

SOUTH CAROLINA

Department of Insurance

Licensing Information Bulletin

For examinations on and after August 1, 2008

*Register online at
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Providing License Examinations for the State of South Carolina

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Introduction

A message from the Department

This bulletin provides you with information about the examination and licensing process for becoming licensed by the South Carolina Department of Insurance (the Department) to sell or provide insurance services and products in South Carolina.

It also contains information that is useful **after** you become licensed. We suggest you keep this bulletin for future reference. Once the Department is satisfied that you have met all requirements for a license, the appropriate license will be issued.

The Department encourages you to properly prepare for your exam and requires you to continue your professional education once you are licensed.

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, if any, and other license requirements.
- 2 Contact Prometric to register and pay for your exam and to schedule an appointment to take it.
The easiest way to register is online at www.prometric.com/southcarolina. Phone, fax and mail options are also available. (See Page 3.)
- 3 Prepare for your exam, using this bulletin and for a bailbondsman license, materials received in your prelicensing course, or materials from other sources. 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. You will receive your results immediately after the exam. If you pass, go on to step 5. If you do not pass, repeat steps 2 through 4 until you do.
- 5 Apply for your license through the South Carolina Department of Insurance. (For application details, see Page 11.)



To get answers not provided in this bulletin

Direct all questions and requests for information about exams to:

Prometric

Phone: 800.490.6548

Fax: 800.347.9242

TDD User: 800.790.3926

Web site: www.prometric.com/southcarolina

Direct applications and questions about licensure to:

South Carolina Department of Insurance

300 Arbor Lake Drive, Suite 1200

Columbia, SC 29223

Phone: 803.737.6095

Fax: 803.737.6100

Web site: www.doi.sc.gov

Understanding license requirements

The Department is authorized to license individuals as insurance producers, surplus lines brokers, adjusters, public adjusters, appraisers, bail bondsman/runners and surety bondsman as defined in South Carolina Statutes. Producer licensing requirements apply to all insurers and all lines of insurance.

After you fulfill your exam requirements (if any), submit your application for licensure to the Department. (For instructions, see “Applying for your license” on Page 11). If the Department approves your application, you will receive a license and may solicit insurance of the type for which you have been licensed. If your application is denied, you will be notified in writing of the reason for such denial.



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.

Scheduling your exam appointment

The Department has contracted with Prometric to conduct its examination program. Prometric provides computerized testing through its multistate testing network, including testing centers in South Carolina. A list of testing centers in South Carolina can be found on page 5.

Follow the instructions here 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.

You will be given a number to confirm that you have completed the registration process. Please keep your confirmation number—you will need it to schedule, reschedule, cancel, and confirm your appointment.

You are encouraged to complete all three steps at one time using the Prometric Internet registration and scheduling system. Registration and scheduling is also available by phone. If you prefer, you can register by fax or by mail, but be aware that is a two-step process. Schedule your exam early to get your preferred site and time.

Confidentiality. South Carolina law requires that, for purposes of obtaining a license, you provide the Department with your Social Security number. 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 Department.

Accommodations. If you require ADA accommodation or ESL consideration, see “Special test considerations” on Page 5 before registering.

Holidays. Testing centers are generally closed on the following holidays:

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

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

On the Internet—a one-step process

Register and schedule your exam online at any time using our Internet Registration Service. Just follow these steps.



To register and schedule an exam online

- 1 Access www.prometric.com/southcarolina.
- 2 Under Insurance, click **Insurance License Exams**.
- 3 Click on **Register for an exam** and follow the prompts.
- 4 **Schedule** your exam appointment.

By phone—a one-step process

You may register and schedule your examination by calling 800.490.6548 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 47) to Prometric at 800.347.9242. You must include the Visa or MasterCard number and the cardholder’s signature on the fax.

You may mail your completed exam registration form and the appropriate exam fee (\$51). When registering by mail, you may pay the exam fee by including a Visa or MasterCard number, company check, cashier’s check or money order. **Personal checks and cash are not accepted.**

Faxed registrations are processed within 24 hours, or one business day, of receipt. Assume four to eight days for delivery of mailed registrations and then 48 hours for processing. Once your registration has been processed, you can schedule an appointment by calling 800.490.6548. Please record and retain the number confirming your appointment.

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.**

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 your exam.

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



Note There is no limit to the number of times an applicant may take a Bail Bondsman exam. However, all other exams may only be taken six times in a one-year period.

Rescheduling your exam appointment

To avoid a rescheduling fee, you must contact Prometric at least **three full business days** before the day of your scheduled appointment. **Before you reschedule your exam**, refer to the following table to determine the **last day** you may reschedule without paying a \$40 rescheduling 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 do not allow at least three full business days to reschedule your appointment, you must pay a \$40 rescheduling fee before choosing another appointment. To pay this fee by Visa or MasterCard and reschedule your appointment, call Prometric at 800.490.6548. You may also pay the rescheduling fee by mailing a cashier's check, company check, money order or Visa or MasterCard 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 must pay a \$40 rescheduling fee before choosing another appointment. This fee will allow you to use your original exam registration.

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 testing 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 exam 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 one-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

South Carolina

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
Aiken 154 Laurens Street NW Aiken, SC 29801 803.502.0227	From I-20: Take the exit for Highway 19 (Laurens Street) and take Highway 19 south. The testing center is on the corner of Laurens Street and Barnwell Street.
Charleston 1954 Ashley River Road, Suite G Charleston, SC 29407 843.766.5599	From I-26: Take Exit 212B to get on I-526. Take Exit 11A (Ashley River Road) and go south. At the third traffic light, turn left onto Savage Road. The testing center is located in the Piney Point Plaza at the intersection of Ashley River Road and Savage Road.
Columbia 121 Executive Center Drive Congaree Building, Suite 144 Columbia, SC 29210 803.354.9221	From I-20: Take Exit 63 (Bush River Road). From I-20 west, turn right onto Bush River Road and from I-20 east, turn left onto Bush River Road. At the first stoplight, turn right onto Barry Hill Road. Turn left onto Executive Center Drive. The testing center is located in the third building on the left (the Congaree Building). Park in the rear of the building. Suite 144 is located in the courtyard.
Florence 2141 C Hoffmeyer Road West Gate Office Park Florence, SC 29501 843.667.3227	From I-95 south: Take the exit for Highway 52. Take a right at Cashua Drive. Continue south to Evans Street and turn right. Turn right again on Hoffmeyer Road. From I-95 north: Take the exit for I-20 east. Continue to Dozier Boulevard and turn left. Continue one mile to the intersection of Dozier Boulevard and Hoffmeyer Road.
Greenville 250 Executive Center Drive Suite 100 Greenville, SC 29615 864.213.3901	From I-385: Take Exit 37 (Roper Mountain Road) and go east. Turn right onto Independence Boulevard (may also be referred to as Frontage Road). Travel approximately one-half mile. Turn left onto Executive Center Drive. The testing center is in the Sumter Building (the second building on the right).

<p>Rock Hill 232 South Cherry Road, Suite 130 Rock Hill, SC 29732 803.980.8025</p>	<p>From I-77: Take Exit 82B heading southwest. Go right off the exit onto Cherry Road. Go approximately four miles to the traffic light where Cherry Road crosses over Constitution Boulevard. Go straight through the light. The testing center is on the right across from the outdoor stadium.</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 Licensing Information Bulletin applies to exams given on the date you intend to take the exam. You should use **this** edition of the Licensing Information Bulletin **only** if you expect to take the exam on or after August 1, 2008.
- ▶ Base your study on the content outline 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.
- ▶ Select study materials that cover all the topics in the content outline.
 Read the study materials carefully, making sure you understand each idea before going on to another. Take notes and highlight key ideas for later review.
- ▶ Maximize your exam preparation.
 Study frequently and for periods of about 45 to 60 minutes.
- ▶ Enroll in a prelicensing study course if applying for a bailbondsman license.
 The Department approves prelicense education courses for bailbondsman. To receive credit for prelicense education, you must attend an approved course. Please visit the Department’s Web site at www.doi.sc.gov or contact the Department at 803.737.6134 for a list of approved courses.

Study materials

The exam content outlines in this bulletin are the basis for the exams. Not all questions on the exams will necessarily be covered in your study materials. 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 Department does not specify an official study manual. You are free to use materials of your own choosing to prepare for the license exam. However, because of the number, the diversity of approach and the currency of other publications, **neither the Department nor Prometric lists or recommends study materials.**

Content outlines overview

The license exam for each license type consists of questions that test knowledge of topical areas listed in that exam's content outline. Exam content outlines appear in this bulletin, beginning on Page 17. They were developed in cooperation with the Department and an Examination Review Workshop (ERW) consisting of individuals from the South Carolina insurance industry.

Item-development staff at Prometric and insurance professionals research the content and write questions. The questions are then submitted to industry professionals in South Carolina for review and approval. These industry professionals first identify the important areas of knowledge and then confirm that the exam questions assess them. This process ensures that the exams reflect content that you, as an entry-level agent, will need to know to properly perform your duties for the insurance-buying public.

Every exam covers the South Carolina statutes and general principles sections plus the specific content for its line. Licenses for the major lines such as Life, Accident and Health, or Property and Casualty are acquired by taking and passing a comprehensive exam. The results of the combination exam for Life, Accident and Health exams are reflected in one final score. You must pass the complete exam to qualify for a license.

If you prefer, you can view a complete outline specific to your exam on Prometric's Web site at www.prometric.com/southcarolina.



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.
- 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.

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 (if not you must present two identification cards: one with your photo and one with 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 fees.

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

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 exam. Prometric reserves the right to audiotape and videotape any exam session.

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 is 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, 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 use any electronic devices or phones during breaks.

Visitors

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

Misconduct or disruptive behavior

- Candidates who engage in any kind of misconduct or disruptive or offensive behavior may be 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, using rude or offensive language and behavior that delays or interrupts testing.

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.

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

In a life insurance policy, the settlement option that provides a stated amount of income each month until policy proceeds are exhausted is called:

1. Life income with period certain option
2. Life income option
3. Fixed-period option
- * 4. Fixed-amount option

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 present, they are distributed throughout the exam. These are used to gather statistical information on the questions before they are added to the actual exam for your state.

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.

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, your employer and your trainer 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 that 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.			
South Carolina Producer Life Insurance Examination			
	Number of Questions	Number Correct	Percent Correct
Life Total Test Score	100	80	80%
Insurance Regulation	15	11	73%
General Insurance	5	3	60%
Life Insurance Basics	30	23	76%
Life Insurance Policies	17	15	88%
Life Insurance Provisions, Options and Riders	20	18	90%
Annuities	8	7	87%
Tax Considerations	3	2	66%
Qualified Plans	2	1	50%
Score: 80%			
Grade: Pass			
(A total score of 70 percent is required to pass)			

Prometric electronically notifies the Department of exam results within two business days of the exam date. Exam scores are confidential and will be revealed only to you and the Department. When you pass the exam, you (or your insurer) may complete and mail or hand-deliver the license application packet, including your original Score Report, to the Department.

Duplicate score report. You may call or write to Prometric to request a duplicate of your score report for a period of one year after an exam. Direct any questions or comments about your exam to Prometric.

Appeals process

Our goal is to provide a quality exam and a pleasant testing experience for every candidate. If you are dissatisfied with either 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.
- Other licensing information.
- Continuing education.

Applying for your license

Issuance of a license depends on review and approval of all license application material. Licensing requirements and forms may be obtained from the Department's Web site at www.doi.sc.gov.

SLED report

A number of license applications require that the South Carolina State Law Enforcement Division (SLED) conduct a background investigation. If your application requires that you submit a SLED Criminal History Report, you can obtain the report from SLED by submitting a written request to the address below or through their Web site.

State Law Enforcement Division
ATTN: Central Records Depository
P. O. Box 21398
Columbia, SC 29221
Phone: 803.737.9000
www.sled.sc.gov

There is a \$25 fee for this report. SLED only accepts company checks or money orders. A SLED report expires 90 days after issuance.

Appointment paperwork and fees

Over 25 appointments. Insurers with more than 25 appointments per year must appoint online through the National Insurance Producer Registry (NIPR).

Under 25 appointments. Insurers with less than 25 appointments each year in South Carolina may submit the appointment paperwork to the Department. All appointment paperwork submitted to the Department requires a notarized wet ink signature by the required individual(s). Appointment fees must be paid in advance

by the sponsoring insurer. Therefore, the Department does not accept licensing requests by fax. All appointment requests must be submitted by the sponsoring insurer with original paperwork. (See S.C. Code Ann. Section 38-43-80.)

Producer licensing requirements

Resident producers may apply for licensure online at www.doi.sc.gov. Nonresidents may apply for licensure online through the National Insurance Producer Registry (NIPR) at www.nipr.com.

The following tables show the applicable fee and indicate with an “x” what documentation needs to be submitted for licensure and appointment in the Producer categories.

Unlimited Lines Producer Requirements	Resident	Nonresident
License Fee	\$20	\$20
South Carolina Application for Individual Insurance Producer License (Form 3506)	X	X
Original Exam Score Report from Prometric	X	
Original SLED Report	X	
Letter of Clearance (if previously licensed in another state and not part of the Producer Database)	X	X

Limited Lines Producer Requirements	Resident	Nonresident
Appointment Fee	\$40	\$40
South Carolina Application for Individual Insurance Producer License (Form 3506)	X	X
South Carolina Appointment Form (Form 3505)	X	X
Exam report will be verified by the Dept.	X	
Title Insurer/Title Agent Financial Interest Disclosure Form (Form 3600), if licensing a title producer	X	X
Original SLED Report	X	
Letter of Clearance (if previously licensed in another state and not part of the Producer Database)	X	X
Preneed/Copy of SC Funeral Directors license, pass the life examination, Letter from SC funeral home verifying applicants employment.	X	

Variable Contract License Requirement	Resident	Nonresident
NASD U-4, NASD Status Report or the CRD Print Screen from the NASD Web site/FAQS showing passage of Series 6 or 7 examination	X	X

Producer Appointment Requirements	Local	General
Appointment Fee (not refunded)	\$40	\$100
South Carolina Appointment Form (Form 3505)	X	X

Producer renewal dates

Renewal dates for unlimited lines producer appointments and limited lines producer license/appointment is September 1 until September 30 of even numbered years. All producer appointments need to be renewed, by the insurer, by September 30 of even numbered years.

