 - Definitions

- Coverage for damage to your auto
 - Collision
 - Limited collision
 - Comprehensive
 - Deductibles
 - Substitute transportation
 - Towing and labor
- General provisions
- Duties after an accident or loss
- Selected endorsements
 - Massachusetts mandatory endorsement (M-0099-S)
 - Mobile home (MPY-0002-S)
 - Waiver of deductible (MPY-0016-S)
- 6.2 Commercial auto**
 - Commercial auto coverage forms
 - Business auto ('06)
 - Garage ('06)
 - Truckers ('06)
 - Coverage form sections
 - Covered autos
 - Garage-keepers coverage
 - Trailer interchange coverage
 - Physical damage coverage
 - Exclusions
 - Conditions
 - Definitions
 - Selected endorsements
 - Individual named insured (CA 99 17)
 - Mobile equipment (MM 20 11)
 - Lessor — additional insured and loss payee — Massachusetts (MM 20 26)

7.0 Commercial Package Policy (CPP) 10%

- 7.1 Components of a commercial policy**
 - Common policy declarations
 - Common policy conditions
 - Interline endorsements
 - One or more coverage parts
- 7.2 Commercial property ('02)**
 - 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)

7.3 Commercial inland marine

Nationwide marine definition (Reg 211 CMR 10.00)
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

7.4 Equipment breakdown ('07)

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

7.5 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
Mobile agricultural machinery and equipment coverage form
Livestock coverage form
Definitions
Cause of loss (basic, broad and special)
Conditions
Exclusions
Limits
Additional coverages

8.0 Business Owners ('06) Policy — Property 11%

8.1 Characteristics and purpose

8.2 Business Owners Section I — Property

Coverage
Exclusions
Limits of insurance
Deductibles
Loss conditions

General conditions
Optional coverages
Definitions

8.3 Business Owners Section III — Common Policy Conditions

8.4 Selected endorsements

Protective safeguards (BP 04 30)
Utility services — direct damage (BP 04 56)
Utility services — time element (BP 04 57)

9.0 Other Coverages and Options 5%

9.1 Aviation insurance

Aircraft hull

9.2 Ocean marine insurance

Major coverages
Hull insurance
Cargo insurance
Freight insurance

9.3 National Flood Insurance Program

"Write your own" versus government
Eligibility
Coverages
Limits
Deductibles

9.4 Other policies

Boat owners
Difference in conditions

9.5 Residual markets

Joint underwriting and reinsurers association (FAIR) plan (175C: 4)

**Series 16-54
Producer's Exam for
Casualty Insurance**

100 questions — Two-hour time limit

1.0 Insurance Regulation 10%

(See Page 17)

2.0 General Insurance 10%

(See Page 17)

3.0 Casualty Insurance Basics 18%

3.1 Principles and concepts

Insurable interest
Underwriting
Function
Expense ratio, combined ratio
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
Attractive nuisance

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, additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Non-concurrence
Primary and excess
Pro rata share
Contribution by equal shares
Limits of liability
Per occurrence (accident)
Per person
Aggregate — general versus products — completed operations
Split
Combined single
Named insured provisions
Duties after loss
Assignment
Insurer provisions
Liberalization
Subrogation
Duty to defend

3.4 Massachusetts laws, regulations and required provisions

Massachusetts Insurers
Insolvency Fund (175D:1–17)
Cancellation and nonrenewal (175:187C, 187D)
Concealment, misrepresentation or fraud (175:170, 186; RL Title I 266:27A)
Appraisal (175:1130)
Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109–144, 110–160; HR 2761)

4.0 Homeowners ('00) Policy — Section II 16%

4.1 Coverage forms

HO-2 through HO-6

4.2 Definitions**4.3 Section II — Liability coverages**

Coverage E — Personal liability
 Coverage F — Medical payments to others
 Additional coverages

4.4 Exclusions**4.5 Conditions****4.6 Selected endorsements**

Special provisions —
 Massachusetts (HO 01 20)
 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)
 Home day care (HO 04 97)
 Tenants relocation expense — Massachusetts (HO 23 71)
 Lead poisoning exclusion — Massachusetts (HO 24 41; Reg 211 CMR 131.00)
 Coverage for lead poisoning — Massachusetts (HO 24 42)
 Business pursuits (HO 24 71)
 Watercraft (HO 24 75)
 Personal injury (HO 24 82)

5.0 Auto Insurance 15%**5.1 Laws**

Massachusetts Compulsory Motor Vehicle Liability Insurance (175:113A–L, N–V; RL Title XIV 90:34A–K, M–R)
 Required limits of liability (RL Title XIV 90:34A, 34O)
 Required proof of insurance (RL Title XIV 90:34A, 34B)
 Massachusetts Assigned Risk Plan (175:113H)
 Personal injury protection (RL Title XIV 90:34A, M)
 Medical
 Loss of income/Lost wages
 Death
 Funeral
 Replacement services
 Uninsured motorist (175:111D, 113L)
 Definitions
 Bodily injury
 Required limits
 Cancellation/nonrenewal (90:34K; 175:22C, 113A)
 Grounds (175:22C, 112)
 Notice (175:22C, 113F; RL Title XIV 90:34K)
 Notice of eligibility in assigned risk plan (175:113F)
 Safe driver insurance plan (175:113B, 113P)

Aftermarket parts regulation

(Reg 211 CMR 133.04;
 RL Title XIV 90:34R)

Regulation of rates for motor vehicle insurance (Ch. 175A, E)

Private passenger motor vehicle insurance rates (Reg 211 CMR 79.00)

5.2 Massachusetts auto insurance policy (2008 edition)

Definitions

Compulsory coverage

Bodily injury to others
 Personal injury protection
 Damage to someone else's property

Uninsured motorist

Coverage for damage to your auto

Medical payments
 Collision
 Limited collision
 Comprehensive
 Deductibles
 Substitute transportation
 Towing and labor

General provisions

Duties after an accident or loss

Selected endorsements

Use of other autos — vehicles furnished or available for regular use (M-0051-S)

Coverage for anyone renting an auto to you additional insured — lessor (M-0070-S)

Massachusetts mandatory endorsement (M-0099-S)

Mobile home (MPY-0002-S)

Waiver of deductible (MPY-0016-S)

5.3 Commercial auto

Commercial auto coverage forms

Business auto ('06)

Garage ('06)

Truckers ('06)

Coverage form sections

Covered autos

Liability coverage

Garage-keepers coverage

Trailer interchange

coverage

Physical damage coverage

Exclusions

Conditions

Definitions

Selected endorsements

Individual named insured (CA 99 17)

Mobile equipment (MM 20 11)

Lessor — additional insured and loss payee — Massachusetts (MM 20 26)

Drive other car coverage (MM 99 22)

Commercial carrier regulation
 The Motor Carrier Act of 1980

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

6.0 Commercial Package Policy (CPP) 8%**6.1 Components of a commercial policy**

Common policy declarations
 Common policy conditions
 Interline endorsements
 One or more coverage parts

6.2 Commercial general liability ('07)

Commercial general liability coverage forms

Bodily injury and property damage liability

Personal and advertising injury liability

Medical payments

Exclusions

Supplementary payments

Who is an insured

Limits of insurance

Conditions

Definitions

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

Selected endorsement

Limited fungi or bacteria

coverage (CG 24 25)

6.3 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 coverages
 - Kidnap/ransom and extortion (CR 00 40)
 - Extortion — commercial entities (CR 04 03)
 - Guests' property (CR 04 11)

6.4 Farm coverage

- Farm liability coverage form ('06)
 - Coverage H — Bodily injury and property damage liability
 - Coverage I — Personal and advertising injury liability
 - Coverage J — Medical payments
- Definitions
- Conditions
- Exclusions
- Limits
- Additional coverages

