

SOUTH DAKOTA

Division of Insurance

Licensing Information Bulletin

For examinations on and after January 1, 2011

Register online at
www.prometric.com/southdakota

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Providing License Examinations for the State of South Dakota

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Contents

Introduction	1	Practice exams	8
A message from the Division	1	Taking your exam	9
At a glance	1	The testing process	9
Understanding license requirements	2	Test center regulations	9
Overview of the licensing process	2	Question types	11
Types of licenses	2	Your exam results	11
Licensing requirements	3	Appeals process	12
Resident licensing requirements	3	Obtaining your license	13
Variable Annuities license	3	Applying for a license	13
Surplus Lines license	3	Continuing education	13
Bail Bonds license	3	Exam content outlines	14
Crop license	4	Series 10-41 Producer's Exam for Life Insurance	14
New resident license requirements	4	Series 10-42 Producer's Exam for Accident and Health or Sickness Insurance	14
Nonresident license requirements	4	Series 10-43 Producer's Exam for Property Insurance	15
Scheduling your exam	4	Series 10-44 Producer's Exam for Casualty Insurance	15
Registering and scheduling exams	4	Series 10-45 Producer's Exam for Life, Accident and Health or Sickness Insurance	15
Test centers	5	Series 10-46 Producer's Exam for Property and Casualty Insurance	16
On the Internet— register and schedule at one time	5	Series 10-49 Exam for Bail Bonds	17
By phone—a one-step process	5	Series 10-50 Producer's Exam for Crop Insurance	17
By fax or mail—a two-step process	5	Series 10-53 Producer's Exam for Personal Lines Insurance	17
Registration fee, expiration, and refund policy	6	Exam Registration Form	19
Rescheduling an appointment	6		
If absent or late for your appointment	6		
Emergency closings	6		
Special test considerations	7		
Preparing for your exam	7		
Content outlines overview	7		
Study materials	8		

Introduction

A message from the Division

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

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

We suggest you keep this bulletin for future reference.

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/southdakota. Phone, fax and mail options are also available. (See Page 4.)

- 3** Prepare for your exam, using this bulletin and other materials.
The content outlines in this guide are the basis for the exams. (See Page 14.)
- 4** Take the scheduled exam, bringing required identification to the test center. (See Page 9.)

You will receive your results immediately after the exam. If you pass it, go on to step 5. If you do not pass, repeat steps 2 through 4 until you do.

- 5** Apply for your license. (See Page 13.)



To get answers not provided in this bulletin

Direct all questions and requests for information about exams to:

Prometric

Phone: 800.864.8373

Fax: 800.347.9242

TDD User: 800.790.3926

Web site: www.prometric.com/southdakota

Direct questions about licensure to:

South Dakota Division of Insurance

445 East Capitol Avenue

Pierre, SD 57501-3185

Phone: 605.773.3513

Email: terra.zeller@state.sd.us

Web site: www.state.sd.us/insurance

Understanding license requirements

The State of South Dakota issues several types of insurance licenses. Licensing requirements may differ depending on where a candidate lives.

This section describes:

- The licensing process.
- The types of licenses offered.
- Licensing requirements for various lines.

Overview of the licensing process

The Division of Insurance is empowered by SDCL Title 58 to qualify candidates who wish to operate as insurance Producers as defined in the South Dakota Statutes. Accordingly, the Division has determined that candidates must pass an examination to prove their knowledge of the statutes and regulations affecting the insurance profession and the products and services they will sell to the public. The legislature may make changes to the Code, and administrative rules may be changed at any time. Licensees are expected to be aware of changes in the laws and rules that affect their occupational practice.

To be licensed, you must:

- Pass the required examination(s) for the type of license you are seeking (see chart below); and
- Apply for a license by submitting the appropriate fee and forms (See Page 13).



Important Passing an exam does not guarantee that you will be issued a license. Issuance of a license depends on review and approval of all license application materials. See Page 13 for more information on obtaining your license.

Types of licenses

The Division grants the licenses listed below. Each license granted is valid only for the line of authority named on the license.