Producer appointment cancellation requirements

All insurers must cancel producer appointments within 30 days from the date that the producer's contract was canceled by the insurer. (See S.C. Code Ann. Section 38-43-50.)

Over 25 appointments. Insurers with 25 or more cancellations/terminations each year must cancel/terminate online through the National Insurance Producer Registry.

Under 25 appointments. Insurers with less than 25 cancellations each year may apply online or must submit to the Department an original South Carolina termination form (Form 3505).

Adjuster and motor vehicle physical damage appraiser licensing requirements

Resident adjusters/motor vehicle physical damage appraisers may apply online at www.doi.sc.gov.

The following table shows what documentation needs to be submitted for licensure in the Adjuster/Motor Vehicle Physical Damage Appraiser category.

Adjuster/Motor Vehicle Physical Damage Appraiser Requirements	Resident	Nonresident
License Fee (not-pro-rated)	\$80	\$80
License Fee for Georgia residents	\$100	\$100
License Fee for North Carolina residents	\$150	\$150
Adjuster Licensing Application/Appraiser Licensing Application (Form 3515)	X	X
Exam report will be verified by the Dept.	X	
Original SLED Report	X	
Letter of Clearance (if previously licensed in another state and not part of the Producer Database)	X	
If unable to verify on the National Insurance Producer Database, a Certification from Insurance Department of home state*		X

**South Carolina must have entered into a reciprocal agreement with the applicant's home state before a nonresident license will be issued. Certification from the Insurance Department must be a legible copy and less than six-months old. This certificate must show the applicant is licensed in his/her home state as an adjuster/appraiser and that an adjuster or motor vehicle physical damage appraiser examination has been passed. If the applicant's home state does not require an examination, then a certificate will be accepted from another state where the*

applicant is licensed and has passed an adjuster/appraiser examination. If the above cannot be provided, the applicant will be required to pass South Carolina's adjuster/appraiser examination.



Note Corporations, partnerships and firms cannot be licensed as adjusters.

Adjuster and appraiser licensing fees and renewal dates. Fees are retaliatory under South Carolina Law. The adjuster license will be renewed in August every odd-numbered year. The appraiser license will be renewed in October every odd-numbered year.

Public adjuster licensing requirements

The following table shows what documentation needs to be submitted for licensure in the Public Adjuster category.

Public Adjuster Requirements	Resident	Nonresident
License Fee (not-pro-rated)	\$80	\$80
License Fee for Georgia residents	\$100	\$100
License Fee for North Carolina residents	\$150	\$150
Public Adjuster Licensing Application (Form 3518)	X	X
Exam report will be verified by the Dept.	X	
Original SLED Report	X	
Letter of Clearance (if previously licensed in another state and not part of the Producer Database)	X	
If unable to verify on the National Insurance Producer Database, a Certification from Insurance Department of home state*		X

**South Carolina must have entered into a reciprocal agreement with the applicant's home state before a nonresident license will be issued. Certification from the Insurance Department must be a legible copy and less than six-months old. This certificate must show the applicant is licensed in his/her home state as an adjuster/appraiser and that an adjuster or motor vehicle physical damage appraiser examination has been passed. If the applicant's home state does not require an examination, then a certificate will be accepted from another state where the applicant is licensed and has passed an adjuster/appraiser examination. If the above cannot be provided, the applicant will be required to pass South Carolina's adjuster/appraiser examination.*

Public adjuster licensing fees and renewal dates. Fees are retaliatory under South Carolina Law. The public adjuster license will be renewed in October every even-numbered year.

Professional Bondsman, Surety Bondsman and Runner licensing requirements

Act 189 of 1985, as amended by Act 356 of 1986, requires that the Director of Insurance issue a license to Professional Bondsmen, Surety Bondsmen and Runners, effective May 1, 1986. All persons who desire licensing as Professional Bondsmen, Surety Bondsmen and Runners are required to register with Prometric to take a licensing examination.

The following table shows what documentation needs to be submitted for licensure in the **Professional Bondsman, Surety Bondsman and Runner** categories.

Requirements	Professional	Surety	Runner
License Fee	\$400	\$20	\$200
Original Exam Score Report from Prometric	X	X	X
Application for Licensure SCID Form BB1100	X	X	X
Passport-size photo attached to application	X	X	X
Proof of completion of 20-hour Bail Bonding prelicensing education class	X	X	X
Two Fingerprint Cards*	X		X
Professional Bondsman Financial Statement (SCID Form BB1106)	X		
Surety Company Appointment Form 3506		X	
Appointment for Runner (SCID Form BB1102)			X
Power of Attorney-Bail Bond Runner Form BB1104, if needed**			X

*The fingerprint cards should be coded for the South Carolina Insurance Department and must be certified by an authorized law enforcement officer. The top portion of the cards must be entirely completed.

**In order for a Runner to have the authority and be authorized to execute bail bonds by a Professional Bondsman, Form BB1104 must be submitted.

Change of address or name

Address changes should be done online at www.nipr.com. On the left-hand side of the screen, click on SCDOT Connect Login/Logout. All address changes must be updated within 30 days of any changes to a producer's home, mailing or business address. (See S.C. Code Ann. Section 38-43-107.)



Note P.O. Boxes cannot be used unless there is no mail receptacle at the home address.

As a reminder, those licensed producers who fail to notify the Department of an address change within 30 days of relocating may be subject to an administrative penalty of up to \$2,500.

Enforcement of this requirement will eliminate several problems including continuing education compliance. Without a correct address, a licensed individual may not receive information pertinent to continuing education compliance, which may result in the cancellation of all licenses due to failure to comply. (See S.C. Code Ann. Section 38-43-106 and S.C. Code Ann. Regulation 69-50.)

Continuing education

Exceptions to CE requirements. All producers licensed or qualified for licensure with the Department must meet continuing education (CE) requirements except the following:

- Nonresident producers who have met the CE requirements of their resident state and certify their satisfaction of those requirements with the CE administrator by May 1st of even-number years and paid the annual CE recordkeeping fee.
- License Special Producers
- Limited lines surety producers
- Credit Producers
- Crop Hail Producers
- Title Producers
- Travel Accident and Baggage Producers
- Federal Crop Producers
- Preneed Burial
- Resident Producers who reach the age of 55 with 20 years of continuous licensure in all lines of authority. This exemption must be applied for in writing by the Producer and must be approved by the Department. Effective until December 31, 2009. Producers who are exempt by December 31, 2009 will continue to be exempt from CE.
- Resident Producers who reach the age of 60 with 20 years of active service in all lines of authority. The producer is required to submit documentation showing proof of 20 years of active licensure. This exemption must be applied for in writing by the producer and submitted to the Department of Insurance for approval. Effective until December 31, 2009. Producers who are exempt by December 31, 2009 will continue to be exempt from CE.

Producer requirements. Producers must complete 24 hours of continuing insurance education, with at least three hours in Ethics, and pay a CE recordkeeping fee biennially. Producers must certify CE course completion to the CE administrator, Prometric, by May 1 every even-numbered year.

Multiple lines producer requirements. Producers licensed for life, accident and health, and property and casualty must complete 24 hours of continuing education, completing at least 1/3 (8) of the hours in each line of authority.

Exam content outlines

The following outlines describe the content of the South Carolina insurance exams. These outlines are the basis of the exams. Each exam will contain questions about the subjects in its outline.

The percentages indicate the relative weight assigned to each section of the exam. For example, if a section has 10 percent assigned, 6 questions will be drawn from it on a 60-question exam, 10 on a 100-question exam, and 15 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 sections appear only once, immediately below.

Note, however, that the section weights differ by exam. Refer to the outline of the exam you plan to take for the individual section weights. Complete outlines for individual exams are available through our Web site at www.prometric.com/southcarolina.

Section 1.0: Insurance Regulation

Section 2.0: General Insurance

One or both of the following sections are common to outlines for Series 19-01 through 19-08, 19-17 and 19-22

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 (38-43-100)
- Types of licensees
 - Producer (38-43-10, 30)
 - Nonresident (38-43-70)
 - Temporary (38-43-102)
- Maintenance and duration (38-43-110)
 - Reinstatement (38-43-110(B))
 - Reporting of actions (38-43-247)
 - Change of address (38-43-107)
 - Assumed names (38-43-10(C))
 - Continuing education (38-43-106)
- Disciplinary actions
 - Cease and desist order (38-57-200, 230)
 - Hearings (38-3-170; 38-57-200)
 - Penalties (38-2-10–30, 38-43-130)

1.2 State regulation

- Director's general duties and powers (38-3-60, 110)
- Company regulation
 - Certificate of authority (38-5-80)
 - Solvency (38-5-120)
 - Rates (38-3-110)
 - Policy forms (38-61-20)
 - Unfair claims settlement practices (38-59-20)

- Examination of books and records (38-13-10–30)
 - Appointment (38-43-40, 50)
 - Termination of appointment (38-43-55)
 - Producer regulation
 - Records maintenance (38-43-250)
 - Failure to act as fiduciary (38-43-240)
 - Blank forms (38-43-260)
 - Sharing commissions (38-43-200)
 - Representing an unauthorized insurer (38-43-160–180)
 - Unfair and prohibited practices
 - Misrepresentation (38-57-40)
 - False advertising (38-57-50)
 - Defamation (38-57-90)
 - Boycott, coercion and intimidation (38-57-100)
 - False financial statements (38-57-80)
 - Unfair discrimination (38-55-50)
 - Rebating (38-57-130)
 - Twisting (38-57-60)
 - Prohibited inducements (38-57-130, 150)
 - Insurance fraud act (38-55-510–590)
 - Consumer information privacy regulation (Reg 69-58 Sec 1–16)
- ### 1.3 Federal regulation
- Fair Credit Reporting Act (15 USC 1681–1681d)
 - Fraud and false statements (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
 - Lloyd's associations
 - Risk retention groups
 - Captive companies (Title 38, Ch 90)
 - Private versus government insurers
 - Authorized versus unauthorized 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
 - Unilateral contract
 - Conditional contract
 - Legal interpretations affecting contracts

Ambiguities in a contract of
adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/
misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

**Series 19-01
Producer's Exam for
Life Insurance**

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

1.0 Insurance Regulation 15%

(See Page 17)

2.0 General Insurance 7%

(See Page 17)

3.0 Life Insurance Basics 26%

3.1 Insurable interest

**3.2 Personal uses of life
insurance**

Survivor protection
Estate creation
Cash accumulation
Liquidity
Estate conservation
Viatical settlements
Life settlements
Exemption from claims of
creditors
Exemption from probate

**3.3 Determining amount of
personal life insurance**

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

**3.4 Business uses of life
insurance**

Buy-sell funding
Key person
Supplemental executive
retirement plans (SERPs)
Executive bonuses

**3.5 Classes of life insurance
policies**

Group versus individual
Permanent versus term
Participating versus
nonparticipating
Fixed versus variable life
insurance and annuities
Regulation of variable
products (SEC, FINRA
and South Carolina)
(Reg 69-12 Part A (Art
IV), Part B (Art VI))

3.6 Premiums

Factors in premium
determination
Mortality
Interest
Expense
Premium payment mode

3.7 Producer responsibilities

Solicitation and sales
presentations
Advertising
Life and Accident and Health
Insurance Guaranty
Association
(38-29-130(5))
Illustrations
(Reg 69-40 Sec 5-8)
Policy summary
(Reg 69-30(D),(E))
Buyer's guide (Reg 69-
30(D),(E), Appendix)
Life insurance policy cost
comparison methods
Replacement (38-63-
220(b); Reg 69-12.1)
Use and disclosure of
insurance information
Field underwriting
Notice of information
practices
Application procedures and
timing of initial premium
collection
Premium collection
Delivery
Policy review
Effective date of coverage

**3.8 Individual underwriting by
the insurer**

Information sources and
regulation
Application
Producer report
Attending physician
statement
Investigative consumer
(inspection) report
Medical Information Bureau
(MIB)
Selection criteria and unfair
discrimination (38-57-120(1))
Classification of risks
Preferred
Standard
Substandard
Declined

4.0 Life Insurance Policies 17%

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

4.3 Flexible premium policies

Adjustable life
Universal life

4.4 Specialized policies

Joint life (first-to-die)
Survivorship life (second-to-die)
Final expense/pre-need

4.5 Group life insurance

Characteristics of group plans
Types of plan sponsors
Group underwriting
requirements
Conversion to individual policy
(38-65-210(8-10))

**4.6 Credit life insurance
(individual versus group)**

**5.0 Life Insurance Policy
Provisions, Options and
Riders 23%**

**5.1 Required provisions
(38-63-220)**

Modifications (c)
Right to examine (free look) (b)
Payment of premiums (h)
Grace period (i)
Reinstatement (j)
Incontestability (d)
Misstatement of age or gender
(e)
Interest on insurance proceeds
(f)
Entire contract (38-63-210)
Exclusions (38-63-225)

5.2 Beneficiaries

Designation options
Individuals
Classes
Estates
Minors
Trusts
Succession
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
Life with term certain
Joint and survivor
Joint life with term certain

5.4 Nonforfeiture options

Cash surrender value
Extended term
Reduced paid-up insurance

**5.5 Policy loan and withdrawal
options**

Cash loans
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 cost of insurance
Disability income benefit
Payor benefit life/disability (juvenile insurance)

5.8 Accelerated (living) benefit provisions/riders

Conditions for payment
Effect on death benefit

5.9 Riders covering additional insureds

Spouse/other-insured term rider
Children's term rider
Family term rider

5.10 Riders affecting the death benefit amount

Accidental death
Guaranteed insurability
Cost of living
Return of premium

6.0 Annuities 7%

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
Premium payment options
Nonforfeiture
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
Interest rate guarantees (minimum versus current)
Level benefit payment amount
Equity indexed annuities
Market value adjusted annuities