7.0 Business Owners ('06) Policy — Liability 6%

7.1 Characteristics and purpose

7.2 Business Owners Section II — Liability

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

7.3 Business Owners Section III — Common Policy Conditions

7.4 Selected endorsements

- Hired auto and non-owned auto liability (BP 04 04)

8.0 Workers Compensation Insurance 9%

8.1 Workers compensation laws

- Types of laws
 - Monopolistic versus competitive
 - Compulsory versus elective
- Massachusetts Workers Compensation Act (RL Title XXI Ch 152)
 - Exclusive remedy (RL Title XXI 152:24, 26, 71)
 - Employment covered (required, voluntary) (RL Title XXI 152:1, 25A)
 - Covered injuries (RL Title XXI 152:1, 29)
 - Occupational disease (RL Title XXI 152:1(7A))
 - Benefits provided (RL Title XXI 152:27, 28–30, 30G–30I, 31–34, 34A, 34B, 35, 35A–E, 36)
 - Subsequent injury fund (RL Title XXI 152:37)

- Large deductible programs (211 CMR 115.01–.06; 152:25A)
- Subrogation (152:15)
- Federal workers compensation laws
 - Federal Employers Liability Act (FELA) (45 USC 51–60)
 - U.S. Longshore and Harbor Workers' Compensation Act (33 USC 904)
 - The Jones Act (46 USC 688)

8.2 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 endorsement
 - Voluntary compensation

8.3 Premium computation

- Job classification — payroll and rates
- Experience modification factor
- Premium discounts

8.4 Other sources of coverage

- Assigned risk plan (RL Title XXI 152:65A–D, G–M, O)
- Self-insured employers and employer groups (RL Title XXI 152:25A–U)
- Massachusetts Workers' Compensation Trust Fund (RL Title XXI 152:65)

9.0 Other Coverages and Options 8%

9.1 Umbrella/excess liability policies

- Personal (DL 98 01)
- Commercial (CU 00 01)

9.2 Specialty liability insurance

- Errors and omissions
- Professional liability
- Directors and officers liability
- Fiduciary liability
- Liquor liability
- Employment practices liability
- Employee benefits liability

9.3 Surplus lines (175:168)

- Definitions and markets
- Licensing requirements

9.4 Surety bonds

- Principal, obligee, surety
- Contract bonds
- License and permit bonds
- Judicial bonds

9.5 Aviation insurance

- Aircraft liability

9.6 Ocean marine insurance

- Protection and indemnity

9.7 Other policies

- Boat owners

9.8 Residual markets

- Joint Underwriting Association —
- Liquor Liability (175:112A–B)

**Series 16-55
Adviser's Exam for Life Insurance**

100 questions – Two-hour time limit

1.0 Insurance Regulation 15%

1.1 Licensing

- Process (175:162G–X)
- Types of licensees
 - Producers (175:162H, L, M)
 - Business entity producers (175:162L)
 - Nonresident producers (175:162N, U)
 - Special brokers (175:168)
 - Advisers (175:177A, B)
 - Public insurance adjusters (175:172)
 - Reinsurance intermediaries (175:177M–W)
 - Viatical settlement brokers (175:212–223)
- Maintenance and duration
 - Reinstatement and renewal (175:162M(b–d), 177B, 177O)
 - Address change (175:162M(f))
 - Reporting of actions (175:162V)
 - Assumed names (175:162P)
 - Continuing education requirements, exemptions and penalties (175:177E; Reg 211 CMR 50.00)
- Disciplinary actions
 - Cease and desist order (176D:7)
 - Hearings (175:162R; 176D:6)
 - Probation, suspension, revocation, refusal to issue or renew (175:162R, 177B; 176D:7, 10; 30A:13)
 - Penalties and fines (175:162R(b–e), 170, 174, 175, 176, 177, 194; 176D:7, 10)
- 1.2 State regulation**
 - Commissioner's general duties and powers (175:3A; 176D:5)
 - Company regulation

- Certificate of authority (175:4, 32, 151)
- Solvency (175:6, 180A–L; 175J)
- Rates (Reg 211 CMR 55.05)
- Policy forms (175:2B, 192)
- Examination of books and records (175:4)
- Producer appointments (175:162S)
- Termination of producer appointment (175:162T)
- Producer regulation
 - Impersonation (175:175)
 - Larceny (175:176)
 - Unlicensed persons compensation (175:177)
- Unfair or deceptive insurance practices
 - Misrepresentation (175:181, 186; 176D:3(1),(11))
 - False advertising (175:181; 176D:3(1),(2))
 - Defamation of insurer (176D:3(3))
 - Boycott, coercion and intimidation (176D:3(4), 3A)
 - False financial statements (176D:3(5))
 - Failure to maintain complaint record (176D:3(10))
 - Unfair discrimination (176D:3(7))
 - Unfair claims settlement practices (176D:3(9))
 - Rebating (175:182–184; 176D:3(8))
- Insurance fraud regulation (175:170; 176D:3)
- Insurance Information and Privacy Protection (175I)
- 1.3 Federal regulation**
 - Fair Credit Reporting Act (15 USC 1681–1681d)
 - Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance 13%

(See Page 17)

3.0 Life Insurance Basics 18%

- 3.1 Insurable interest**
- 3.2 Personal uses of life insurance**
 - Survivor protection
 - Estate creation
 - Cash accumulation
 - Security
 - Liquidity
 - Estate conservation
- 3.3 Viatical Settlement Act (175:212)**

- Viatical settlement broker authority and licensing (175:214)
- Disclosure to customers (175:216, 219)
- General provisions (175:220)
- Fraudulent acts (175:222)
- Definitions (175:213)

3.4 Determining amount of personal life insurance

- Human life value approach
- Needs approach
 - Types of information gathered
 - Determining lump-sum needs
 - Planning for income needs

3.5 Business uses of life insurance

- Buy-sell funding
- Key person
- Executive bonuses
- Deferred compensation funding
- Split Dollar Plans
- Corporate-owned life insurance
- Change of insured rider

3.6 Classes of life insurance policies

- Group versus individual
- Permanent versus term
- Ordinary versus industrial (home service)
- Participating versus nonparticipating
- Fixed versus variable life insurance and annuities
- Regulation of variable products (SEC, FINRA and Massachusetts (Reg 95.03))

3.7 Premiums

- Factors in premium determination
 - Mortality
 - Interest
 - Expense
- Premium concepts
 - Net single premium
 - Gross annual premium
- Premium payment mode

3.8 Producer responsibilities

- Solicitation and sales presentations (Reg 31.06, 31.07)
 - Advertising (176D:3)
 - Life and Health Insurance Guaranty Association Law (175:146B(19))
 - Policy summary (Reg 31.04)
 - Buyer's guide (Reg 31.00)
 - Life insurance policy cost comparison methods (Reg 31.04, 31.05)
 - Replacement (Reg 34.01–34.09)
 - Use and disclosure of insurance information (Reg 31.05)

- Field underwriting
 - Notice of information practices
 - Application procedures including backdating (175:130)
- Delivery
 - Policy review
 - Effective date of coverage
 - Premium collection
 - Statement of good health
 - Delivery receipt requirement
- 3.9 Individual underwriting by the insurer**
 - Information sources and regulation
 - Application
 - Producer report
 - Attending physician statement
 - Investigative consumer (inspection) report (175I:7)
 - Medical Information Bureau (MIB)
 - Medical examinations and lab tests including HIV (Reg 36.03)
 - Selection criteria and unfair discrimination (175:120, 120A–E)
 - Classification of risks
 - Preferred
 - Standard
 - Substandard
 - Declined

4.0 Life Insurance Policies 12%

4.1 Term life insurance

- Level term
 - Annual renewable term
 - Level premium term
 - Life expectancy contract
 - Term-to-65 (or older) contract
- Decreasing term