License Line	Exam Series
Life	10-41 or 10-45
Accident and Health or Sickness	10-42 or 10-45
Life and Health	10-41 & 10-42 or 10-45
Restricted to Credit Life and Credit Health	No exam required
Travel Accident**	10-42 or 10-45
Property	10-43
Casualty	10-44
Bail Bonds	10-49
Crop	10-50
Personal	10-53
Title 605-558-1030	Contact SD Abstractors, Board of Examiners
Surplus Lines Broker	No exam required
Business Entity	No exam required
Variable Annuities*	No exam required

**You must be registered with the South Dakota Division of Securities, which will require your passing a securities exam. Must be licensed life producer.*

***Not required for producers of common carriers.*

Combination exams. A separate exam is given for each major line of insurance. For your convenience, a combination Life, Accident and Health or Sickness exam and a Property and Casualty exam is also offered. Combination exams allow you to qualify for multiple lines with a single examination.



Note The combination exam results in one final score. You must pass the complete exam to qualify for a license. You cannot be licensed for either single line unless you pass the whole exam.

Licensing requirements

This section describes licensing requirements for various license lines.

Resident licensing requirements

To qualify as a South Dakota resident insurance producer, you must:

- Pass the license examination(s) required by statute;
- Meet the minimum age requirement of 21 years of age for a Bail Bonds license or 18 years of age for all other licenses;
- Submit an electronic Application for Individual Resident Producer License (see Page 13 for more information); and
- Remit a \$25 application fee (only with the first application).

Variable Annuities license

Persons wishing to be licensed for Variable Annuities must meet all requirements above for a Life license and also:

- Be registered with the South Dakota Division of Securities;
- Have passed a Series 6, 7, 63 or 66 exam; and
- Submit an approved application form. (See Page 13 for more information.)

Surplus Lines license

Licensed resident or nonresident Producers of South Dakota are eligible to be licensed as Surplus Lines brokers, upon receipt of:

- A completed application form;
- A \$2,000 bond (for residents only); and
- A \$50 license fee.

Applicants should contact the Division for the application, bond form and statement of regulations or obtain an application online at www.state.sd.us/insurance.

Bail Bonds license

To be eligible for a Bail Bonds license, you must:

- Be a South Dakota resident for at least a year who is at least 21 years of age;
- Pass the Bail Bonds exam;
- Complete the Bail Bonds license application and remit a \$30 fee;
- Pay a \$10 appointment fee;
- Provide fingerprints certified by an authorized Law Enforcement Officer;
- Submit a credential-size recent photograph (full face);

SCHEDULING YOUR EXAM

- Complete an Authorization and Release form; and
- Send a \$24.00 check or money order payable to the South Dakota Division of Criminal Investigation.



Note If you fail the Bail Bonds exam, you must wait one year before retaking it. There are additional requirements for Professional and Property Bondsmen. (Professional and Property Bondsmen act as their own sureties and provide their own collateral for the bonds they provide.) All Bonds applicants should contact the Division for applications and instructions.

Crop license

Persons who want to sell Crop Insurance or Multi-Peril Crop Insurance must hold a Crop license and pass the South Dakota Producer's Examination for Crop Insurance, Series 10-50 (see Page 17 for the content outline of this exam). Holding a Property and/or Casualty license does not authorize anyone to sell Crop Insurance.

New resident license requirements

As a new resident, you may pretest and take South Dakota licensing exams in any Prometric test center nationwide before moving to South Dakota.

Nonresident license requirements

South Dakota is reciprocal in its licensing of nonresident Producers. This means that South Dakota offers Producers licensed in your state privileges in South Dakota that are exactly similar to those that your state offers South Dakota Producers. It also means that the procedures for qualifying as a nonresident Producer are exactly similar to those that your state uses to qualify South Dakota residents who want to represent insurers in your state. Please contact the Division of Insurance for information on licensing requirements as they apply to you. For more information or an application, go to the NIPR Web site at www.nipr.com or Sircon at www.sircon.com/southdakota.

Scheduling your exam

The Division has contracted with Prometric Inc. to conduct its examination program.. The Division and Prometric work together to ensure that exams meet statutory requirements and professional exam development standards. 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 for the exam you need to take.
- 2 Pay the exam fee.
- 3 Schedule an 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.

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

Accommodations. If you require ADA accommodation or ESL additional time, see “Special test considerations” on Page 7 before registering.

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

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

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

Test centers

You may take your exam at any Prometric test center in the United States.