6.5 Uses of annuities

Lump-sum settlements
Qualified retirement plans
Group versus individual annuities
Personal uses

Individual retirement plans (IRAs)
Tax-deferred growth
Retirement income
Education funds

7.0 Federal Tax Considerations for Life Insurance and Annuities 3%

7.1 Taxation of personal life insurance

Amounts available to policyowner
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 non-MEC life insurance
Seven-pay test
Distributions

7.3 Taxation of non-qualified annuities

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

7.4 Taxation of individual retirement plans (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
Required minimum distributions

Roth IRAs

Contributions and limits
Distributions

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 2%

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
Defined benefit pension plans
Section 457 deferred compensation
403(b) tax-sheltered annuities (TSAs)

Series 19-02 Producer's Exam for Accident and Health 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 22%

3.1 Definitions of perils

Accidental injury
Sickness

3.2 Principal types of losses and benefits

Loss of income from disability
Medical expense
Dental expense
Long-term care expense

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
Accident-only including South Carolina minimum standards
Hospital indemnity (income)
Credit disability
Blanket insurance (teams, passengers, other)
Prescription drugs
Vision care

3.5 Common exclusions from coverage

3.6 Producer responsibilities in individual health insurance

Marketing requirements
Advertising (Reg 69-17)
Life and Accident and Health Insurance Guaranty Association (38-29-130(5))
Sales presentations (Reg 69-34.1)

- Outline of coverage (38-71-550)
- Field underwriting
 - Nature and purpose
 - Disclosure of information about individuals
 - 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
- Unfair discrimination (38-57-120(2))
- Genetic testing (38-93-20)
- Classification of risks
 - Preferred
 - Standard
 - Substandard
 - Declined

3.8 Considerations in replacing health insurance

- Pre-existing conditions (38-71-730(4), 850; Reg 69-34 Sec E(6))
- Benefits, limitations and exclusions
- Underwriting requirements
- Producer liability for errors and omissions

4.0 Individual Health Insurance Policy General Provisions 11%

4.1 Required provisions (38-71-340)

- 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)
- Conformity with state statutes (13)

4.2 Optional provisions (38-71-370)

- Change of occupation (1)
- Misstatement of age (2)
- Other insurance in this insurer (3)
- Insurance with other insurers

- Expense-incurred benefits (4)
- Other benefits (5)
- Unpaid premium (7)
- Illegal occupation (8)
- Intoxicants and narcotics (9)

4.3 Other general provisions
Right to examine (free look) (38-71-150)

- Insuring clause
- Consideration clause
- Renewability clause
 - Noncancelable
 - Guaranteed renewable
 - Conditionally renewable
 - Renewable at option of insurer
 - Nonrenewable (cancelable, term)
- Subrogation

5.0 Disability Income and Related Insurance 6%

5.1 Qualifying for disability benefits

- Inability to perform duties
 - 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

- 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 nonoccupational 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 (38-71-370(6))

- Other cash benefits
 - Accidental death and dismemberment
 - Rehabilitation benefit
 - Medical reimbursement benefit (nondisabling 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
Disability buy-sell 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 10%

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 plans

- Major medical insurance (indemnity plans)
 - Characteristics
 - Common limitations
 - Exclusions from coverage
 - Provisions affecting cost to insured
- Health Maintenance Organizations (HMOs)
 - General characteristics
 - Preventive care services
 - Primary care physician (PCP) versus referral (specialty) physician
 - Emergency care
 - Hospital services
- Preferred provider organizations (PPOs) and point-of-service (POS) plans
 - General characteristics
 - In-network and out-of-network provider access
 - PCP referral

6.3 Cost containment in health care delivery

- Cost-saving services
 - Preventive care
 - Hospital outpatient benefits

Alternatives to hospital services
Utilization review
Prospective review
Concurrent review

6.4 South Carolina eligibility requirements and offers (individual and/or group)

Dependent child age limit (38-71-1330(5))
Child enrollment; non-custodial parents (38-71-250)
Full-time students (38-71-1330(5))
Physically or mentally handicapped dependents (38-71-350, 780)
Newborn child coverage (38-71-135, 140)
Adopted and prospective adopted children (38-71-140(D), 143)

6.5 HIPAA (Health Insurance Portability and Accountability Act) requirements (38-71-840)

Eligibility
Guaranteed issue
Pre-existing conditions (38-71-850)
Creditable coverage (38-71-850)
Renewability (38-71-675, 870)

6.6 Health savings accounts (HSAs)

Definition
Eligibility
Contribution limits

7.0 Group Health Insurance 12%

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
Associations (alumni, professional, other)
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
Characteristics of group
Plan design factors
Persistence factors
Administrative capability
Eligibility for coverage
Annual open enrollment
Employee eligibility

Dependent eligibility
Coordination of benefits provision (Reg 69-43)
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 South Carolina continuation rules (38-71-770)

7.5 Small employer medical plans

Definition of small employer (38-71-920, 1340)
Benefit plans offered
Health care center (HMO) plans
Small employer carrier plans
Eligibility of employees
Renewability

8.0 Dental Insurance 3%

8.1 Types of dental treatment

Diagnostic and preventive
Restorative
Oral surgery
Endodontics
Periodontics
Prosthodontics
Orthodontics

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 (Reg 69-46)

Purpose (Sec 1)
Open enrollment (Sec 11)
Standardized Medicare supplement plans (Sec 8)
Core benefits (B)
Additional benefits (C)
South Carolina regulations and required provisions
Advertising (Sec 19)
Standards for marketing (Sec 20)
Permitted compensation arrangements (Sec 16)
Appropriateness of recommended purchase and excessive insurance (Sec 21)
Required disclosure provisions (Sec 17)
Guaranteed issue for eligible persons (Sec 12)
Reporting of multiple policies (Sec 22)
Buyer's guide (Sec 17(A)(6))
Right to return (Sec 17(A)(5))
Replacement (Sec 18, 23)
Benefit standards (Sec 8(A))
Pre-existing conditions (Sec 8(A)(1))
Outline of coverage (Sec 17(D))
Prohibited practices (Sec 20(B))
Medicare select (Sec 10)

9.3 Other options for individuals with Medicare

Employer group health plans
Disabled employees
Employees with kidney failure
Individuals age 65 or older
Medicaid
Eligibility
Benefits

9.4 Long-term care (LTC) insurance (Reg 69-44)

LTC, Medicare and Medicaid compared
Eligibility for benefits
Levels of care
Skilled care
Intermediate care

- Custodial care
- Home health care
(Reg 69-44 Sec 3(E))
- Adult day care
- Respite care
- Benefit periods
- Benefit amounts
- Optional benefits
 - Guarantee of insurability
 - Return of premium
- Qualified LTC plans
- Exclusions
(Reg 69-44 Sec 3(B))
- Underwriting considerations
- South Carolina regulations and required provisions
 - Renewability (Reg 69-44 Sec 3(A), 4(A))
 - Outline of coverage
(Reg 69-44 Sec 9)
 - Required disclosure provisions
(Reg 69-44 Sec 4)
 - Replacement
(Reg 69-44 Sec 5)
 - Inflation protection
(Reg 69-44 Sec 3(F))

9.5 South Carolina Health

- Insurance Pool (38-74-10-90)**
- Eligibility (38-74-30)
- Coverages and limits
- Exclusions
- Deductibles and coinsurance

10.0 Federal Tax Considerations for Health Insurance 2%

10.1 Personally-owned health insurance

- Disability income insurance
- Medical expense insurance
- Long-term care insurance

10.2 Employer group health insurance

- Medical and dental expense
- Long-term care insurance
- Accidental death and dismemberment

10.3 Medical expense coverage for sole proprietors and partners

10.4 Business disability insurance

- Key person disability income
- Buy-sell policy

10.5 Health savings accounts (HSAs)

**Series 19-03
Producer's Exam for Life,
Accident and Health Insurance**

150 questions – 2.5-hour time limit

For the detailed outline of the following subject matter, refer to the like-named sections in the Series 19-01 Producer's Life outline

beginning on Page 18 and in the Series 19-02 Producer's Accident and Health outline beginning on Page 19.

1.0 Insurance Regulation 15%
(See Page 17)

2.0 General Insurance 5%
(See Page 17)

3.0 Life Insurance Basics 9%

4.0 Life Insurance Policies 6%

5.0 Life Insurance Policy Provisions, Options and Riders 11%

6.0 Annuities 4%

7.0 Federal Tax Considerations for Life Insurance and Annuities 3%

8.0 Qualified Plans 1%

9.0 Health Insurance Basics 8%

10.0 Individual Health Insurance Policy General Provisions 5%

11.0 Disability Income and Related Insurance 6%

12.0 Medical Plans 6%

13.0 Group Health Insurance 8%

14.0 Dental Insurance 2%

15.0 Insurance for Senior Citizens and Special Needs Individuals 8%

16.0 Federal Tax Considerations for Health Insurance 3%

**Series 19-04
Producer's Exam for Property,
Casualty, Surety and Marine
Insurance**

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 10%

(See Page 17)

2.0 General Insurance 7%

(See Page 17)

3.0 Property and Casualty Insurance Basics 16%

3.1 Principles and concepts

- Insurable interest
- Underwriting
 - Function
 - Loss ratio
- Rates
 - Types
 - Loss costs
 - Components
- Hazards
 - Physical
 - Moral
 - Morale
- Negligence

- Elements of a negligent act
- Defenses against negligence
- Damages
 - Compensatory — special versus general
 - Punitive
- Absolute liability
- Strict liability
- Vicarious liability
- Causes of loss (perils)
- Named perils versus special (open) perils
- Direct loss
- Consequential or indirect loss
- Blanket versus specific insurance
- Basic types of construction
- Loss valuation
 - Actual cash value
 - Replacement cost
 - Functional replacement cost
 - Market value
 - Agreed value
 - Stated amount

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
 - Nonconcurrency
 - Primary and excess
 - Pro rata
 - Contribution by equal shares
- Limits of liability
 - Per occurrence (accident)
 - Per person
 - Aggregate — general versus products — completed operations
 - Split
 - Combined single
- Policy limits
- Restoration/nonreduction 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 South Carolina laws, regulations and required provisions

South Carolina Valued Policy Law (38-75-20, 30)
South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
Cancellation, nonrenewal and renewal (38-75-710-790)
Arbitration of property damage liability claims (38-77-710-770)
Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109-144, 110-160; HR 2761)

4.0 Dwelling ('02) Policy 5%

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 — South Carolina (DP 01 39)
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 13%

5.1 Coverage forms

HO-2 through HO-6
HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages

5.4 Section II — Liability coverages

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

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — South Carolina (HO 01 39)
Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
Permitted incidental occupancies (HO 04 42)
Earthquake (HO 04 54)
Scheduled personal property (HO 04 61)
Personal property replacement cost (HO 04 90)
Home day care (HO 04 97)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

6.0 Auto Insurance 18%

6.1 Laws

South Carolina Motor Vehicle Financial Responsibility Act (RL Title 56, Chapter 9)
Required limits of liability (38-77-140)
Uninsured/underinsured motorist (38-77-150-170, 180-230, 260)
Definitions
Bodily injury
Property damage
Required limits
Cancellation/nonrenewal (38-77-120-124, 390; RL 56-10-280)
Reasons
Notice
Constructive total loss
Arbitration

6.2 Personal ('05) auto policy

Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments coverage
Uninsured motorists coverage
Coverage for damage to your auto
Collision
Other than collision
Deductibles
Transportation expenses
Exclusions
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — South Carolina (PP 01 78)
Towing and labor costs (PP 03 03)
Extended non-owned coverage (PP 03 06)

Miscellaneous type vehicle (PP 03 23)
Joint ownership coverage (PP 03 34)

6.3 Commercial auto ('06)

Commercial auto coverage forms
Business auto
Garage
Business auto physical damage
Truckers
Motor carrier
Coverage form sections
Covered autos
Liability coverage
Garagekeepers coverage
Physical damage coverage
Exclusions
Conditions
Definitions
Selected endorsements
Lessor — additional insured and loss payee (CA 20 01)
Mobile equipment (CA 20 15)
Auto medical payments coverage (CA 99 03)
Hired autos specified as covered autos you own (CA 99 16)
Individual named insured (CA 99 17)
Commercial carrier regulations
The Motor Carrier Act of 1980
Endorsement for motor carrier policies of insurance for public liability (MCS-90)

7.0 Commercial Package Policy (CPP) 8%

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
- Insured contract

- 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 coverage
 - Extortion — commercial entities (CR 04 03)

- 7.5 Commercial inland marine**
- Nationwide marine definition
 - Commercial inland marine conditions form
 - Inland marine coverage forms
 - Accounts receivable
 - Bailee's customer
 - Commercial articles

- Contractors equipment floater
- Electronic data processing
- Equipment dealers
- Installation floater
- Jewelers block
- Signs
- Valuable papers and records
- Transportation coverages
 - Common carrier cargo liability
 - Motor truck cargo forms
 - Transit coverage forms

- 7.6 Equipment breakdown ('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
 - Livestock coverage form
 - Mobile agricultural machinery and equipment coverage form
 - Cause of loss (basic, broad and special)
 - Exclusions
 - Additional coverages
 - Limits of insurance
 - Conditions
 - Definitions

8.0 Businessowners ('06) Policy 4%

- 8.1 Characteristics and purpose**
- 8.2 Businessowners Section I — Property**
- Coverage
 - Exclusions
 - Limits of insurance
 - Deductibles
 - Loss conditions
 - General conditions
 - Optional coverages
 - Definitions

- 8.3 Businessowners Section II — Liability**
- Coverages
 - Exclusions
 - Who is an insured
 - Limits of insurance
 - General conditions
 - Definitions

- 8.4 Businessowners Section III — Common Policy Conditions**

- 8.5 Selected endorsements**
- Hired auto and non-owned auto liability (BP 04 04)
 - Protective safeguards (BP 04 30)
 - Utility services — direct damage (BP 04 56)
 - Utility services — time element (BP 04 57)