4.2 Whole life insurance

- Continuous premium (straight life)
- Limited payment
- Single premium
- Graded premium
- Modified life
- Interest sensitive
- Equity index (Bulletin 98-17)

4.3 Flexible premium policies

- Adjustable life
- Universal life
- Equity index

4.4 Specialized policies

- Joint life (first-to-die)
- Survivorship life (second-to-die)
- Juvenile life

4.5 Group life insurance

- Characteristics of group plans
- Types of plan sponsors

Group underwriting requirements
Conversion to individual policy (175:134(4), 134A)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 10%

5.1 Standard provisions

Ownership
Assignability (175:134C)
Entire contract (175:132(3))
Modifications
Right to examine (free look) (Reg 34.06 (1)(d); 175:187H)
Payment of premiums
Grace period (175:132(1))
Reinstatement (175:132(11))
Incontestability (175:132(2))
Misstatement of age (175:132(4),(12))
Exclusions
Interest on insurance proceeds (175:119A, 119C)

5.2 Beneficiaries

Designation options
Individuals
Classes
Estates
Minors
Trusts
Succession
Facility of payment clause
Revocable versus irrevocable
Common disaster clause
Spendthrift clause

5.3 Settlement options

Cash payment
Interest only
Fixed-period installments
Fixed-amount installments
Life income
Single life
Joint and survivor

5.4 Non-forfeiture options (175:144)

Cash surrender value
Extended term
Reduced paid-up insurance

5.5 Policy loan and withdrawal options

Cash loans (175:142)
Automatic premium loans
Withdrawals or partial surrenders

5.6 Dividend options

Cash payment
Reduction of premium payments
Accumulation at interest
One-year term option
Paid-up additions

5.7 Disability riders

Waiver of premium/waiver of stipulated premium (universal life) (175:24)
Waiver of cost of insurance

Disability income benefit
Payor benefit life/disability (juvenile insurance)

5.8 Living benefit provisions/riders

Accelerated (Reg 55.01–.07, 55.100, 110)
Conditions for payment
Effect on death benefit
Minimum standards (Reg 55.05)
Conditions for payment
Effect on death benefit
Long term care riders (Reg 65.00)

5.9 Riders covering additional insureds

Spouse/other-insured term rider
Children's term rider (175:144(7)(iv))
Family term rider

5.10 Riders affecting the death benefit amount

Accidental death (175:24, 144(7)(i))
Guaranteed insurability
Cost of living
Return of premium
Long term care riders (Reg 65.00)

6.0 Annuities 10%

6.1 Annuity principles and concepts

Accumulation period versus annuity period
Owner, annuitant and beneficiary
Insurance aspects of annuities

6.2 Immediate versus deferred annuities

Single premium immediate annuities (SPIAs)
Deferred annuities (175:144A 1/2)
Premium payment options
Non-forfeiture
Surrender and withdrawal charges
Death benefits

6.3 Annuity (benefit) payment options

Life contingency options
Pure life versus life with guaranteed minimum
Single life versus multiple life
Annuities certain (types)

6.4 Annuity products

Fixed annuities
General account assets (175:144A 1/2)
Interest rate guarantees (minimum versus current)
Level benefit payment amount
Equity indexed annuities (Bul 98-17)

Market value adjusted annuities (modified guaranteed annuities)

6.5 Uses of annuities

Lump-sum settlements
Qualified retirement plans
Group versus individual annuities
Personal uses
Individual retirement annuities (IRAs)
Tax-deferred growth
Retirement income
Education funds

7.0 Federal Tax Considerations for Life Insurance and Annuities 10%

7.1 Taxation of personal life insurance

Amounts available to policy owner
Cash value increases
Dividends
Policy loans
Surrenders
Amounts received by beneficiary
General rule and exceptions
Settlement options
Values included in insured's estate

7.2 Modified endowment contracts (MECs)

Modified endowment versus life insurance
Seven-pay test
Distributions

7.3 Taxation of non-qualified annuities

Individually-owned
Accumulation phase (tax issues related to withdrawals)
Annuity phase and the exclusion ratio
Distributions at death
Premature distributions (including taxation issues)

Corporate-owned

7.4 Taxation of individual retirement annuities (IRAs)

Traditional IRAs
Contributions and deductible amounts
Premature distributions (including taxation issues)
Annuity phase benefit payments
Values included in the annuitant's estate
Amounts received by beneficiary
Roth IRAs
Contributions and limits
Distributions

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 12%

8.1 General requirements

8.2 Federal tax considerations

Tax advantages for employers and employees
Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers

Simplified employee pensions (SEPs)
Self-employed plans (HR 10 or Keogh plans)
Profit-sharing and 401(k) plans
SIMPLE plans
Pension plans
Section 457 deferred compensation
403(b) tax-sheltered annuities (TSAs)

8.4 Special Rules for life insurance

Incidental limitation
Taxation of economic benefit
Taxation of life insurance distributions

Series 16-56 Adviser's Exam for Accident and Health or Sickness Insurance

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

1.1 Licensing

Process (175:162G–X)
Types of licensees
Producers (175:162H, L, M)
Business entity producers (175:162L)
Nonresident producers (175:162N, U)
Special brokers (175:168)
Advisers (175:177A, B)
Public insurance adjusters (175:172)
Reinsurance intermediaries (175:177M–W)
Viatical settlement brokers (175:212–223)
Maintenance and duration
Reinstatement and renewal (175:162M(b–d), 177B, 177O)
Address change (175:162M(f))
Reporting of actions (175:162V)
Assumed names (175:162P)

Continuing education requirements, exemptions and penalties (175:177E; Reg 211 CMR 50.00)
Disciplinary actions
Cease and desist order (176D:7)
Hearings (175:162R; 176D:6)
Probation, suspension, revocation, refusal to issue or renew (175:162R, 177B; 176D:7, 10; 30A:13)
Penalties and fines (175:162R(b–e), 170, 174, 175, 176, 177, 194; 176D:7, 10)

1.2 State regulation

Commissioner's general duties and powers (175:3A; 176D:5)
Company regulation
Certificate of authority (175:4, 32, 151)
Solvency (175:6, 180A–L; 175J)
Rates (176J:3; 176M:4)
Policy forms (175:2B, 192)
Examination of books and records (175:4)
Producer appointments (175:162S)
Termination of producer appointment (175:162T)
Producer regulation
Impersonation (175:175)
Larceny (175:176)
Unlicensed persons compensation (175:177)
Unfair or deceptive insurance practices
Misrepresentation (175:181, 186; 176D:3(1)(11))
False advertising (175:181; 176D:3(1),(2))
Defamation of insurer (176D:3(3))
Boycott, coercion and intimidation (176D:3(4), 3A)
False financial statements (176D:3(5))
Failure to maintain complaint record (176D:3(10))
Unfair discrimination (176D:3(7))
Unfair claims settlement practices (176D:3(9))
Rebating (175:182–184; 176D:3(8))
Insurance fraud regulation (175:170; 176D:3)
Insurance Information and Privacy Protection (175I)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance 10%

(See Page 17)

3.0 Health Insurance Basics 11%

3.1 Definitions of perils

Accidental injury
Sickness

3.2 Principal types of losses and benefits

Loss of income from disability
Hospital/medical expense
Dental/vision expense
Long-term care expense/home health care

3.3 Classes of health insurance policies

Individual versus group
Private versus government
Limited versus comprehensive

3.4 Limited policies

Limited benefits
Required notice to insured
Types of limited policies
Accidental death or dismemberment
Specified (dread) disease
Hospital indemnity (income)
Credit disability
Blanket insurance (teams, passengers, other)
Prescription drugs
Dental
Vision care
Medicare supplements