A complete list of test center locations may be found by going to

www.prometric.com/southdakota/insurance and clicking on the “Continue” button. Alternatively, you may call 800.853.5448.

Test center locations are subject to change. Be sure to verify the address of and directions to your destination before you leave for your exam.

On the Internet— register and schedule at one time

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/southdakota/insurance.
- 2 Click on **Schedule your test** and follow the prompts.

By phone—a one-step process

You may register and schedule your exam by calling 800.864.8373 between 7 a.m. and 8 p.m. (Central 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 19) 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. 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 800.864.8373. Please record and retain the number confirming your appointment.

Registration fee, expiration, and refund policy

Fees for all exams may be included in one payment. MasterCard, Visa, money order, company check, and cashier’s check are accepted forms of payment. **Personal checks and cash are not accepted.** Exam registration **fees are not refundable or transferable**, and the resulting registrations **expire in 90 days**.



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

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

Rescheduling an appointment

To avoid a rescheduling fee, you must contact Prometric at least **three full business days** before the day of your scheduled appointment. 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 8 p.m. (Central 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 800.864.8373. 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 test center is open for testing and you choose not to appear for your appointment, you must pay a \$40 rescheduling fee. You must then reschedule your exam.

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 ADA 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.

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:

- An overview of the exam content outlines in this booklet.
- Information about study materials.
- An explanation of how to take a practice exam.

Content outlines overview

The license exam for each type of license consists of questions that test knowledge of topical areas listed in the content outline for that exam. An overview of each exam content outline appears in this bulletin, beginning on page 14. You can view a detailed outline specific to your exam online at www.prometric.com/southdakota.

Item-development staff at Prometric and insurance professionals research the content and write questions. The questions are then submitted to industry professionals in South Dakota 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 examinations reflect content that you, as an entry-level agent, will need to know to properly perform your duties for the insurance-buying public.



Note Do not sit for your exam until you are familiar with all subject areas in the applicable content outline.

Study materials

The 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.**

You are free to use materials of your own choosing to prepare for the license exam. Manuals have been prepared by different publishers to assist candidates specifically in preparing for license exams. Because of the number and the diversity of approach of these publications, **neither the Division nor Prometric reviews or approves study materials.** However, the following sources may be a starting point in your search for study materials.

Vendor Name	Phone Number	Email Address
Able Incorporated	800.586.2253	www.ableincorporated.com
AD Bankers of the Dakotas	877.317.3087	www.adbanker.com/dakotas
Independent Insurance Agents of South Dakota	605.224.6234	www.iiasd.org
Kaplan Financial	800.428.1324, ext. 4124	www.kaplanfinancial.com
National Association of Insurance & Financial Advisors	800.586.2253, ext. 5625	www.examsimulator.com
National Online Insurance School	888.770.3681	www.nationalonlineninsurance school.com
Saturn Learning Solutions (License2Go)	888.439.3527, ext. 7	www.License2Go.com
TesTeachers	888.422.7714	www.testeachersonline.com

South Dakota statutes. The exams contain sections on South Dakota statutes. In addition to your study material, you may wish to consult the statutes on the Division’s Web site at www.state.sd.us/insurance under legislation/statutes/rule/bulletins.

Bail Bonds materials. If you are taking the Bail Bonds exam, suggested study materials include:

- Title 58, Chapter 22 of South Dakota Codified Laws.
- General Insurance outline in the study manuals.
- A bonds manual from the insurer.
- A bail bonds policy.

Practice exams

Practice exams are available at www.prometric.com/southdakota/insurance. While practice exams contain general, nonstate-specific insurance questions, they are created in the same format and use the same question types as the actual licensure exams. Practice exams will also help you become familiar with the computer-based testing process.

During the practice exam, you will get immediate feedback to correct and incorrect responses as well as overall feedback at the end of the session. If you like, you may print out the final practice exam results to help you with further test preparation.

Practice exams are available for Life, Health, and Property/Casualty lines. The fee for each practice exam is \$25 and is payable online at the time you purchase the practice exam.

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 test 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 test 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 and documentation.

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, passport or military identification card).
- Contain **both** a current photo and your signature.
- Have a name that exactly matches the name used to register for the exam (including designations such as "Jr." and "III").



Important Failure to provide appropriate identification at the time of the exam is considered a missed appointment. As a result, you must pay a \$40 rescheduling fee before choosing another appointment.