9.0 Workers Compensation Insurance 4%

- 9.1 Workers compensation laws**
- Types of laws
 - Monopolistic versus competitive
 - Compulsory versus elective
 - South Carolina Workers' Compensation Law (RL Title 42)
 - Exclusive remedy (RL 42-1-540)
 - Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
 - Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
 - Occupational disease (RL 42-11-10)
 - Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)
 - Second injury fund (RL 42-7-310; RL 42-9-400)

- 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
Audit

9.4 Sources of coverage

South Carolina Workers' Compensation Uninsured Employers' Fund (RL 42-7-200)
Self-insured employers (RL 42-5-20, 50)
South Carolina residual workers compensation
Voluntary market

10.0 Marine Insurance 3%

10.1 Hull coverage

Characteristics and purpose
Assured
Agreed value
Deductible (or deductible average clause)
Premium, return of premium and nonpayment of premium
Adventure
Causes of loss
Claims (general provisions)
General average and salvage
Sue and labor
Collision liability
Limitations of liability
Pilotage and towage
Change of ownership
Additional insurances
War, strikes, and related exclusions

10.2 Cargo coverage

Characteristics and purpose
Types of cargo losses
Total loss — actual total loss versus constructive total loss
Partial loss — particular average versus general average
Sue and labor expenses
Salvage charges and awards

10.3 Protection and indemnity insurance

Insuring agreements
Indemnity principle
Liability of vessel owner
Common covered losses
Exclusions
Conditions regarding claims
Other provisions

11.0 Surety and Fidelity 3%

11.1 Surety bonds

Nature of surety bonds
Surety bonds versus insurance
Parties of a surety bond — Principal, obligee, surety
Contract bonds
Purpose of license and permit bonds
Public official bond

Judicial bonds
Fiduciary bonds

11.2 Fidelity coverages

Nature of fidelity bonds
Employee theft coverage
Financial institution bonds
Public employee bonds

12.0 Other Coverages and Options 9%

12.1 Umbrella/excess liability policies

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

12.2 Specialty liability insurance

Errors and omissions
Professional liability
Directors and officers liability
Fiduciary liability
Liquor liability
Employment practices liability

12.3 Surplus lines

Definitions and markets
Licensing requirements

12.4 Aviation insurance

Aircraft hull
Aircraft liability

12.5 National Flood Insurance Program

"Write your own" versus government
Eligibility
Coverage
Limits
Deductibles

12.6 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)

Eligibility
Coverage
Limits
Deductibles

12.7 Other policies

Boatowners
Difference in conditions

12.8 Residual markets

Joint Underwriting Associations
Professional Liability Insurance (38-83-10-190)
Associated Auto Insurers Plan (38-77-10-395)

Series 19-05 Producer's Exam for Property Insurance

100 questions – Two-hour time
limit

1.0 Insurance Regulation 10%

(See Page 17)

2.0 General Insurance 5%

(See Page 17)

3.0 Property Insurance Basics 18%

3.1 Principles and concepts

Insurable interest
Underwriting
Function
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

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
Nonconcurrency
Primary and excess
Pro rata
Policy limits
Restoration/nonreduction of limits
Coinsurance
Vacancy or unoccupancy
Named insured provisions
Duties after loss
Assignment
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 South Carolina laws, regulations and required provisions

South Carolina Valued Policy Law (38-75-20, 30)
 South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
 Cancellation, nonrenewal and renewal (38-75-710-790)
 Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109-144, 110-160; HR 2761)

4.0 Dwelling ('02) Policy 5%

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 — South Carolina (DP 01 39)
 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 17%

5.1 Coverage forms

HO-2 through HO-6
 HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling
 Coverage B — Other structures
 Coverage C — Personal property
 Coverage D — Loss of use
 Additional coverages

5.4 Perils insured against

5.5 Exclusions

5.6 Conditions

5.7 Selected endorsements

Special provisions — South Carolina (HO 01 39)
 Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 Permitted incidental occupancies (HO 04 42)

Earthquake (HO 04 54)
 Scheduled personal property (HO 04 61)
 Personal property replacement cost (HO 04 90)

6.0 Auto Insurance 10%

6.1 Laws

Cancellation/nonrenewal (38-77-120-124, 390; RL 56-10-280)
 Reasons
 Notice
 Constructive total loss
 Arbitration

6.2 Personal ('05) auto policy

Definitions
 Coverage for damage to your auto
 Collision
 Other than collision
 Deductibles
 Transportation expenses
 Exclusions
 Duties after an accident or loss
 General provisions
 Selected endorsements
 Amendment of policy provisions — South Carolina (PP 01 78)
 Towing and labor costs (PP 03 03)
 Miscellaneous type vehicle (PP 03 23)
 Joint ownership coverage (PP 03 34)

6.3 Commercial auto ('06)

Commercial auto coverage forms
 Business auto
 Garage
 Business auto physical damage
 Truckers
 Motor carrier
 Coverage form sections
 Covered autos
 Physical damage coverage
 Exclusions
 Conditions
 Definitions
 Selected endorsements
 Lessor — additional insured and loss payee (CA 20 01)
 Mobile equipment (CA 20 15)
 Hired autos specified as covered autos you own (CA 99 16)
 Individual named insured (CA 99 17)
 Commercial carrier regulations
 The Motor Carrier Act of 1980
 Endorsement for motor carrier policies of insurance for public liability (MCS-90)

7.0 Commercial Package Policy (CPP) 16%

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

8.0 Businessowners ('06) Policy — Property 6%

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

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

8.3 Businessowners 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 Marine Insurance 3%

9.1 Hull coverage

Characteristics and purpose
 Assured
 Agreed value
 Deductible (or deductible average clause)
 Premium, return of premium and nonpayment of premium
 Adventure
 Causes of loss
 Claims (general provisions)
 General average and salvage
 Sue and labor
 Collision liability
 Limitations of liability
 Pilotage and towage
 Change of ownership
 Additional insurances
 War, strikes, and related exclusions

9.2 Cargo coverage

Characteristics and purpose
 Types of cargo losses

Total loss — actual total loss versus constructive total loss
 Partial loss — particular average versus general average
 Sue and labor expenses
 Salvage charges and awards

9.3 Protection and indemnity insurance

Insuring agreements
 Indemnity principle
 Liability of vessel owner
 Common covered losses
 Exclusions
 Conditions regarding claims
 Other provisions

10.0 Other Coverages and Options 10%

10.1 Aviation insurance

Aircraft hull

10.2 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

10.3 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)

Eligibility
 Coverage
 Limits
 Deductibles

10.4 Other policies

Boatowners
 Difference in conditions

**Series 19-06
 Producer's Exam for Casualty Insurance**

100 questions — Two-hour time limit

1.0 Insurance Regulation 15%

(See Page 17)

2.0 General Insurance 5%

(See Page 17)

3.0 Casualty Insurance Basics 16%

3.1 Principles and concepts

Insurable interest
 Underwriting
 Function
 Loss ratio
 Rates
 Types
 Loss costs
 Components
 Hazards
 Physical

Moral
 Morale
 Negligence
 Elements of a negligent act
 Defenses against negligence
 Damages
 Compensatory — special versus general
 Punitive
 Absolute liability
 Strict liability
 Vicarious liability

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
 Nonconcurrency
 Primary and excess
 Pro rata
 Contribution by equal shares
 Limits of liability
 Per occurrence (accident)
 Per person
 Aggregate — general versus products — completed operations
 Split
 Combined single
 Named insured provisions
 Duties after loss
 Assignment
 Insurer provisions
 Liberalization
 Subrogation
 Claim settlement options
 Duty to defend

3.4 South Carolina laws, regulations and required provisions

South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
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 Arbitration of property damage liability claims (38-77-710-770)
 Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109-144, 110-160; HR 2761)

4.0 Homeowners ('00) Policy 13%

4.1 Coverage forms

HO-2 through HO-6
HO-8

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 — South Carolina (HO 01 39)
Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
Permitted incidental occupancies (HO 04 42)
Home day care (HO 04 97)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

5.0 Auto Insurance 21%

5.1 Laws

South Carolina Motor Vehicle Financial Responsibility Act (RL Title 56, Chapter 9)
Required limits of liability (38-77-140)
Uninsured/underinsured motorist (38-77-150–170, 180–230, 260)
Definitions
Bodily injury
Property damage
Required limits
Cancellation/nonrenewal (38-77-120–124, 390; RL 56-10-280)
Reasons
Notice
Constructive total loss
Arbitration

5.2 Personal ('05) auto policy

Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments coverage
Uninsured motorists coverage
Coverage for damage to your auto
Collision
Other than collision
Deductibles
Transportation expenses
Exclusions
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — South Carolina (PP 01 78)

Towing and labor costs (PP 03 03)
Extended non-owned coverage (PP 03 06)
Miscellaneous type vehicle (PP 03 23)
Joint ownership coverage (PP 03 34)

5.3 Commercial auto ('06)

Commercial auto coverage forms
Business auto
Garage
Business auto physical damage
Truckers
Motor carrier
Coverage form sections
Covered autos
Liability coverage
Garagekeepers coverage
Physical damage coverage
Exclusions
Conditions
Definitions
Selected endorsements
Lessor — additional insured and loss payee (CA 20 01)
Mobile equipment (CA 20 15)
Auto medical payments coverage (CA 99 03)
Hired autos specified as covered autos you own (CA 99 16)
Individual named insured (CA 99 17)
Commercial carrier regulations
The Motor Carrier Act of 1980
Endorsement for motor carrier policies of insurance for public liability (MCS-90)

6.0 Commercial Package Policy (CPP) 9%

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
Insured contract

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 coverage
Extortion — commercial entities (CR 04 03)

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
Exclusions
Additional coverages
Limits of insurance
Conditions
Definitions

7.0 Businessowners ('06) Policy — Liability 5%

7.1 Characteristics and purpose

7.2 Businessowners Section II — Liability

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

7.3 Businessowners Section III — Common Policy Conditions

7.4 Selected endorsements

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

8.0 Workers Compensation Insurance 8%

8.1 Workers compensation laws

Types of laws

Monopolistic versus competitive

Compulsory versus elective

South Carolina Workers'

Compensation Law

(RL Title 42)

Exclusive remedy

(RL 42-1-540)

Employment covered

(required, voluntary) (RL 42-1-130–150, 310, 360)

Covered injuries (RL 42-1-

160; RL 42-9-60; RL 42-15-20, 40)

Occupational disease (RL 42-11-10)

Benefits provided (RL 42-9-

10–30, 200, 260, 290;

RL 42-13-90; RL 42-15-10, 60–70)

Second injury fund (RL 42-7-310; RL 42-9-400)

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

Participation (dividend) plans

Audit

8.4 Sources of coverage

South Carolina Workers'

Compensation Uninsured

Employers' Fund

(RL 42-7-200)

Self-insured employers

(RL 42-5-20, 50)

South Carolina residual workers compensation

Voluntary market

9.0 Surety and Fidelity 4%

9.1 Surety bonds

Nature of surety bonds

Surety bonds versus insurance

Parties of a surety bond —

Principal, obligee, surety

Contract bonds

Purpose of license and

permit bonds

Public official bond

Judicial bonds

Fiduciary bonds

9.2 Fidelity coverages

Nature of fidelity bonds

Employee theft coverage

Financial institution bonds

Public employee bonds

10.0 Other Coverages and Options 4%

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

10.3 Surplus lines

Definitions and markets

Licensing requirements

10.4 Aviation insurance

Aircraft liability

10.5 Other policies

Boatowners

Difference in conditions

10.6 Residual markets

Joint Underwriting Associations

Professional Liability

Insurance

(38-83-10–190)

Associated Auto Insurers Plan

(38-77-10–395)

Series 19-07 Producer's Exam for Variable Contracts

100 questions — Two-hour time
limit

1.0 Insurance Regulation 10%

(See Page 17)

2.0 General Insurance 10%

(See Page 17)

3.0 Regulation of Variable Products 10%

3.1 Securities Exchange Act of 1933

3.2 Securities Exchange Act of 1934

Suitability

Compliance

3.3 Investment Company Act of 1940

3.4 State regulation of variable products

4.0 Nature of Variable Life Products 23%

4.1 Variable life versus variable universal life

4.2 Fixed premium payment versus flexible payment

4.3 Face value versus death benefit

4.4 Cash values

4.5 Separate accounts

4.6 Charges and fees

4.7 Loans

5.0 Annuities 25%

5.1 Annuity principles and concepts

Accumulation period versus

annuity period

Owner, annuitant and

beneficiary

Insurance aspects of annuities

5.2 Immediate versus deferred annuities

Single premium immediate
annuities (SPIAs)

Deferred annuities

Premium payment options

Nonforfeiture

Surrender charges

Death benefits

5.3 Annuity (benefit) payment options

Life contingency options

Pure life versus life with

guaranteed minimum

Single life versus multiple

life

Annuities certain (types)

5.4 Variable annuities

Assets in a separate account

Free look

Contract charges

Sales charge

Deferred sales charge

Annual contract fee

Mortality and expense

charge

Investment management

charge

State premium tax

Accumulation period — units

Annuity period — units

Assumed interest rate (AIR)

Combination annuities —

contracts with fixed and

variable accounts

Riders (living benefits and death

benefits)

6.0 Federal Tax Considerations for Life Insurance and Annuities 10%

6.1 Taxation of personal life insurance

Amounts available to policyowner

- Cash value increases
- Dividends
- Policy loans
- Surrenders

Amounts received by beneficiary
General rule and exceptions
Settlement options

Values included in insured's estate

6.2 Modified endowment contracts (MECs)

Modified endowment versus non-MEC life insurance

Seven-pay test
Distributions

6.3 Taxation of non-qualified annuities

Individually-owned

Accumulation phase
(taxation issues related to withdrawals)

Annuity phase and the exclusion ratio

Distributions at death

Corporate-owned

6.4 Taxation of individual retirement plans (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
Required minimum distributions