3.5 Common non-insurance exclusions from coverage

Government plans
Medical savings accounts (MSAs)
Definition
Eligibility
Contribution limits
Health Savings Accounts (HSAs)
Massachusetts child health insurance program

3.6 Producer responsibilities in individual health insurance

Marketing requirements (Reg 40.00)
Advertising (175:110E)
Life and Health Insurance Guaranty Association (175:146B(19))
Sales presentations
Outline of coverage (Reg 42.09)
Field underwriting
Nature and purpose
Disclosure of information about individuals (175:108E; Reg 42.09)
Application procedures

Requirements at delivery of policy
 Common situations for errors/omissions

3.7 Individual underwriting by the insurer

Underwriting criteria
 Sources of underwriting information
 Application
 Producer report
 Attending physician statement
 Investigative consumer (inspection) report
 Medical Information Bureau (MIB)
 Medical examinations and lab tests (including HIV consent) (Reg 36.05)
 Genetic information (175:108H, 108I)
 Unfair discrimination (176N:2)
 Classification of risks
 Preferred
 Standard
 Substandard
 Declined

3.8 Considerations in replacing health insurance

Pre-existing conditions — waiting periods (176J:4; 176N:2; Reg 41.04, 66.07)
 Benefits, limitations and exclusions
 Underwriting requirements
 Producer liability for errors and omissions
 Massachusetts replacement requirements (175:110(N)(3)(a); Reg 42.08, 42.11)
 Massachusetts individual mandate for minimum creditable coverage (RL Title XVI M.G.L.C. 111M 956 CMR 5.00)

4.0 Individual Accident and Sickness Insurance Policy General Rights 8%

4.1 Required provisions (175:108(3)(a))

Entire contract; changes (1)
 Time limit on certain defenses (2)
 Grace period (3)
 Reinstatement (4)
 Claim procedures (5–9)
 Physical examinations and autopsy (10)
 Legal actions (11)
 Change of beneficiary (12)
 Right to examine (free look) (175:187H)

4.2 Optional provisions (175:108(3)(b))

Change of occupation (1)
 Misstatement of age (2)

Other insurance in this insurer (3)
 Insurance with other insurers
 Expense-incurred basis (4)
 Other benefits (5)
 Unpaid premium (7)
 Conformity with state statutes (9)
 Illegal occupation (10)

4.3 Other general provisions

Insuring clause
 Consideration clause
 Renewability clause
 Non-cancelable
 Guaranteed renewable
 Conditionally renewable
 Renewable at option of insurer
 Military suspense provision

5.0 Disability Income and Related Insurance 5%

5.1 Qualifying for disability benefits

Inability to perform duties (Reg 42.05(1)(g))
 Own occupation
 Any occupation
 Pure loss of income (income replacement contracts)
 Presumptive disability
 Requirement to be under physician care

5.2 Individual disability income insurance

Massachusetts minimum benefit standards
 Basic total disability plan
 Income benefits (monthly indemnity)
 Elimination and benefit periods
 Waiver of premium feature
 Coordination with social insurance and workers compensation benefits
 Additional monthly benefit (AMB)
 Social insurance supplement (SIS)
 Occupational versus non-occupational coverage
 At-work benefits
 Partial disability benefit
 Residual disability benefit
 Other provisions affecting income benefits
 Cost of living adjustment (COLA) rider
 Future increase option (FIO) rider
 Relation of earnings to insurance
 Annual renewable term rider
 Other cash benefits
 Accidental death and dismemberment
 Rehabilitation benefit

Medical reimbursement benefit (non-disabling injury)
 Refund provisions
 Return of premium
 Cash surrender value
 Exclusions

5.3 Unique aspects of individual disability underwriting

Occupational considerations
 Benefit limits
 Policy issuance alternatives

5.4 Group disability income insurance

Group versus individual plans
 Short-term disability (STD)
 Long-term disability (LTD)

5.5 Business disability insurance

Key person disability income
 Disability buy-sell policy
 Business overhead expense policy
 Disability reducing term policy

5.6 Social Security disability

Qualification for disability benefits
 Definition of disability
 Waiting period
 Disability income benefits

5.7 Workers compensation

Eligibility
 Benefits

6.0 Medical Plans 21%

6.1 Medical plan concepts

Fee-for-service basis versus prepaid basis
 Specified coverages versus comprehensive care
 Benefit schedule versus usual/reasonable/customary charges
 Any provider versus limited choice of providers
 Insureds versus subscribers/participants

6.2 Types of providers and plans

HIPAA (Health Insurance Portability and Accountability Act) requirements
 Eligibility
 Guaranteed issue
 Preexisting conditions
 Creditable coverage
 Renewability
 Blue Cross and Blue Shield Plans (BCBS)
 Contracts with insureds and providers
 Reimbursement of providers
 Basic medical, major medical and HMO plans
 Commercial Insurers and Fraternal — open network
 Characteristics
 Provider plans offered
 Other services
 Open enrollment

- Qualified providers
- Choice of provider
- Disclosure of benefits
- Health Maintenance Organizations (HMOs) — closed network
 - General characteristics
 - Preventive care services
 - Primary care physician versus referral (specialty) physician
 - Emergency care
 - Hospital services
 - Other basic services
- Insured preferred provider plans
 - General characteristics
 - Open panel
 - Types of parties to the provider contract (Reg 51.03)
 - Nature and purpose
 - PCP referral (gatekeeper PPO vs. non-gatekeeper PPO)
 - Indemnity plan features

6.3 Cost containment in health care delivery

- Cost-saving services
 - Preventive care
 - Hospital outpatient benefits
 - Alternatives to hospital services
- Utilization management
 - Prospective review
 - Concurrent review
 - Retrospective review

6.4 Massachusetts eligibility requirements (individual and group)

- Dependent child age limit (175:108(2)(a)(3); 175:110(P); 176A:8BB; 176B:4BB; 176G:4T)
- Disabled adult children (175:108(2)(a)(3)); 176A:8(d); 176B:6(c))
- Newborn child coverage (175:47C; 176A:8B; 176G:4)
- Coverage of adopted children (175:47C; 176A:8B; 176B:4C; 176G:4)

7.0 Group Health Insurance 16%

7.1 Characteristics of group insurance

- Group contract
- Certificate of coverage
- Experience rating versus community rating

7.2 Types of eligible groups

- Employment-related groups
 - Individual employer groups
 - Multiple-Employer Trusts (METs)
- Taft-Hartley Trusts
- Customer groups (depositors, creditor-debtor, other)

7.3 Marketing considerations

- Advertising
- Regulatory jurisdiction/place of delivery

7.4 Employer group health insurance

- Insurer underwriting criteria
 - Nondiscrimination (175:108C; 176A:3A; 176A:8E; 176B:4E; 176B:5A; 176G:19)
 - Characteristics of group
 - Plan design factors
 - Persistency factors
 - Administrative capability
- Eligibility for coverage (175:110)
 - Annual open enrollment
 - Employee eligibility (Reg 66.04)
 - Dependent eligibility
- Coordination of benefits provision (COB) (Reg 38.01-.08)
- Change of insurance companies or loss of coverage
 - Coinsurance and deductible carryover
 - No-loss no-gain
 - Events that terminate coverage
 - Extension of benefits
 - Continuation of coverage under COBRA and Massachusetts specific rules (175:110D; 110G, 110I)

7.5 Small employer and individual medical plans

- Definition of small employer (176J:1; Reg 66.04)
- Benefit plans offered
- Availability and eligibility rating rules (Reg 66.05, 66.08)
 - Pre-existing conditions and waiting periods (176J:5; Reg 66.07)
 - Restrictions relating to premiums (176J:2; Reg 66.08)
- Small group continuation (176J:9)
- Renewability (Reg 66.06)

