

Your Exam Content Outline

The following outline describes the content of one of the South Carolina insurance examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weight assigned to each section of the examination. For example, 10 percent means that 6 questions will be drawn from the section on a 60-question exam, 10 will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

South Carolina Examination for Surplus Lines Insurance Broker Series 19-26

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)