Roth IRAs

Contributions and limits
Distributions

6.5 Rollovers and transfers (IRAs and qualified plans)

6.6 Section 1035 exchanges

7.0 Qualified Plans 12%

7.1 General requirements

7.2 Federal tax considerations

Tax advantages for employers and employees

Taxation of distributions (age related)

7.3 Plan types, characteristics and purchasers

Simplified employee pension (SEPs)

Self-employed plans (HR 10 Keogh plans)

Profit-sharing and 401(k) plans
SIMPLE plans
Defined benefit pension plans
Section 457 deferred compensation
403(b) tax-sheltered annuities (TSAs)

**Series 19-08
Producer's Exam for Surety Insurance**

60 questions – One-hour time limit

1.0 Insurance Regulation 15%

(See Page 17)

2.0 General Insurance 5%

(See Page 17)

3.0 Surety Bonds 55%

3.1 Nature of surety bonds

Surety bonds versus insurance
Parties of a surety bond
Principal
Obligee
Surety

3.2 Types of surety bonds

Contract bonds
Bid
Performance
Payment
Maintenance
Purpose of license and permit bonds
Types of guarantees
Financial
Indemnity
Public official bond
Statutory, common law, or voluntary
Individual
Name schedule
Position schedule
Judicial bonds
Attachment
Garnishment
Replevin
Counter-replevin
Stay of execution
Release attachment
Bail
Appeal
Cost
Injunction
Dissolve injunction
Discharge mechanics lien
Fiduciary bonds
Probate
Equity
Miscellaneous surety bonds
Reclamation
Self-insurance workers compensation

4.0 Fidelity Coverages 25%

4.1 Nature of fidelity bonds

Insuring agreement
Discovery versus loss sustained forms
Bond period
Discovery period
Limit of liability
Aggregate
Single loss
Termination of coverage

4.2 Employee theft coverage

Individual bonds
Blanket
Scheduled
Named employee
Specified position
Pension plan, ERISA compliance

4.3 Financial institution bonds

Form 14 Securities dealers
Form 15 Finance companies
Form 23 Credit unions
Form 24 Banks and thrifts
Form 25 Insurance companies
A — Fidelity
B — On premises
C — In transit
D — Forgery or alteration
E — Securities (forgery)

4.4 Public employee bonds

Coverage Form O — per loss

**Series 19-10
Producer's Exam for Title Insurance**

60 questions – One-hour time limit

1.0 Insurance Regulation 5%

1.1 Licensing

Process (38-43-100)
Types of licensees
Producer (38-43-10)
Nonresident (38-43-70)
Temporary (38-43-102)
Maintenance and duration (38-43-110)
Reinstatement (38-43-110(B))
Reporting of actions (38-43-247)
Change of address (38-43-107)
Assumed names (38-43-10(C))
Disciplinary actions
Cease and desist order (38-57-200, 230)
Hearings (38-3-170; 38-57-200)
Penalties (38-2-10-30, 38-43-130)

1.2 State regulation

Director's general duties and powers (38-3-60, 110)
Company regulation
Certificate of authority (38-5-80)
Solvency (38-5-120)

- Rates (38-3-110)
- Policy forms (38-61-20)
- Unfair claims settlement practices (38-59-20)
- Examination of books and records (38-13-10–30)
- Appointment (38-43-40, 50)
- Termination of appointment (38-43-55)
- Producer regulation
 - Commissions (38-75-1000)
 - Records maintenance (38-43-250)
 - Failure to act as fiduciary (38-43-240)
 - Blank forms (38-43-260)
 - Unfair inducements and marketing practices in obtaining title insurance business (Reg 69-18)
 - Sharing commissions (38-43-200)
 - Representing an unauthorized insurer (38-43-160–180)
- Unfair and prohibited practices
 - Misrepresentation (38-57-40)
 - False advertising (38-57-50)
 - Defamation (38-57-90)
 - Boycott, coercion and intimidation (38-57-100)
 - False financial statements (38-57-80)
 - Unfair discrimination (38-55-50)
 - Rebating (38-57-130)
 - Prohibited inducements (38-57-130, 150)
- Insurance fraud act (38-55-510–590)
- Consumer information privacy regulation (Reg 69-58 Sec 1–16)
- 1.3 Federal regulation**
 - Fair Credit Reporting Act (15 USC 1681–1681d)
 - Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 5%

- 2.1 Concepts**
 - Elements of insurable risks
 - Insurable interest
- 2.2 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
- 2.3 Contracts**
 - Elements of a legal contract

- Offer and acceptance
- Consideration
- Competent parties
- Legal purpose
- Legal interpretations affecting contracts
 - Ambiguities in a contract of adhesion
 - Reasonable expectations
 - Indemnity
 - Utmost good faith
 - Representations/misrepresentations
 - Warranties
 - Concealment
 - Fraud
 - Waiver and estoppel

3.0 Real Property 30%

- 3.1 Concepts, principles and practices**
 - Definition of real property
 - Types of real property
 - Title to real property
 - Marketable title
- 3.2 Acquisition and transfer of real property**
 - Conveyances
 - Encumbrances
 - Adverse possession
 - Condemnation
 - Accession
 - Escheats
 - Involuntary alienation
 - Abandonment
 - Judicial sales
 - Decedents estates
 - Intestate
 - Testate
 - Trusts
 - Types of joint ownership
 - Tenants in common
 - Joint tenancy
 - Acknowledgments
 - Legal capacity of parties
 - Individuals
 - Corporations
 - General partnerships
 - Limited partnerships
 - Fictitious names
 - Trust agreements
 - Limited Liability Company (LLC)
- 3.3 Legal descriptions**
 - Types of legal descriptions
 - Types of measurements used
 - Language of legal descriptions
 - Structure and format
 - Interpretation
- 3.4 Recording**
 - Types of records
 - Requirements to record
 - Recording steps
 - Acknowledgments
 - Presumptions

4.0 Title Insurance 30%

- 4.1 Title insurance principles**

- Risks covered by title insurance
 - Risk of error in public records
 - Hidden off-record title risks
 - Risk of omission and commission by producer
- Entities that can be insured; need for insurance
 - Individual
 - Commercial
- Interests that can be insured
 - Fee simple estate
 - Leasehold estate
 - Life estate
 - Easements
- Title insurance forms
 - Commitments
 - Owner's policy
 - Loan policy
- Title insurance policy structure and provisions
 - Covered risks
 - Schedule A
 - Schedule B — Exceptions from coverage
 - Exclusions from coverage
 - Conditions
 - Endorsements
- 4.2 Title searching techniques**
 - Hard copy index
 - Computer index
 - Chain sheet

5.0 Title Exceptions and Procedures for Clearing Title 30%

- 5.1 Principles and concepts**
 - General exceptions
 - Voluntary and involuntary liens
 - Federal liens
 - Mortgage
 - Judgments
 - Taxes and assessments
 - Surveys
 - Condominiums
 - Water rights
 - Mineral rights
 - Equitable interests
 - Executions
 - Covenants
 - Conditions
 - Restrictions
- 5.2 Special problem areas and concerns**
 - Acknowledgments
 - Mechanic's lien
 - Bankruptcy
 - Probate
 - Good faith
 - Foreclosure
 - Claims against the title
 - Lis pendens
 - Insuring manufactured homes as real property
- 5.3 Principle of clearing title**
 - Releases
 - Assignments
 - Subordinations
 - Affidavits

5.4 Settlement or closing procedures
Closing protection letter

Series 19-11
Adjuster's Exam for Property, Casualty, Surety and Marine Insurance

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Director's general duties and powers (38-3-60, 110)**
- 1.2 Licensing requirements**
Qualifications (38-47-10)
Nonresident (38-47-20)
Emergency adjuster permit (Reg 69-1)
- 1.3 Maintenance and duration (38-47-40)**
Change of address (38-47-15)
- 1.4 Disciplinary actions**
Cease and desist order (38-57-200, 230)
Hearings (38-3-170; 38-57-200)
Penalties (38-2-10-30; 38-47-70)
- 1.5 Claim settlement laws and regulations (38-59-20)**
- 1.6 Federal regulation**
Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 14%

- 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
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel
- 2.2 Insurance principles and concepts**
Insurable interest
Hazards
Physical

- Moral
Morale
- Negligence
Elements of a negligent act
Defenses against negligence
- Damages
Compensatory — special versus general
Punitive
- Absolute liability
Strict liability
Vicarious liability
Causes of loss (perils)
Named 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

2.3 Policy structure

- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

2.4 Common policy provisions

- Insureds — named, first named, additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
Nonconcurrency
Primary and excess
Pro rata
Contribution by equal shares
- Limits of liability
Per occurrence (accident)
Per person
Aggregate — general versus products — completed operations
Split
Combined single
- Restoration/nonreduction of limits
- Coinsurance
- Vacancy or unoccupancy
- 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

2.5 South Carolina laws, regulations and required provisions

- South Carolina Valued Policy Law (38-75-20, 30)
- South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
- Cancellation, nonrenewal and renewal (38-75-710-790)
- Insurance fraud act (38-55-510-590)
- Arbitration of property damage liability claims (38-77-710-770)
- Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109-144, 110-160; HR 2761)

3.0 Adjusting Losses 20%

3.1 Role of the adjuster

- Duties and responsibilities
- Staff and independent adjuster versus public adjuster
- Relationship to the legal profession

3.2 Claim reporting

- Claim investigation
- Claim file documentation of events
- Types of reports
Initial or first field
Interim or status
Full formal

3.3 Property losses

- Duties of insured after a loss
- Notice to insurer
- Minimizing the loss
- Proof of loss
- Special requirements
- Production of books and records
- Abandonment
- Determining value and loss
- Burden of proof of value and loss
- Estimates
- Depreciation
- Salvage

- Claim settlement options
- Payment and discharge

3.4 Liability losses

- Investigation procedures
Verify coverage
Determine liability
- Gathering evidence
Physical evidence
Witness statements
- Determining value of intangible damages

3.5 Coverage problems

- Dealing with coverage disputes

Reservation of rights letter
 Nonwaiver agreement
 Declaratory judgment action

3.6 Claims adjustment procedures

Settlement procedures
 Advance payments
 Draft authority
 Execution of releases
 Subrogation procedures
 Alternative dispute resolution
 Appraisal
 Arbitration
 Competitive estimates
 Mediation
 Negotiation

4.0 Dwelling ('02) Policy 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 — South Carolina (DP 01 39)
 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 15%

5.1 Coverage forms

HO-2 through HO-6
 HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling
 Coverage B — Other structures
 Coverage C — Personal property
 Coverage D — Loss of use
 Additional coverages

5.4 Section II — Liability coverages

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

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — South Carolina (HO 01 39)
 Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 Permitted incidental occupancies (HO 04 42)
 Earthquake (HO 04 54)
 Scheduled personal property (HO 04 61)
 Personal property replacement cost (HO 04 90)
 Home day care (HO 04 97)
 Business pursuits (HO 24 71)
 Watercraft (HO 24 75)
 Personal injury (HO 24 82)

6.0 Auto Insurance 19%

6.1 Laws

South Carolina Motor Vehicle Financial Responsibility Act (RL Title 56, Chapter 9)
 Required limits of liability (38-77-140)
 Uninsured/underinsured motorist (38-77-150–170, 180–230, 260)
 Definitions
 Bodily injury
 Property damage
 Required limits
 Cancellation/nonrenewal (38-77-120–124, 390)
 Reasons
 Notice
 Constructive total loss
 Arbitration

6.2 Personal ('05) auto policy

Definitions
 Liability coverage
 Bodily injury and property damage
 Supplementary payments
 Exclusions
 Medical payments coverage
 Uninsured motorists coverage
 Coverage for damage to your auto
 Collision
 Other than collision
 Deductibles
 Transportation expenses
 Exclusions
 Duties after an accident or loss
 General provisions
 Selected endorsements
 Amendment of policy provisions — South Carolina (PP 01 78)
 Towing and labor costs (PP 03 03)
 Extended non-owned coverage (PP 03 06)
 Miscellaneous type vehicle (PP 03 23)
 Joint ownership coverage (PP 03 34)

6.3 Commercial auto ('06)

Commercial auto coverage forms

Business auto
 Garage
 Business auto physical damage
 Truckers
 Motor carrier
 Coverage form sections
 Covered autos
 Liability coverage
 Garagekeepers coverage
 Physical damage coverage
 Exclusions
 Conditions
 Definitions
 Selected endorsements
 Lessor — additional insured and loss payee (CA 20 01)
 Mobile equipment (CA 20 15)
 Auto medical payments coverage (CA 99 03)
 Hired autos specified as covered autos you own (CA 99 16)
 Individual named insured (CA 99 17)
 Commercial carrier regulations
 The Motor Carrier Act of 1980
 Endorsement for motor carrier policies of insurance for public liability (MCS-90)

7.0 Commercial Package Policy (CPP) 3%

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
insured contract

- 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 coverage
 - Extortion — commercial entities (CR 04 03)

- 7.5 Commercial inland marine**
 - Nationwide marine definition
 - Commercial inland marine conditions form
 - Inland marine coverage forms
 - Accounts receivable
 - Bailee's customer
 - Commercial articles
 - Contractors equipment floater
 - Electronic data processing
 - Equipment dealers
 - Installation floater

Jewelers block
Signs
Valuable papers and records
Transportation coverages
Common carrier cargo liability
Motor truck cargo forms
Transit coverage forms

- 7.6 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
 - Livestock coverage form
 - Mobile agricultural machinery and equipment coverage form
 - Cause of loss (basic, broad and special)
 - Exclusions
 - Additional coverages
 - Limits of insurance
 - Conditions
 - Definitions

8.0 Businessowners ('06) Policy 3%

- 8.1 Characteristics and purpose**
- 8.2 Businessowners Section I — Property**
 - Coverage
 - Exclusions
 - Limits of insurance
 - Deductibles
 - Loss conditions
 - General conditions
 - Optional coverages
 - Definitions
- 8.3 Businessowners Section II — Liability**
 - Coverages
 - Exclusions
 - Who is an insured
 - Limits of insurance
 - General conditions
 - Definitions
- 8.4 Businessowners Section III — Common Policy Conditions**
- 8.5 Selected endorsements**