7.6 Regulation of employer group insurance plans

- Employee Retirement Income Security Act (ERISA)
 - Applicability
 - Fiduciary responsibilities
 - Reporting and disclosure
- Age Discrimination in Employment Act (ADEA)
 - Applicability to employers and workers
 - Permitted reductions in insured benefits
 - Permitted increases in employee contributions

- Requirements for medical expense coverage
- Civil Rights Act/Pregnancy Discrimination Act
 - Applicability
 - Guidelines
- Relationship with Medicare
 - Medicare secondary rules
 - Medicare carve-outs and supplements
- Nondiscrimination rules (highly-compensated)

7.7 Types of funding and administration

- Conventional fully-insured plans
- Modified fully-insured plans
 - Premium-delay arrangements
 - Reserve-reduction arrangements
 - Retrospective-rating arrangements
- Partially self-funded plans
 - Stop-loss coverage
 - 501(c)(9) trust
- Administrative-services-only (ASO) arrangements
- Fully self-funded (self-administered) plans
 - Characteristics
 - Conditions suitable for self-funding
 - Benefits suitable for self-funding

8.0 Dental Insurance 1%

8.1 Types of dental treatment

- Diagnostic and preventive
- Restorative

8.2 Indemnity plans

- Choice of providers
- Scheduled versus nonscheduled plans
- Benefit categories
 - Diagnostic/preventive services
 - Basic services
 - Major services
- Deductibles and coinsurance
- Combination plans
- Exclusions
- Limitations
- Predetermination of benefits

8.3 Employer group dental expense

- Integrated deductibles versus stand-alone plans
- Minimizing adverse selection

9.0 Insurance for Senior Citizens and Special Needs Individuals 14%

9.1 Medicare

- Nature, financing and administration
- Part A — Hospital Insurance
 - Individual eligibility requirements

Enrollment
 Coverages and cost-sharing amounts
 Part B — Medical Insurance
 Individual eligibility requirements
 Enrollment
 Coverages and cost-sharing amounts
 Exclusions
 Claims terminology and other key terms
 Part C — Medicare Advantage
 Part D — Prescription Drug Insurance

9.2 Medicare supplements

Purpose
 Open enrollment (176K:3; Reg 71.10)
 Standardized Medicare supplement plans (Reg 71.08)
 Core benefits, Supplement 1 (Reg 71.90 Appen A, 71.91 Appen B, 71.92 Appen C)
 Additional benefits
 Massachusetts regulations and required provisions
 Advertising (Reg 71.17)
 Standards for marketing (Reg 71.16)
 Permitted compensation (Reg 71.18)
 Appropriateness of recommended purchase and excessive insurance (Reg 71.15)
 Required disclosure provisions (Reg 40.15, 71.13)
 Reporting of multiple policies (Reg 71.19)
 Buyer's guide (Reg 40.15, 71.13)
 Right to return (Reg 71.13)
 Replacement (Reg 71.13)
 Benefit standards (Reg 71.08)
 Pre-existing conditions (Reg 176K:3(b))
 Renewability (Reg 71.07)
 Outline of coverage (Reg 71.13, 71.98 Appen F)

9.3 Other options for individuals with Medicare

Employer group health plans
 Disabled employees
 Employees with kidney failure
 Individuals age 65 or older
 MassHealth (RL Title XVII 118E:9A)
 Eligibility
 Benefits (2)

9.4 Long-term care (LTC) insurance

LTC, Medicare and Medicaid compared

Eligibility for benefits
 Levels of care

Home health care (Reg 65.05(2)(c), 65.06(3))
 Assisted living care
 Adult day care
 Respite care

Benefit periods
 Benefit amounts
 Optional benefits
 Guarantee of insurability
 Return of premium
 Qualified LTC plans
 Exclusions (Reg 65.05(3))
 Underwriting considerations
 Massachusetts regulations and required provisions
 Standards for marketing (Reg 65.08)
 Suitability of recommended purchase (Reg 65.09(4)(b))
 Your Options for Financing Long-Term Care (Reg 65.09(3)(a))
 Outline of coverage (Reg 65.09(3)(c), 101)
 Non-forfeiture benefit offer (Reg 65.06(2))
 Required disclosure provisions (Reg 65.09)
 Right to return (Reg 65.101(5))
 Policy illustration (Reg 65.09(3)(b), 65.100)
 Inflation adjustment benefit (Reg 65.06(1))
 MassHealth exemption (RR 515.014)
 Benefit triggers (Reg 65.05(1))
 Unintentional lapse (Reg 65.10)

10.0 Federal Tax Considerations for Health Insurance 4%

10.1 Personally-owned health insurance

Disability income insurance
 Medical expense insurance
 Long-term care insurance

10.2 Employer group health insurance

Disability income (STD, LTD)
 Benefits subject to FICA
 Medical and dental expense
 Long-term care insurance
 Accidental death and dismemberment

10.3 Medical expense coverage for sole proprietors, partners and limited liability corporations

10.4 Business disability insurance
 Key person disability income
 Buy-sell policy
 Business overhead

**Series 16-57
 Adviser's Exam for Property and Casualty Insurance**

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 7%

1.1 Licensing

Process (175:162G–X)
 Types of licensees
 Producers (175:162H, L, M)
 Business entity producers (175:162L)
 Nonresident producers (175:162N, U)
 Temporary (175:162Q)
 Special brokers (175:168)
 Advisers (175:177A, B)
 Public insurance adjusters (175:172)
 Reinsurance intermediaries (175:177M–W)
 Viatical settlement brokers (175:212–223)
 Maintenance and duration
 Reinstatement and renewal (175:162M(b–d), 177B, 177O)
 Address change (175:162M(f))
 Reporting of actions (175:162V)
 Assumed names (175:162P)
 Continuing education requirements, exemptions and penalties (175:177E; Reg 211 CMR 50.00)
 Disciplinary actions
 Cease and desist order (176D:7)
 Hearings (175:162R; 176D:6)
 Probation, suspension, revocation, refusal to issue or renew (175:162R, 177B; 176D:7, 10; 30A:13)
 Penalties and fines (175:162R(b–e), 170, 174, 175, 176, 177, 194; 176D:7, 10)
1.2 State regulation
 Commissioner's general duties and powers (175:3A; 176D:5)
 Company regulation
 Certificate of authority (175:4, 32, 151)
 Solvency (175:6, 180A–L; 175J)
 Rates (175:113B; 175A; 175E; 176H:6)
 Policy forms (175:2B, 192)

Examination of books and records (175:4)
 Producer appointments (175:162S)
 Termination of producer appointment (175:162T)
 Producer regulation
 Impersonation (175:175)
 Larceny (175:176)
 Unlicensed persons compensation (175:177)
 Unfair or deceptive insurance practices
 Misrepresentation (175:181, 186; 176D:3(1), (11))
 False advertising (175:181; 176D:3(1),(2))
 Defamation of insurer (176D:3(3))
 Boycott, coercion and intimidation (176D:3(4), 3A)
 False financial statements (176D:3(5))
 Failure to maintain complaint record (176D:3(10))
 Unfair discrimination (176D:3(7))
 Unfair claims settlement practices (176D:3(9))
 Rebating (175:182–184; 176D:3(8))
 Insurance fraud regulation (175:170, 181; 176D:3)
 Insurance Information and Privacy Protection (175I)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)
 Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance 6%

(See Page 17)

3.0 Property and Casualty Insurance Basics 10%

3.1 Principles and concepts

Insurable interest
 Underwriting
 Function
 Expense ratio, combined ratio
 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
 Attractive nuisance
 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