Hired auto and non-owned auto liability (BP 04 04)
Protective safeguards (BP 04 30)
Utility services — direct damage (BP 04 56)
Utility services — time element (BP 04 57)

9.0 Workers Compensation Insurance 3%

- 9.1 Workers compensation laws**
 - Types of laws
 - Monopolistic versus competitive
 - Compulsory versus elective
 - South Carolina Workers' Compensation Law (RL Title 42)
 - Exclusive remedy (RL 42-1-540)
 - Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
 - Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
 - Occupational disease (RL 42-11-10)
 - Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)
 - Second injury fund (RL 42-7-310; RL 42-9-400)
- 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 Sources of coverage**
 - South Carolina Workers' Compensation Uninsured Employers' Fund (RL 42-7-200)
 - Self-insured employers (RL 42-5-20, 50)
 - South Carolina residual workers compensation
 - Voluntary market

10.0 Marine Insurance 2%

- 10.1 Hull coverage**
 - Characteristics and purpose
 - Assured
 - Agreed value

Deductible (or deductible average clause)
 Premium, return of premium and nonpayment of premium
 Adventure
 Causes of loss
 Claims (general provisions)
 General average and salvage
 Sue and labor
 Collision liability
 Limitations of liability
 Pilotage and towage
 Change of ownership
 Additional insurances
 War, strikes, and related exclusions

10.2 Cargo coverage

Characteristics and purpose
 Types of cargo losses
 Total loss — actual total loss versus constructive total loss
 Partial loss — particular average versus general average
 Sue and labor expenses
 Salvage charges and awards

10.3 Protection and indemnity insurance

Insuring agreements
 Indemnity principle
 Liability of vessel owner
 Common covered losses
 Exclusions
 Conditions regarding claims
 Other provisions

11.0 Surety and Fidelity 2%

11.1 Surety bonds

Nature of surety bonds
 Surety bonds versus insurance
 Parties of a surety bond — Principal, obligee, surety
 Contract bonds
 Purpose of license and permit bonds
 Public official bond
 Judicial bonds
 Fiduciary bonds

11.2 Fidelity coverages

Nature of fidelity bonds
 Employee theft coverage
 Financial institution bonds
 Public employee bonds

12.0 Other Coverages and Options 2%

12.1 Umbrella/excess liability policies

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

12.2 Specialty liability insurance

Errors and omissions
 Professional liability
 Directors and officers liability

Fiduciary liability
 Liquor liability
 Employment practices liability

12.3 Surplus lines

Definitions and markets
 Licensing requirements

12.4 Aviation insurance

Aircraft hull
 Aircraft liability

12.5 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

12.6 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)

Eligibility
 Coverage
 Limits
 Deductible

12.7 Other policies

Boatowners
 Difference in conditions

**Series 19-13
 Adjuster's Exam for Crop Insurance**

50 questions – One-hour time limit

1.0 Insurance Regulation 10%

1.1 Director's general duties and powers (38-3-60, 110)

1.2 Licensing requirements

Qualifications (38-47-10)
 Nonresident (38-47-20)
 Emergency adjuster permit (Reg 69-1)

1.3 Maintenance and duration (38-47-40)

Change of address (38-47-15)

1.4 Disciplinary actions

Cease and desist order (38-57-200, 230)
 Hearings (38-3-170; 38-57-200)
 Penalties (38-2-10-30; 38-47-70)
 Suspension, revocation or cancellation (38-47-70)

1.5 Claim settlement laws and regulations (38-59-20)

1.6 Federal regulation

Fraud and false statements (18 USC 1033, 1034)

2.0 Crop Insurance 40%

2.1 Eligibility

Insureds
 Insurable crops

2.2 Application

Binder
 Declarations section
 Required signatures
 Required information

2.3 Terms of coverage

Effective date
 Inception of coverage
 Expiration
 Cancellation

2.4 Perils insured against

2.5 Exclusions

2.6 Limits of coverage

Insurable value
 Percentage plan
 Deductibles
 Reduction of insurance

2.7 Other provisions

Replanting clause
 Acreage variation
 Transit coverage
 Fire department service charge
 Pro rata liability clause
 Fire and lightning coverage
 Windrowed crops
 Assignment
 Subrogation

2.8 Claim settlement practices

Notice of loss
 Insured's duties after loss
 Appraisal/arbitration

2.9 Mandatory endorsements

NCIS — 444 Truck and Vine Crops
 NCIS — 578 Tree Fruits
 NCIS — 678 Field Diagram

3.0 Plant Physiology 10%

3.1 Basic plant functions

3.2 Structure of the stem and leaf

3.3 Stages of growth

3.4 Main classification of plants

Grassy plants
 Broadleaf plants

4.0 Loss Adjusting Procedures 40%

4.1 Settling the claim

Other insurance
 Subrogation
 Field inspections and counts
 Closing the claim
 Deferrals
 Unsettled claims (snags)

**Series 19-14
 Public Adjuster's Exam**

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

1.1 Director's general duties and powers (38-3-60, 110)

1.2 Licensing requirements

Qualifications (38-48-20)
 Process (38-48-30)

1.3 Maintenance and duration (38-48-60)

- Contract requirements (38-48-80, 110)
- Records (38-48-120)
- Change of address (38-48-30)

1.4 Disciplinary actions (38-48-60)

- Cease and desist order (38-57-200, 230)
- Hearings (38-3-170; 38-57-200)
- Penalties (38-2-10-30)

1.5 Claim settlement laws and regulations (38-48-70, 90)

1.6 Federal regulation

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

2.0 Insurance Basics 18%

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
 - Unilateral contract
 - Conditional contract
- Legal interpretations affecting contracts
 - Ambiguities in a contract of adhesion
 - Reasonable expectations
 - Indemnity
 - Utmost good faith
 - Representations/misrepresentations
 - Warranties
 - Concealment
 - Fraud
 - Waiver and estoppel

2.2 Insurance principles and concepts

- Insurable interest
- 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

2.3 Policy structure

- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

2.4 Common policy provisions

- Insureds — named, first named, additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
 - Nonconcurrency
 - Primary and excess
 - Pro rata
- Restoration/nonreduction of limits
- Coinsurance
- Vacancy or unoccupancy
- Assignment
- Liberalization
- Third-party provisions
 - Standard mortgage clause
 - Loss payable clause
 - No benefit to the bailee

2.5 South Carolina laws, regulations and required provisions

- South Carolina Valued Policy Law (38-75-20, 30)
- South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
- Cancellation, nonrenewal and renewal (38-75-710-790)
- Insurance fraud act (38-55-510-590)
- Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109-144, 110-160; HR 2761)

3.0 Adjusting Losses 23%

3.1 Role of the adjuster

- Duties and responsibilities
- Staff and independent adjuster versus public adjuster
- Relationship to the legal profession

3.2 Property losses

- Duties of insured after a loss
 - Notice to insurer
 - Minimizing the loss
 - Proof of loss
 - Special requirements
 - Production of books and records
 - Abandonment
- Determining value and loss
 - Burden of proof of value and loss
 - Estimates
 - Depreciation
 - Salvage
- Claim settlement options

- Payment and discharge

3.3 Claims adjustment procedures

- Subrogation procedures
- Alternative dispute resolution
 - Appraisal
 - Arbitration
 - Competitive estimates
 - Mediation
 - Negotiation

4.0 Dwelling ('02) Policy 6%

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 — South Carolina (DP 01 39)
- Automatic increase in insurance (DP 04 11)
- Broad theft coverage (DP 04 72)
- Dwelling under construction (DP 11 43)

5.0 Homeowners ('00) Policy 23%

5.1 Coverage forms

- HO-2 through HO-6
- HO-8

5.2 Definitions

5.3 Section I — Property coverages

- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Loss of use
- Additional coverages

5.4 Perils insured against

5.5 Exclusions

5.6 Conditions

5.7 Selected endorsements

- Special provisions — South Carolina (HO 01 39)
- Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
- Permitted incidental occupancies (HO 04 42)
- Earthquake (HO 04 54)
- Scheduled personal property (HO 04 61)
- Personal property replacement cost (HO 04 90)

Home day care (HO 04 97)

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 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)

6.3 Commercial inland marine

- Nationwide marine definition
- Commercial inland marine conditions form
- Inland marine coverage forms
 - Accounts receivable
 - Bailee's customer
 - Commercial articles
 - Contractors equipment floater
 - Electronic data processing
 - Equipment dealers
 - Installation floater
 - Jewelers block
 - Signs
 - Valuable papers and records

6.4 Equipment breakdown ('07)

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

6.5 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

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

7.0 Businessowners ('06) Policy — Property 5%

7.1 Characteristics and purpose

7.2 Businessowners Section I — Property

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

7.3 Businessowners 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 7%

8.1 National Flood Insurance Program

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

8.2 Ocean marine insurance

- Major coverages
 - Hull insurance
 - Cargo insurance
 - Freight insurance
- Implied warranties
- Perils
- General and particular average

8.3 Other policies

- Aircraft hull
- Boatowners
- Difference in conditions

**Series 19-15
Exam for Motor Vehicle
Damage Appraiser**

60 questions — One-hour time limit

1.0 Insurance Regulation 10%

1.1 Director's general duties and powers (38-3-60, 110)

1.2 Licensing requirements
Qualifications (38-49-20)

1.3 Maintenance and duration (38-49-20; Reg 69-33)

1.4 Disciplinary actions (38-49-40)

1.5 Claim settlement laws and regulations (38-59-20; Reg 69-16)

1.6 Federal regulation
Fraud and false statements (18 USC 1033, 1034)

2.0 Auto Insurance 10%

2.1 Personal ('05) auto policy
Definitions

- Coverage for damage to your auto
 - Collision
 - Other than collision
 - Deductibles
 - Transportation expenses
 - Exclusions
- General provisions
- Selected endorsements
 - Towing and labor costs (PP 03 03)
 - Miscellaneous type vehicle (PP 03 23)

2.2 Commercial auto ('06)

- Section I — Covered autos
- Section III — Physical damage coverage
- Exclusions

3.0 Appraising Auto Physical Damage Claims 80%

3.1 Role of the appraiser

- Duties and responsibilities
- Relationship to adjusters

3.2 Duties of insured after a loss

- Notice to insurer
- Minimizing the loss
- Inspection and appraisal of vehicle
- Special requirements

3.3 Determining value and loss

- Adjustment procedures
- Salvage
- Appraisal
- Depreciation
- Repair or replacement
 - Repair options and procedures
 - "Like kind and quality"
 - Aftermarket parts
- Partial loss versus total loss

- Constructive total loss
- 3.4 Vehicle inspection**
 - Proper vehicle identification and options ID
 - Evaluate with regard to circumstances of accident
 - Estimate of repairs form
- 3.5 Vehicle parts and construction**
 - Body
 - Front end
 - Rear body
 - Quarter panels
 - Doors
 - Roof
 - Bumpers/urethane repairs
 - Lamps
 - Cowl
 - 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
- 3.6 Handling auto theft losses**
- 3.7 Auto arson and fraud**

Series 19-16
Exam for Professional
Bondsman/Runner

60 questions – One-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Licensing**
 - Director's general duties and powers (38-53-20)
 - Process (38-53-80, 90)
 - Persons to be licensed (38-53-80, 190)
 - Types of licensees
 - Professional bondsman (38-53-10, 40)
 - Accommodation bondsman (38-53-10, 40)
 - Surety bondsman (38-53-10, 40)
 - Runner (38-53-10, 120)
 - Requirements

- Appointment (38-53-230, 260)
- Security deposits (38-53-270, 280, 300)
- Maintenance and duration Renewal (38-53-140)
- Continuing education (38-53-85)
- Change of address (38-43-107)
- Disciplinary actions
 - Cease and desist order (38-57-200, 230)
 - Suspension, revocation or nonrenewal (38-53-102, 150)
 - Fines (38-53-150(B), 340)
 - Criminal charges and convictions (38-53-150(6))
- 1.2 Licensee regulation**
 - Record maintenance (38-43-250, 38-53-310)
 - Record examination (38-53-320)
 - Prohibited acts (38-53-170)
 - Return of collateral (38-53-170(e))
- 1.3 Federal regulation**
 - Fair Credit Reporting Act (15 USC 1681–1681d)
 - Fraud and false statements (18 USC 1033, 1034)

2.0 The Legal Framework 29%

- 2.1 Authority**
 - Express
 - Implied
 - Apparent
- 2.2 Contracts**
 - Elements of a legal contract
 - Offer and acceptance
 - Consideration
 - Competent parties
 - Legal purpose
 - Concealment
 - Fraud
- 2.3 Jurisdiction**
 - Original jurisdiction
 - Territorial
 - Subject matter
 - Personal
 - Appellate jurisdiction
- 2.4 Terminology**
 - Acquit
 - Adjudicate
 - Bail piece
 - Capital offense
 - Conviction
 - Custody
 - Defendant
 - Disposition
 - Extradition
 - Felony
 - Fugitive
 - Hearing
 - Incarceration
 - Indictment

- Misdemeanor
- Mittimus
- Recognizance
- Suspend
- Warrant
- Writ

3.0 Bail Bond Principles and Practices 61%

- 3.1 Parties to a surety bond**
 - Principal
 - Indemnitor for principal
 - Indemnity agreement
 - Obligee
 - Surety
- 3.2 Duties of bail bondsmen**
 - Premium receipt (38-53-180)
 - Power of attorney (38-53-290)
 - Collateral and trust obligations
- 3.3 Types of bonds and collateral**
 - Cash
 - Property
 - Surety
 - Personal recognizance
 - Out-of-county
- 3.4 Procedure**
 - Writing and underwriting bonds
 - Application for bond (surety/defendant contract)
 - Collateral security
 - Surety contract
 - Posting the bond
 - Informational notice
- 3.5 Court procedures**
 - Court appearances
 - Arraignment
 - Trial
 - Appeal
 - Conditions of release (38-53-250; RL 17-15-20–40)
 - Prior to trial (RL 17-15-10)
 - After conviction — stay of execution
 - Pending appeal
 - Failure to appear
 - Revocation of the right to bail
- 3.6 Release of surety (38-53-50)**
- 3.7 Surrender of principal (defendant) (38-53-60)**
 - Locate and arrest defendant
 - Exoneration of bond
 - Return of premium
 - Return of collateral
- 3.8 Bond forfeiture (38-53-70; RL 17-15-170–180)**
 - Motion
 - Notice to defendant and sureties
 - Judgment
 - Dispersal of funds
 - Arrest after forfeiture

**Series 19-17
Producer's Exam for Personal
Lines Insurance**

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

1.0 Insurance Regulation 15%

(See Page 17)

2.0 General Insurance 5%

(See Page 17)

**3.0 Property and Casualty
Insurance Basics 15%**

3.1 Principles and concepts

Insurable interest
Underwriting
 Function
 Loss ratio
Rates
 Types
 Loss costs
 Components
Hazards
 Physical
 Moral
 Morale
Negligence
 Elements of a negligent act
 Defenses against negligence
Damages
 Compensatory — special
 versus general
 Punitive
Absolute liability
Strict liability
Vicarious liability
Causes of loss (perils)
Named perils versus special
 (open) perils
Direct loss
Consequential or indirect loss
Blanket versus specific insurance
Basic types of construction
Loss valuation
 Actual cash value
 Replacement cost
 Functional replacement cost
 Market value
 Agreed value
 Stated amount

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
 Nonconcurrency
 Primary and excess
 Pro rata
Limits of liability
 Per occurrence (accident)
 Per person
 Split
 Combined single
Restoration/nonreduction 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 South Carolina laws,
regulations and required
provisions**

South Carolina Valued Policy
 Law (38-75-20, 30)
South Carolina Property and
 Casualty Insurance Guaranty
 Association (38-31-10-170)
Cancellation, nonrenewal and
 renewal (38-75-710-790)
Arbitration of property damage
 liability claims
 (38-77-710-770)

4.0 Dwelling ('02) Policy 10%

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 — South
 Carolina (DP 01 39)
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
20%**

5.1 Coverage forms

HO-2 through HO-6
HO-8

5.2 Definitions

**5.3 Section I — Property
coverages**

Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages

**5.4 Section II — Liability
coverages**

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

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — South
 Carolina (HO 01 39)
Limited fungi, wet or dry rot, or
 bacteria coverage (HO 04 26,
 HO 04 27)
Permitted incidental occupancies
 (HO 04 42)
Earthquake (HO 04 54)
Scheduled personal property
 (HO 04 61)
Personal property replacement
 cost (HO 04 90)
Home day care (HO 04 97)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

6.0 Auto Insurance 25%

6.1 Laws

South Carolina Motor Vehicle
 Financial Responsibility Act
 (RL Title 56, Chapter 9)
 Required limits of liability
 (38-77-140)
Uninsured/underinsured motorist
 (38-77-150-170, 180-230,
 260)
 Definitions
 Bodily injury
 Property damage
 Required limits
Cancellation/nonrenewal
 (38-77-120-124, 390;
 RL 56-10-280)
 Reasons
 Notice
Constructive total loss
Arbitration

6.2 Personal ('05) auto policy

Definitions
Liability coverage
 Bodily injury and property
 damage
 Supplementary payments

- Exclusions
- Medical payments coverage
- Uninsured motorists coverage
- Coverage for damage to your auto
 - Collision
 - Other than collision
 - Deductibles
 - Transportation expenses
 - Exclusions
- Duties after an accident or loss
- General provisions
- Selected endorsements
 - Amendment of policy provisions — South Carolina (PP 01 78)
 - Towing and labor costs (PP 03 03)
 - Extended non-owned coverage (PP 03 06)
 - Miscellaneous type vehicle (PP 03 23)
 - Joint ownership coverage (PP 03 34)

7.0 Other Coverages and Options 10%

- 7.1 Umbrella/excess liability policies**
Personal (DL 98 01)
- 7.2 National Flood Insurance Program**
"Write your own" versus government
Eligibility
Coverage
Limits
Deductibles
- 7.3 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)**
Eligibility
Coverage
Limits
Deductibles
- 7.4 Other policies**
Boatowners
- 7.5 Residual markets**
Associated Auto Insurers Plan (38-77-10-395)

**Series 19-22
Producer's Exam for Crop Insurance**

50 questions – One-hour time limit

1.0 Insurance Regulation 15%
(See Page 17)

2.0 General Insurance 10%
(See Page 17)

3.0 Crop Insurance 25%

- 3.1 Eligibility**
Insureds

- Insurable crops
- 3.2 Application**
Binder
Declarations section
Required signatures
Required information
- 3.3 Terms of coverage**
Effective date
Inception of coverage
Expiration
Cancellation
- 3.4 Perils insured against**
- 3.5 Exclusions**
- 3.6 Limits of coverage**
Insurable value
Percentage plan
Deductibles
Reduction of insurance
- 3.7 Other provisions**
Replanting clause
Acreage variation
Transit coverage
Fire department service charge
Pro rata liability clause
Fire and lightning coverage
Windrowed crops
Assignment
Subrogation
- 3.8 Claim settlement practices**
Notice of loss
Insured's duties after loss
Appraisal/arbitration
- 3.9 Mandatory endorsements**
NCIS — 444 Truck and Vine Crops
NCIS — 578 Tree Fruits
NCIS — 678 Field Diagram

4.0 Federal Multi-Peril Crop Insurance Programs 50%

- 4.1 Basic crop insurance**
Eligibility
Insureds
Insurable crops
Actuarial document books
Yield guarantee
Actual production history (APH)
Assigned yield
Transitional yield
Coverage level
Market price percentage
Covered causes of loss
Application
Basic unit
Administrative fee
Production records
Acreage reporting
Disqualification of producer
Life of policy
Continuous
Cancellation
Termination
- 4.2 Multiple peril policy options**
Levels of coverage
Price election
Optional units
High-risk land exclusion

- Hail/fire exclusion
- Replant payments
- Late planting coverage
- Prevented planting coverage
- Transfer of coverage
- Assignment of indemnity
- Subrogation

- 4.3 Other provisions**
Individual crop
Small grain
Coarse grain
Priorities of conflicts between provisions
Duties after loss
Insured
Insurer
- 4.4 Additional programs**
Group Risk Plan (GRP)
County expected yield
County average yield
Eligible crops

**Series 19-23
Adjuster's Exam for Personal Lines Insurance**

100 questions – Two- hour time limit

1.0 Insurance Regulation 10%

- 1.1 Director's general duties and powers (38-3-60, 110)**
- 1.2 Licensing requirements**
Qualifications (38-47-10)
Nonresident (38-47-20)
Emergency adjuster permit (Reg 69-1)
- 1.3 Maintenance and duration (38-47-40)**
Change of address (38-47-15)
- 1.4 Disciplinary actions**
Cease and desist order (38-57-200, 230)
Hearings (38-3-170; 38-57-200)
Penalties (38-2-10-30; 38-47-70)
- 1.5 Claim settlement laws and regulations (38-59-20)**
- 1.6 Federal regulation**
Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 14%

- 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
Unilateral contract
Conditional contract

Legal interpretations affecting contracts
 Ambiguities in a contract of adhesion
 Reasonable expectations
 Indemnity
 Utmost good faith
 Representations/ misrepresentations
 Warranties
 Concealment
 Fraud
 Waiver and estoppel

2.2 Insurance principles and concepts

Insurable interest
 Hazards
 Physical
 Moral
 Morale
 Negligence
 Elements of a negligent act
 Defenses against negligence
 Damages
 Compensatory — special versus general
 Punitive
 Absolute liability
 Strict liability
 Vicarious liability
 Causes of loss (perils)
 Named 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

2.3 Policy structure

Declarations
 Definitions
 Insuring agreement or clause
 Additional/supplementary coverage
 Conditions
 Exclusions
 Endorsements

2.4 Common policy provisions

Insureds — named, first named, additional
 Policy period
 Policy territory
 Cancellation and nonrenewal
 Deductibles
 Other insurance
 Nonconcurrency
 Primary and excess
 Pro rata
 Limits of liability
 Per occurrence (accident)
 Per person
 Split
 Combined single

Restoration/nonreduction 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

2.5 South Carolina laws, regulations and required provisions

South Carolina Valued Policy Law (38-75-20, 30)
 South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
 Cancellation, nonrenewal and renewal (38-75-710-790)
 Insurance fraud act (38-55-510-590)
 Arbitration of property damage liability claims (38-77-710-770)

3.0 Adjusting Losses 20%

3.1 Role of the adjuster

Duties and responsibilities
 Staff and independent adjuster versus public adjuster
 Relationship to the legal profession

3.2 Claim reporting

Claim investigation
 Claim file documentation of events
 Types of reports
 Initial or first field
 Interim or status
 Full formal

3.3 Property losses

Duties of insured after a loss
 Notice to insurer
 Minimizing the loss
 Proof of loss
 Special requirements
 Production of books and records
 Abandonment
 Determining value and loss
 Burden of proof of value and loss
 Estimates
 Depreciation
 Salvage
 Claim settlement options
 Payment and discharge

3.4 Liability losses

Investigation procedures

Verify coverage
 Determine liability
 Gathering evidence
 Physical evidence
 Witness statements
 Determining value of intangible damages

3.5 Coverage problems

Dealing with coverage disputes
 Reservation of rights letter
 Nonwaiver agreement
 Declaratory judgment action

3.6 Claims adjustment procedures

Settlement procedures
 Advance payments
 Draft authority
 Execution of releases
 Subrogation procedures
 Alternative dispute resolution
 Appraisal
 Arbitration
 Competitive estimates
 Mediation
 Negotiation

4.0 Dwelling ('02) Policy 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 — South Carolina (DP 01 39)
 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
 HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling
 Coverage B — Other structures
 Coverage C — Personal property
 Coverage D — Loss of use
 Additional coverages

5.4 Section II — Liability coverages

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

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — South Carolina (HO 01 39)
 Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 Permitted incidental occupancies (HO 04 42)
 Earthquake (HO 04 54)
 Scheduled personal property (HO 04 61)
 Personal property replacement cost (HO 04 90)
 Home day care (HO 04 97)
 Business pursuits (HO 24 71)
 Watercraft (HO 24 75)
 Personal injury (HO 24 82)

6.0 Auto Insurance 24%

6.1 Laws

South Carolina Motor Vehicle Financial Responsibility Act (RL Title 56, Chapter 9)
 Required limits of liability (38-77-140)
 Uninsured/underinsured motorist (38-77-150–170, 180–230, 260)
 Definitions
 Bodily injury
 Property damage
 Required limits
 Cancellation/nonrenewal (38-77-120–124, 390)
 Reasons
 Notice
 Constructive total loss
 Arbitration

6.2 Personal ('05) auto policy

Definitions
 Liability coverage
 Bodily injury and property damage
 Supplementary payments
 Exclusions
 Medical payments coverage
 Uninsured motorists coverage
 Coverage for damage to your auto
 Collision
 Other than collision
 Deductibles
 Transportation expenses
 Exclusions
 Duties after an accident or loss
 General provisions
 Selected endorsements

Amendment of policy provisions — South Carolina (PP 01 78)
 Towing and labor costs (PP 03 03)
 Extended non-owned coverage (PP 03 06)
 Miscellaneous type vehicle (PP 03 23)
 Joint ownership coverage (PP 03 34)

7.0 Other Coverages and Options 3%

7.1 Umbrella/excess liability policies

Personal (DL 98 01)

7.2 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

7.3 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310–460)

Eligibility
 Coverage
 Limits
 Deductible

7.4 Other policies

Boatowners

Series 19-24 Adjuster's Exam for Commercial Lines Insurance

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

1.1 Director's general duties and powers (38-3-60, 110)

1.2 Licensing requirements

Qualifications (38-47-10)
 Nonresident (38-47-20)
 Emergency adjuster permit (Reg 69-1)

1.3 Maintenance and duration (38-47-40)

Change of address (38-47-15)

1.4 Disciplinary actions

Cease and desist order (38-57-200, 230)
 Hearings (38-3-170; 38-57-200)
 Penalties (38-2-10–30; 38-47-70)

1.5 Claim settlement laws and regulations (38-59-20)

1.6 Federal regulation

Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 14%

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
 Unilateral contract
 Conditional contract
 Legal interpretations affecting contracts
 Ambiguities in a contract of adhesion
 Reasonable expectations
 Indemnity
 Utmost good faith
 Representations/misrepresentations
 Warranties
 Concealment
 Fraud
 Waiver and estoppel

2.2 Insurance principles and concepts

Insurable interest
 Hazards
 Physical
 Moral
 Morale
 Negligence
 Elements of a negligent act
 Defenses against negligence
 Damages
 Compensatory — special versus general
 Punitive
 Absolute liability
 Strict liability
 Vicarious liability
 Causes of loss (perils)
 Named 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

2.3 Policy structure

Declarations
 Definitions
 Insuring agreement or clause
 Additional/supplementary coverage
 Conditions
 Exclusions
 Endorsements

2.4 Common policy provisions

Insureds — named, first named, additional
 Policy period
 Policy territory
 Cancellation and nonrenewal
 Deductibles
 Other insurance
 Nonconcurrency
 Primary and excess
 Pro rata
 Contribution by equal shares
 Limits of liability
 Per occurrence (accident)
 Per person
 Aggregate — general versus products — completed operations
 Split
 Combined single
 Restoration/nonreduction of limits
 Coinsurance
 Vacancy or unoccupancy
 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

2.5 South Carolina laws, regulations and required provisions

South Carolina Valued Policy Law (38-75-20, 30)
 South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
 Cancellation, nonrenewal and renewal (38-75-710-790)
 Insurance fraud act (38-55-510-590)
 Arbitration of property damage liability claims (38-77-710-770)
 Terrorism Risk Insurance Act of 2002 and Extensions (15 USC 6701; Public Law 109-144, 110-160; HR 2761)

3.0 Adjusting Losses 20%

3.1 Role of the adjuster

Duties and responsibilities
 Staff and independent adjuster versus public adjuster
 Relationship to the legal profession