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, additional
 Policy period
 Policy territory
 Cancellation and nonrenewal
 Deductibles
 Other insurance
 Non-concurrency
 Primary and excess
 Pro rata share
 Contribution by equal shares
 Policy limits
 Limits of liability
 Per occurrence (accident)
 Per person
 Aggregate — general versus products — completed operations
 Split
 Combined single
 Restoration/non-reduction of limits
 Coinsurance
 Vacancy or unoccupied
 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
3.4 Massachusetts laws, regulations and required provisions
 Massachusetts Insurers
 Insolvency Fund (175D:1–17)
 Massachusetts standard fire policy (175:99)
 Cancellation and nonrenewal (175:99, 187C, 187D, 193P)
 Concealment, misrepresentation or fraud (175:99, 170, 186; RL Title I 266:27A)
 Appraisal (175:99, 1130)
 Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109–144, 110–160; HR 2761)

4.0 Dwelling ('02) Policy 3%

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 —
 Massachusetts (DP 01 20)
 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 7%

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 —
 - Massachusetts (HO 01 20)
- 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)
- Identity fraud expense (HO 04 55)
- Scheduled personal property (HO 04 61)
- Personal property replacement cost (HO 04 90)
- Home day care (HO 04 97)
- Tenants relocation expense —
 - Massachusetts (HO 23 71)
- Lead poisoning exclusion —
 - Massachusetts (HO 24 41; Reg 211 CMR 131.00)
- Coverage for lead poisoning —
 - Massachusetts (HO 24 42)
- Business pursuits (HO 24 71)
- Watercraft (HO 24 75)
- Personal injury (HO 24 82)

6.0 Auto Insurance 9%

6.1 Laws

- Massachusetts Compulsory Motor Vehicle Liability Insurance (175:113A–L, N–V; RL Title XIV 90:34A–K, M–R)
 - Required limits of liability (RL Title XIV 90:34A, 34O)
 - Required proof of insurance (RL Title XIV 90:34A, 34B)
- Massachusetts Assigned Risk Plan (175:113H)
- Personal injury protection (RL Title XIV 90:34A, M)
 - Medical
 - Loss of income/Lost wages
 - Death
 - Funeral
 - Replacement services
- Uninsured motorist (175:111D, 113L)
 - Definitions
 - Bodily injury
 - Required limits
- Cancellation/nonrenewal (90:34K; 175:22C, 113A)
 - Grounds (175:22C, 112)
 - Notice (175:22C, 113F; RL Title XIV 90:34K)
 - Notice of eligibility in assigned risk plan (175:113F)
- Safe driver insurance plan (175:113B, 113P)
- Aftermarket parts regulation (Reg 211 CMR 133.04; RL Title XIV 90:34R)

- Regulation of rates for motor vehicle insurance (Ch. 175A, E)
- Private passenger motor vehicle insurance rates (Reg 211 CMR 79.00)

6.2 Massachusetts auto insurance policy (2008 edition)

- Definitions
- Compulsory coverage
 - Bodily injury to others
 - Personal injury protection
 - Damage to someone else's property
- Uninsured motorist
- Coverage for damage to your auto
 - Medical payments
 - Collision
 - Limited collision
 - Comprehensive
 - Deductibles
 - Substitute transportation
 - Towing and labor
- General provisions
- Duties after an accident or loss
- Selected endorsements
 - Use of other autos — vehicles furnished or available for regular use (M-0051-S)
 - Coverage for anyone renting an auto to you additional insured — lessor (M-0070-S)
 - Massachusetts mandatory endorsement (M-0099-S)
 - Mobile home (MPY-0002-S)
 - Waiver of deductible (MPY-0016-S)

6.3 Commercial auto

- Commercial auto coverage forms
 - Business auto ('06)
 - Garage ('06)
 - Truckers ('06)
- Coverage form sections
 - Covered autos
 - Liability coverage
 - Garage-keepers coverage
 - Trailer interchange coverage
 - Physical damage coverage
 - Exclusions
 - Conditions
 - Definitions
- Selected endorsements
 - Individual named insured (CA 99 17)
 - Mobile equipment (MM 20 11)
 - Lessor — additional insured and loss payee —
 - Massachusetts (MM 20 26)
 - Drive other car coverage (MM 99 22)
- Commercial carrier regulation

The Motor Carrier Act of 1980

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

7.0 Commercial Package Policy (CPP) 20%

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
 - Exclusions
 - Supplementary payments
 - Who is an insured
 - Limits of insurance
 - Conditions
 - Definitions
 - 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
 - Owners and contractors protective liability coverage form
 - Pollution liability
 - Pollution liability coverage form
 - Pollution liability limited coverage form
 - Pollution liability coverage extension endorsement
 - Selected endorsements
 - Limited fungi or bacteria coverage (CG 24 25)
- 7.3 Commercial property ('02)**
- 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 ('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 coverages
 - Kidnap/ransom and extortion (CR 00 40)
 - 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 (Reg 211 CMR 10.00)
- 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 ('07)

- 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 and advertising injury liability
 - Coverage J — Medical payments
- Mobile agricultural machinery and equipment coverage form
- Livestock coverage form
- Definitions
 - Cause of loss (basic, broad and special)
 - Conditions
 - Exclusions
 - Limits
 - Additional coverages

8.0 Business Owners ('06) Policy 9%

8.1 Characteristics and purpose

8.2 Business Owners Section I — Property

- Coverage
- Exclusions
- Limits of insurance
- Deductibles
- Loss conditions
- General conditions
- Optional coverages
- Definitions

8.3 Business Section II — Liability

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

8.4 Business Owners 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 15%

9.1 Workers compensation laws

- Types of laws
 - Monopolistic versus competitive
 - Compulsory versus elective
- Massachusetts Workers Compensation Act (RL Title XXI Ch 152)
 - Exclusive remedy (RL Title XXI 152:24, 26, 71)
 - Employment covered (required, voluntary) (RL Title XXI 152:1, 25A)
 - Covered injuries (RL Title XXI 152:1, 29)
 - Occupational disease (RL Title XXI 152:1(7A))
 - Benefits provided (RL Title XXI 152:27, 28–30, 30G–30I, 31–34, 34A, 34B, 35, 35A–E, 36)
 - Subsequent injury fund (RL Title XXI 152:37)
 - Large deductible programs (211 CMR 115.01–.06; 152:25A)
 - Subrogation (152:15)
- Federal workers compensation laws
 - Federal Employers Liability Act (FELA) (45 USC 51–60)
 - 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 endorsement
 - Voluntary compensation

9.3 Premium computation

- Job classification — payroll and rates
- Experience modification factor
- Premium discounts
- Participation (dividend) plans
- Retrospective rating

Massachusetts Department of Industrial Accidents

- 9.4 Other sources of coverage**
 - Assigned risk plan (RL Title XXI 152:65A–D, G–M, O)
 - Self-insured employers and employer groups (RL Title XXI 152:25A–U)
 - Massachusetts Workers' Compensation Trust Fund (RL Title XXI 152:65)
 - Differences in premium computation (RL Title XXI 152:53A(5))

10.0 Other Coverages and Options 14%

- 10.1 Umbrella/excess liability policies**
 - Personal (DL 98 01)
 - Commercial (CU 00 01)
- 10.2 Specialty liability insurance**
 - Errors and omissions
 - Professional liability
 - Directors and officers liability
 - Fiduciary liability
 - Liquor liability
 - Employment practices liability
 - Employee benefits liability
- 10.3 Surplus lines (175:168)**
 - Definitions and markets
 - Licensing requirements
- 10.4 Surety bonds**
 - Principal, obligee, surety
 - Contract bonds
 - License and permit bonds
 - Judicial bonds
- 10.5 Aviation insurance**
 - Aircraft hull
 - Aircraft liability
 - Airport liability
 - Hangar-keepers legal liability
- 10.6 Ocean marine insurance**
 - Major coverages
 - Hull insurance
 - Cargo insurance
 - Freight insurance
 - Protection and indemnity
 - Implied warranties
 - Perils
 - General and particular average
- 10.7 National Flood Insurance Program**
 - "Write your own" versus government
 - Eligibility
 - Coverages
 - Limits
 - Deductibles
- 10.8 Other policies**
 - Boat owners
 - Difference in conditions
- 10.9 Residual markets**
 - Joint underwriting and reinsurers association (FAIR) plan (175C:4)
 - Joint Underwriting Association — Liquor Liability (175:112A–B)