3.2 Claim reporting

Claim investigation
 Claim file documentation of events

Types of reports
 Initial or first field
 Interim or status
 Full formal

3.3 Property losses

Duties of insured after a loss
 Notice to insurer
 Minimizing the loss
 Proof of loss
 Special requirements
 Production of books and records
 Abandonment
 Determining value and loss
 Burden of proof of value and loss
 Estimates
 Depreciation
 Salvage
 Claim settlement options
 Payment and discharge

3.4 Liability losses

Investigation procedures
 Verify coverage
 Determine liability
 Gathering evidence
 Physical evidence
 Witness statements
 Determining value of intangible damages

3.5 Coverage problems

Dealing with coverage disputes
 Reservation of rights letter
 Nonwaiver agreement
 Declaratory judgment action

3.6 Claims adjustment procedures

Settlement procedures
 Advance payments
 Draft authority
 Execution of releases
 Subrogation procedures
 Alternative dispute resolution
 Appraisal
 Arbitration
 Competitive estimates
 Mediation
 Negotiation

4.0 Auto Insurance 14%

4.1 Laws

South Carolina Motor Vehicle Financial Responsibility Act (RL Title 56, Chapter 9)
 Required limits of liability (38-77-140)
 Uninsured/underinsured motorist (38-77-150-170, 180-230, 260)
 Definitions
 Bodily injury
 Property damage
 Required limits
 Cancellation/nonrenewal (38-77-120-124, 390)
 Reasons
 Notice
 Constructive total loss

Arbitration

4.2 Commercial auto ('06)

Commercial auto coverage forms
 Business auto
 Garage
 Business auto physical damage
 Truckers
 Motor carrier
 Coverage form sections
 Covered autos
 Liability coverage
 Garagekeepers coverage
 Physical damage coverage
 Exclusions
 Conditions
 Definitions
 Selected endorsements
 Lessor — additional insured and loss payee (CA 20 01)
 Mobile equipment (CA 20 15)
 Auto medical payments coverage (CA 99 03)
 Hired autos specified as covered autos you own (CA 99 16)
 Individual named insured (CA 99 17)
 Commercial carrier regulations
 The Motor Carrier Act of 1980
 Endorsement for motor carrier policies of insurance for public liability (MCS-90)

5.0 Commercial Package Policy (CPP) 17%

5.1 Components of a commercial policy

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

5.2 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
 Insured contract

- 5.3 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)

- 5.4 Commercial crime ('06)**
 General definitions
 Burglary
 Theft
 Robbery
 Crime coverage forms
 Commercial crime coverage forms (discovery/loss sustained)
 Government crime coverage forms (discovery/loss sustained)
 Coverages
 Employee theft
 Forgery or alteration
 Inside the premises — theft of money and securities
 Inside the premises — robbery or safe burglary of other property
 Outside the premises
 Computer fraud
 Funds transfer fraud
 Money orders and counterfeit money
 Other crime coverage
 Extortion — commercial entities (CR 04 03)

- 5.5 Commercial inland marine**
 Nationwide marine definition
 Commercial inland marine conditions form
 Inland marine coverage forms
 Accounts receivable
 Bailee's customer
 Commercial articles
 Contractors equipment floater
 Electronic data processing
 Equipment dealers

Installation floater
 Jewelers block
 Signs
 Valuable papers and records
 Transportation coverages
 Common carrier cargo liability
 Motor truck cargo forms
 Transit coverage forms

- 5.6 Equipment breakdown ('07)**
 Equipment breakdown protection coverage form (EB 00 20)
 Selected endorsement
 Actual cash value (EB 99 59)

- 5.7 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
 Livestock coverage form
 Mobile agricultural machinery and equipment coverage form
 Cause of loss (basic, broad and special)
 Exclusions
 Additional coverages
 Limits of insurance
 Conditions
 Definitions

6.0 Businessowners ('06) Policy 10%

6.1 Characteristics and purpose

6.2 Businessowners Section I — Property

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

6.3 Businessowners Section II — Liability

Coverages
 Exclusions
 Who is an insured

Limits of insurance
 General conditions
 Definitions

6.4 Businessowners Section III — Common Policy Conditions

- 6.5 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)

7.0 Workers Compensation Insurance 4%

7.1 Workers compensation laws
 Types of laws

Monopolistic versus competitive
 Compulsory versus elective
 South Carolina Workers Compensation Law (RL Title 42)
 Exclusive remedy (RL 42-1-540)
 Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
 Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
 Occupational disease (RL 42-11-10)
 Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)
 Second injury fund (RL 42-7-310; RL 42-9-400)

7.2 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

7.3 Sources of coverage

South Carolina Workers' Compensation Uninsured Employers' Fund (RL 42-7-200)
 Self-insured employers (RL 42-5-20, 50)
 South Carolina residual workers compensation
 Voluntary market

8.0 Marine Insurance 3%**8.1 Hull coverage**

Characteristics and purpose
 Assured
 Agreed value
 Deductible (or deductible average clause)
 Premium, return of premium and nonpayment of premium
 Adventure
 Causes of loss
 Claims (general provisions)
 General average and salvage
 Sue and labor
 Collision liability
 Limitations of liability
 Pilotage and towage
 Change of ownership
 Additional insurances
 War, strikes, and related exclusions

8.2 Cargo coverage

Characteristics and purpose
 Types of cargo losses
 Total loss — actual total loss versus constructive total loss
 Partial loss — particular average versus general average
 Sue and labor expenses
 Salvage charges and awards

8.3 Protection and indemnity insurance

Insuring agreements
 Indemnity principle
 Liability of vessel owner
 Common covered losses
 Exclusions
 Conditions regarding claims
 Other provisions

9.0 Surety and Fidelity 3%**9.1 Surety bonds**

Nature of surety bonds
 Surety bonds versus insurance
 Parties of a surety bond — Principal, obligee, surety
 Contract bonds
 Purpose of license and permit bonds
 Public official bond
 Judicial bonds
 Fiduciary bonds

9.2 Fidelity coverages

Nature of fidelity bonds
 Employee theft coverage
 Financial institution bonds
 Public employee bonds

10.0 Other Coverages and Options 5%**10.1 Umbrella/excess liability policies**

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

10.3 Surplus lines

Definitions and markets
 Licensing requirements

10.4 Aviation insurance

Aircraft hull
 Aircraft liability

10.5 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

10.6 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)

Eligibility
 Coverage
 Limits
 Deductible

10.7 Other policies

Difference in conditions

**Series 19-25
 Adjuster's Exam for Workers
 Compensation Insurance**

60 questions – One-hour time limit

1.0 Insurance Regulation 10%**1.1 Director's general duties and powers (38-3-60, 110)****1.2 Licensing requirements**

Qualifications (38-47-10)
 Nonresident (38-47-20)
 Emergency adjuster permit (Reg 69-1)

1.3 Maintenance and duration (38-47-40)

Change of address (38-47-15)

1.4 Disciplinary actions

Cease and desist order (38-57-200, 230)
 Hearings (38-3-170; 38-57-200)
 Penalties (38-2-10-30; 38-47-70)

1.5 Claim settlement laws and regulations (38-59-20)**1.6 Federal regulation**

Fraud and false statements (18 USC 1033, 1034)

2.0 Workers Compensation Insurance 36%**2.1 Workers compensation laws**

Types of laws

Monopolistic versus competitive
 Compulsory versus elective
 South Carolina Workers' Compensation Law (RL Title 42)
 Exclusive remedy (RL 42-1-540)
 Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
 Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
 Occupational disease (RL 42-11-10)
 Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)
 Second injury fund (RL 42-7-310; RL 42-9-400)

2.2 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

2.3 Sources of coverage

South Carolina Workers' Compensation Uninsured Employers' Fund (RL 42-7-200)
 Self-insured employers (RL 42-5-20, 50)
 South Carolina residual workers compensation
 Voluntary market

3.0 Workers Compensation Claim Principles 40%**3.1 Role of the adjuster**

Duties and responsibilities
 Relationship to the legal profession

3.2 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
 Unilateral contract
 Conditional contract
 Utmost good faith

Representations/
misrepresentations
Warranties
Concealment
Fraud

- 3.3 Negligence**
 - Elements of a negligent act
 - Defenses against negligence
 - Absolute liability
 - Strict liability
 - Vicarious liability
- 3.4 Controlling medical costs**
 - Managed care
 - Utilization review
 - Inpatient services
 - Outpatient services
 - Hospital bill auditing
 - Designated provider
- 3.5 Investigation and evaluation**
 - Compensability
 - Employee/non-employee
 - Arising out of employment
 - Arising in the course of employment
 - Documentation
 - First report of injury
 - Claimant statement
 - Insured's records
 - Witness statements
 - Current activity reports
 - Medical determination
 - Medical authorization
 - Diagnosis
 - Prognosis
 - Independent Medical Examinations (IMEs)

- 3.6 Claim reserves**
 - Components
 - Indemnity
 - Medical
 - Expense
 - Factors affecting reserves
 - Reserving techniques
 - Individual case method
 - Formula method
 - Round-table technique
- 3.7 Claims management**
 - Analysis
 - On-site inspections
 - Selecting an evaluating physician
 - Physician evaluation
 - Disposition
 - Litigation management
 - Settlement negotiation

4.0 Understanding the Language of Medical Reports 14%

- 4.1 Medical terminology and abbreviations**
 - Location terms
 - Movement terms
 - Prefixes, suffixes and root words
 - Abbreviations used in medical reports
 - Medical specialties
- 4.2 Basic human anatomy**
 - Skeletal structure

Nervous system
Respiratory system
Cardiovascular system
Abdominal organs

4.3 Common occupational injuries and disease

Strains and sprains
Dislocations
Fractures
Soft tissue injuries
Brain injuries
Burn classifications
Cumulative trauma
Repetitive motion injuries
Lung diseases

4.4 Medical tests

Laboratory
Radiography (X-ray)
Magnetic resonance imaging (MRI)
Computerized tomography (CT or CAT)
Electromyography (EMG)
Nerve conduction studies
Myelography
Arthroscopy
Electrocardiogram (EKG or ECG)
Electroencephalography (EEG)

**Series 19-26
Exam for
Surplus Lines Insurance Broker**

50 questions – One-hour time limit

1.0 Surplus Lines Markets and Practices 100%

- 1.1 Licensing and Regulation**
 - Who may be licensed (38-45-10, 20)
 - Licensing requirements (38-45-20, 40)
 - Municipal license (38-45-70)
 - Maintenance and duration
 - Term and reinstatement (38-45-50)
 - Change of address (38-45-35)
 - Disciplinary actions
 - Revocation (38-45-140)
 - Penalties (38-45-150)
 - Personal liability (38-45-120)
 - South Carolina Property and Casualty Insurance Guaranty Association
 - Plan of operation (38-31-70)
 - Powers and duties of director (38-31-80)
 - Recovery rights and nonduplication (38-31-90, 100)
 - Financial report (38-31-120)
 - Rates and premiums (38-31-140)
 - Immunity (38-31-150)

Insurer regulation
Solvency (38-5-120)
Rates (38-3-110)
Policy forms (38-61-20)

1.2 Authority of broker and surplus lines coverages

Binding
Claims
Commissions (38-45-100)
Types of coverages available
Characteristics and uses

1.3 General prohibitions

Unfair and prohibited practices

- Misrepresentation (38-57-40)
- False advertising (38-57-50)
- Unfair discrimination (38-55-50)
- Rebating (38-57-130)
- Prohibited inducements (38-57-130, 150)

 Unfair claim settlement practices (38-59-20)

1.4 United States and alien nonadmitted markets

United States nonadmitted markets

- Nonadmitted insurers
- Insurance exchanges

 Alien nonadmitted markets

- Lloyd's of London
- Other alien markets

1.5 Markets

Wholesalers
Alternative Markets

- Captive insurers
- Risk retention groups
- Purchasing groups (38-87-90, 100)

1.6 Eligible surplus lines insurers (38-45-90, 110, 170)

Requirements (38-5-180, 38-45-110)
List of approved eligible surplus lines carriers
Diligent search (38-45-90)

1.7 Fees, records and surplus lines premium tax

Broker's fees (38-45-160)
Content and maintenance of records (38-45-80)
Amount of tax (38-45-20)
Collection of tax (38-45-60)
Tax return (38-45-60)



Exam Registration Form

for South Carolina Insurance Examinations

Last Name	First Name	Middle Name	Social Security Number
Residence Address (Street or P.O. Box)			Daytime Phone (including area code) ()
City	State	ZIP Code	Evening Phone (including area code) ()
Employer (insurance company)			Fax (including area code) ()

This form is Page 47 of the South Carolina Licensing Information Bulletin. We recommend you read the entire bulletin.

Series	Exam Title	Exam Fee	Total
19-01	Producer's Life Insurance	\$51	\$
19-02	Producer's Accident and Health Insurance	\$51	\$
19-03	Producer's Life, Accident and Health Insurance	\$51	\$
19-04	Producer's Property, Casualty, Surety and Marine Insurance	\$51	\$
19-05	Producer's Property Insurance	\$51	\$
19-06	Producer's Casualty Insurance	\$51	\$
19-07	Producer's Variable Contracts	\$51	\$
19-08	Producer's Surety Insurance	\$51	\$
19-10	Producer's Title Insurance	\$51	\$
19-11	Adjuster's Property, Casualty, Surety and Marine Insurance	\$51	\$
19-13	Adjuster's Crop Insurance	\$51	\$
19-14	Public Adjuster's	\$51	\$
19-15	Motor Vehicle Damage Appraiser	\$51	\$
19-16	Professional Bondsman/Runner	\$51	\$
19-17	Producer's Personal Lines Insurance	\$51	\$
19-22	Producer's Crop Insurance	\$51	\$
19-23	Adjuster's Personal Lines Insurance	\$51	\$
19-24	Adjuster's Commercial Lines insurance	\$51	\$
19-25	Adjuster's Workers Compensation Insurance	\$51	\$
19-26	Surplus Lines Insurance Broker	\$51	\$
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