10.10 Alternative funding mechanisms

- Self-insured
- Pooling
- Risk retention groups
- Captives

**Series 16-58
Public Adjuster Exam**

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Licensing requirements (175:162)**
 - Qualifications (175:172)
 - Process (175:172)
 - Fees (175:14)
- 1.2 Maintenance and duration**
 - Renewal (175:172)
 - Contract requirements (175:172)
 - Continuing education requirements (175:172)
- 1.3 Disciplinary actions**
 - Cease and desist orders (176D:7)
 - Suspension and revocation (175:172)
 - Penalties and fines (175:172; 176D:7, 10)
- 1.4 Claim settlement laws and regulations (176D:3(9))**
- 1.5 State regulation**
 - Unfair or deceptive insurance practices (176D:3)

2.0 Insurance Basics 10%

- 2.1 Contract basics**
 - 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
 - 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 estoppels
- 2.2 Insurance principles and concepts**
 - Insurable interest
 - Direct loss

- 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

- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
 - Non-concurrency
 - Primary and excess
 - Pro rata
- Policy limits
- Restoration/non-reduction of limits
- Coinurance
- Vacancy or unoccupied
- Assignment
- Liberalization
- Third-party provisions
 - Standard mortgage clause
 - Loss payable clause

2.5 Massachusetts laws, regulations and required provisions

- Massachusetts Insurers
 - Insolvency Fund (175D:1–17)
- Massachusetts standard fire policy (175:99)
- Concealment, misrepresentation or fraud (175:99, 186)
- Certificate of municipal lien (175:97A)
- Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109–144, 110–160; HR 2761)

3.0 Adjusting Losses 25%

- 3.1 Role of the adjuster**
 - Duties and responsibilities
 - Independent adjuster versus public adjuster
 - Relationship to the legal profession
- 3.2 Property losses**
 - Duties of insured after a loss
 - Notice to insurer (175:102)
 - 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

3.3 Claims adjustment procedures

Subrogation procedures
 Alternative dispute resolution (175:99, 100, 101)

4.0 Dwelling ('02) Policy 11%

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 —
 Massachusetts (DP 01 20)
 Automatic increase in insurance (DP 04 11)
 Broad theft coverage (DP 04 72)
 Dwelling under construction (DP 11 43)

5.0 Homeowners ('00) Policy — Section I 16%

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 Perils insured against

5.5 Exclusions

5.6 Conditions

5.7 Selected endorsements

Special provisions —
 Massachusetts (HO 01 20)
 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)

6.0 Commercial Package Policy (CPP) 14%

6.1 Components of a commercial policy

Common policy declarations
 Common policy conditions
 Interline endorsements
 One or more coverage parts

6.2 Commercial property ('02)

Commercial property conditions form
 Coverage forms
 Building and personal property
 Condominium association
 Condominium commercial unit-owners
 Builders risk
 Business income
 Extra expense
 Cause of loss forms
 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)

6.3 Commercial crime ('06)

General definitions
 Burglary
 Theft
 Robbery
 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
 Kidnap/ransom and extortion (CR 00 40)
 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)

6.4 Commercial inland marine

Nationwide marine definition (Reg 211 CMR 10.00)

Commercial inland marine conditions form
 Inland marine coverage forms
 Accounts receivable
 Contractors equipment floater
 Electronic data processing
 Equipment dealers
 Installation floater
 Signs
 Valuable papers and records

6.5 Equipment breakdown ('07)

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

7.0 Business Owners ('06) Policy — Property 13%

7.1 Characteristics and purpose

7.2 Business Owners Section I — Property

Coverage
 Exclusions
 Limits of insurance
 Deductibles
 Loss conditions
 General conditions
 Optional coverages
 Definitions

7.3 Business Owners Section III — Common Policy Conditions

7.4 Selected endorsements

Protective safeguards (BP 04 30)
 Utility services — direct damage (BP 04 56)
 Utility services — time element (BP 04 57)

8.0 Other Coverages and Options 1%

8.1 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverages
 Limits
 Deductibles

8.2 Other policies

Boat owners
 Difference in conditions

Series 16-59 Producer's Exam for Limited Lines Credit Insurance

60 questions — One-hour time limit

1.0 Insurance Regulation 5%

(See Page 17)

2.0 General Insurance 5%

(See Page 17)

3.0 Consumer Credit Insurance Basics 45%

3.1 Nature of consumer credit insurance

- Parties involved
 - Debtor/insured
 - Creditor/beneficiary
 - Insurer
- Advantages for debtors and for creditors
- Markets
 - Banks and savings and loan associations
 - Credit unions
 - Finance companies
 - Credit card companies
 - Automobile dealers and manufacturers
 - Retailers
- Types of credit covered — closed-end versus open-end

3.2 Coverage characteristics

- Group coverage
- Underwriting considerations
 - Eligibility of groups (175:110, 133)
 - Underwriting of the debtor/insured (group and individual)
 - Evidence of insurability
- Premiums
 - Single premium versus monthly premium
 - Basis and payment of premiums
- Group policy general provisions
 - Grace period (175:132(1))
 - Incontestability (175:132(2))
 - Entire contract (175:132(3))
 - Misstatement of age (175:132(4))
 - Policy maximums (175:110(A)(j), 133(c))
 - Autopsy provision
- Benefit payments
 - Effect on insured's debt
 - Payment of excess benefits

3.3 Regulation

- Massachusetts regulation
 - Approval of forms (175:2B)
 - Amounts to be insured (RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26)
 - Term of insurance (RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26(C))
 - Premium rates (175:117C, RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26(C))
 - Premium refunds (RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26)
 - Choice of insurer

- Life and Health Insurance
 - Guaranty Association (175:146B(19))
 - Evidence of coverage (Reg 143.00)
 - Termination of group coverage
 - Claims processing
 - Prohibited transactions
 - Federal regulation
 - Consumer Credit Protection Act (Truth-in-Lending Act) (RL Title XX 140D:4; Title IV 255C:23)

3.4 Disclosure requirements (Reg 143.01-.02, RL Title IV 255D:26(C))

4.0 Types of Consumer Credit Insurance 45%

4.1 Credit life insurance

- Eligibility of the individual insured
- Contributory versus non-contributory
- Gross coverage versus net payoff coverage
- Types of insurance coverages
 - Decreasing term
 - Level term
 - Monthly outstanding balance
 - Joint credit life
 - Truncated life
- Suicide clause

4.2 Credit disability insurance (30-day non-retroactive only)

- Eligibility of the individual insured
- Qualifying for benefits
 - Sickness or injury
 - Definition of disability (own occupation versus any occupation)
 - Elimination period
 - Benefit period
- Benefit amount
- Special types of coverage
 - Critical period
- Common exclusions
 - Pre-existing conditions
 - Intentionally self-inflicted injury
 - Normal pregnancy
 - Act of War

4.3 Credit unemployment insurance (175:117D, 255:12G, 255B:10, 255C:14A, 255D:26)

- Eligibility of the individual insured
- Qualifying for benefits
 - Definition of involuntary unemployment
 - Elimination period
- Benefit period
- Benefit amount

- Special types of coverage
 - Joint unemployment
 - Limited Benefit
 - Truncated unemployment

Series 16-60 Motor Vehicle Damage Appraiser

60 questions – One-hour time limit

1.0 Insurance Regulation 14%

- 1.1 Authority of the Auto Damage Appraiser Licensing Board (M.G.L. C. 26 Sec. 8G; 212 CMR 2.01)**
- 1.2 Licensing requirements**
 - Qualifications (M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(2))
 - Process (M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(3))
 - Display (M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(1))
- 1.3 Maintenance and duration (M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(1)(4))**
- 1.4 Disciplinary actions**
 - Suspension, revocation, refusal to issue or renew (M.G.L. C. 26 Sec. 8G; 212 CMR 2.02)
 - Penalties and fines (211 CMR 123.08, 133.08; RR 2.05)
- 1.5 Appraiser laws and regulations (Reg 211 CMR 123.01-.08, .10; 133.01-133.09; M.G.L. C. 26 Sec. 8G)**
- 1.6 Federal regulation**
 - Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 6%

- 2.1 Common auto policy provisions**
 - Insureds — named, first named, additional
 - Deductibles
 - Policy limits
 - Loss payable clause
 - Insurer provisions
 - Subrogation
 - Salvage

3.0 Appraising Auto Physical Damage Claims 80%

- 3.1 Role of the appraiser**
- 3.2 Determining value and loss**
 - Appraisal procedure
 - Salvage
 - Appraisal
 - Depreciation/betterment
 - Repair or replacement
 - Repair options and procedures
 - "Like kind and quality"
 - Aftermarket parts regulation (Reg 211 CMR 133.04; M.G.L. C. 90 Sec. 34R)
 - Total loss

- Contract repair
- 3.3 Vehicle inspection**
 - Proper vehicle identification and options ID
 - Evaluate with regard to circumstances of accident
 - Estimate of repairs form
- 3.4 Vehicle parts and construction**
 - Body
 - Front end
 - Rear body
 - Quarter panels
 - Doors
 - Roof
 - Bumpers/urethane repairs
 - Lamps
 - Cowl
 - Firewall
 - Floor pan
 - Rocker panels
 - Pillars
 - Substructure
 - Frame
 - Unibody
 - Mechanical
 - Engine
 - Cooling system
 - Electrical system/computers
 - Exhaust system
 - Fuel system
 - Heating and air conditioning systems
 - Brakes/ABS
 - Steering
 - Suspension
 - Transmission
 - Air bags/SRS (seat belts)
 - Glass
 - Tires
 - Interior
 - Paint

**Series 16-61
Producer's Exam for
Personal Lines Insurance**

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

1.0 Insurance Regulation 13%

(See Page 17)

2.0 General Insurance 11%

(See Page 17)

**3.0 Property and Casualty
Insurance Basics 17%**

- 3.1 Principles and concepts**
 - Insurable interest
 - Underwriting
 - Function
 - Expense ratio, combined ratio
 - 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
- Attractive nuisance
- 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
- 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, additional
 - Policy period
 - Policy territory
 - Cancellation and nonrenewal
 - Deductibles
 - Other insurance
 - Non-concurrency
 - Primary and excess
 - Pro rata share
 - Limits of liability
 - Per occurrence (accident)
 - Per person
 - Split
 - Combined single
 - Restoration/non-reduction of limits
 - Coinsurance
 - 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
- 3.4 Massachusetts laws, regulations and required provisions**
 - Massachusetts Insurers
 - Insolvency Fund (175D:1–17)
 - Massachusetts standard fire policy (175:99)
 - Cancellation and nonrenewal (175:99, 187C, 187D, 193P)
 - Concealment, misrepresentation or fraud (175:99, 170, 186; RL Title I 266:27A)
 - Appraisal (175:99, 1130)

4.0 Dwelling ('02) Policy 7%

- 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 —
 - Massachusetts (DP 01 20)
 - 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 22%

- 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 —
 - Massachusetts (HO 01 20)
- Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27, HO 04 28)
- Permitted occupancies — residence premises (HO 04 42)
- Earthquake (HO 04 54)
- Identity fraud expense (HO 04 55)
- Scheduled personal property (HO 04 61)
- Personal property replacement cost (HO 04 90)
- Home day care (HO 04 97)
- Tenants relocation expense — Massachusetts (HO 23 71)
- Lead poisoning exclusion — Massachusetts (HO 24 41; Reg 211 CMR 131.00)
- Coverage for lead poisoning — Massachusetts (HO 24 42)
- Business pursuits (HO 24 71)
- Watercraft (HO 24 75)
- Personal injury (HO 24 82)

6.0 Auto Insurance 25%

6.1 Laws

- Massachusetts Compulsory Motor Vehicle Liability Insurance (175:113A–L, N–V; RL Title XIV 90:34A–K, M–R)
 - Required limits of liability (RL Title XIV 90:34A, 34O)
 - Required proof of insurance (RL Title XIV 90:34A, 34B)
- Massachusetts Assigned Risk Plan (175:113H)

- Personal injury protection (RL Title XIV 90:34A, M)
 - Medical
 - Loss of income/Lost wages
 - Death
 - Funeral
 - Replacement services
- Uninsured motorist (175:111D, 113L)
 - Definitions
 - Bodily injury
 - Required limits
- Cancellation/nonrenewal (90:34K; 175:22C, 113A)
 - Grounds (175:22C, 112)
 - Notice (175:22C, 113F; RL Title XIV 90:34K)
 - Notice of eligibility in assigned risk plan (175:113F)
- Safe driver insurance plan (175:113B, 113P)
- Aftermarket parts regulation (Reg 211 CMR 133.04; RL Title XIV 90:34R)
- Regulation of rates for motor vehicle insurance (Ch. 175A, E)
- Private passenger motor vehicle insurance rates (Reg 211 CMR 79.00)

6.2 Massachusetts auto insurance policy (2008 edition)

- Definitions
- Compulsory coverage
 - Bodily injury to others
 - Personal injury protection
 - Damage to someone else's property
- Uninsured motorist
- Coverage for damage to your auto
 - Medical payments

- Collision
 - Limited collision
 - Comprehensive
 - Deductibles
 - Substitute transportation
 - Towing and labor
- General provisions
- Duties after an accident or loss
- Selected endorsements
 - Use of other autos — vehicles furnished or available for regular use (M-0051-S)
 - Coverage for anyone renting an auto to you additional insured — lessor (M-0070-S)
 - Massachusetts mandatory endorsement (M-0099-S)
 - Mobile home (MPY-0002-S)
 - Waiver of deductible (MPY-0016-S)

7.0 Other Coverages and Options 5%

7.1 Personal umbrella policies (DL 98 01)

7.2 National Flood Insurance Program

- "Write your own" versus government
- Eligibility
- Coverages
- Limits
- Deductibles

7.3 Other policies

- Boat owners

7.4 Residual markets

- Joint underwriting and reinsurers association (FAIR) plan (175C: 4)



Exam Registration Form

for Massachusetts Insurance Examinations

Last Name	First Name	Middle Initial	Social Security number
Residence Address (Your address of legal residence is required)			
City		State	ZIP Code
Daytime Phone Number (including area code) ()		Evening Phone Number (including area code) ()	
Fax Number (including area code) ()			

This form is Page 41 of the Massachusetts Licensing Information Bulletin. We recommend you read the entire Bulletin.

Series	Exam Title	Exam Fee	Total
16-51	Producer's Life	\$57	\$
16-52	Producer's Accident and Health or Sickness	\$57	\$
16-53	Producer's Property	\$57	\$
16-54	Producer's Casualty	\$57	\$
16-55	Adviser's Life	\$57	\$
16-56	Adviser's Accident and Health or Sickness	\$57	\$
16-57	Adviser's Property and Casualty	\$57	\$
16-58	Public Adjuster	\$57	\$
16-59	Producer's Limited Lines Credit	\$57	\$
16-60	Motor Vehicle Damage Appraiser: Written Portion Only	No fee	
16-61	Producer's Personal Lines	\$57	\$
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