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

Test center regulations

To ensure that all candidates are tested under equally favorable conditions, the following regulations and procedures will be observed at each test center.

- 1** You will be continuously monitored by video, physical walk-throughs and the observation window during your test.
- 2** You must present valid (unexpired) and acceptable ID(s) in order to take your test. (See "Identification required" in the above section).
- 3** You are required to sign out on the test center roster each time you leave the test room. You must also sign back in and show your ID to the Test Center Administrator (TCA) in order to be re-admitted to the test room.

TAKING YOUR EXAM

- 4 You are **prohibited** from communicating, publishing, reproducing, or transmitting any part of your test, in any form or by any means, verbal or written, for any purpose.
- 5 You **must not** talk to other candidates or refer to their screens, testing materials, or written notes in the test room.
- 6 You **may not** use written notes, published materials, or other testing aids, during your test.
- 7 You are **allowed** to bring soft ear plugs or center-supplied tissues in the test room.
- 8 Any clothing or jewelry items allowed to be worn in the test room must remain on your person at all times. Removed clothing or jewelry items must be stored in your locker.
- 9 You **must not** bring any personal/ unauthorized items into the testing room. Such items include but are not limited to: outerwear, hats, food, drinks, purses, briefcases, notebooks, pagers, watches, cellular telephones, recording devices, and photographic equipment. Weapons are not allowed at any Prometric Test center. You will be asked to empty and turn your pockets inside out prior to every entry into the test room to confirm that you have no prohibited items.
- 10 You **must** return all materials issued to you by the TCA at the end of your test.
- 11 You are not allowed to use any electronic devices or phones during breaks.
- 12 Your test may have either scheduled or unscheduled breaks, which are determined by your test sponsor. The TCA can inform you what is specifically permitted during these breaks.
- 13 Repeated or lengthy departures from the test room for unscheduled breaks will be reported by the TCA.
- 14 If you need access to an item stored in the test center during a break such as food or medicine, you must inform the TCA **before** you retrieve the item. You are not allowed to access any prohibited item (as defined by the client practice applicable for the test you are taking).
- 15 You must conduct yourself in a civil manner at all times when on the premises of the test center. Exhibiting abusive behavior towards the TCA, or any other staff member of the test center, may result in criminal prosecution.
- 16 To protect the privacy of all testers, the TCA can neither confirm nor deny if any particular individual is present or scheduled at the test center.
- 17 Persons not scheduled to take a test are not permitted to wait in the test center.

Failure to follow any of these security procedures may result in the disqualification of your examination. Prometric reserves the right to audio and videotape any examination session.

Copyrighted questions. All test questions are the property of Prometric Inc. and are protected by copyright. Federal law provides severe civil and criminal penalties for the unauthorized reproduction, distribution, or exhibition of copyrighted materials.

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

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

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

Format 2—Incomplete sentence

A guaranteed renewable Disability Income Insurance Policy:

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

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

Experimental questions. Your examination may include some experimental questions that will not be scored. If present, they are distributed throughout the examination and will not be identified as such. These are used to gather statistical information on the questions before they are added to the examination as scored items. These experimental questions **will not** be counted for or against you in your final examination score.

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.

TAKING YOUR EXAM

Sample score report

Score Report for Sample, Sarah A.			
South Dakota Producer Life Examination			
	Number of Questions	Number Correct	Percent Correct
Life Total Test Score	100	80	80%
Insurance Regulation	11	8	73%
General Insurance	10	8	80%
Life Insurance Basics	18	14	78%
Life Insurance Policies	21	17	81%
Life Insurance Provisions, Options and Riders	15	13	87%
Annuities	13	10	77%
Tax Considerations	7	6	86%
Qualified Plans	5	4	80%
Score: 80%			
Grade: Pass			
(A total score of 70 percent is required to pass)			

Prometric electronically notifies the Division of exam results within three business days of the exam date. Note that exam scores are confidential and will be revealed only to you and the Division.

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.
- Continuing education.

Applying for a license

After passing your exam, you should apply for your license electronically online with Sircon at www.sircon.com/southdakota. After the Division has verified that you have passed the required exam and that you have nothing in your background that should prohibit you from being licensed, the Division will issue the appropriate license. After your license is issued, you will be able to print the license on Sircon.



Note You **must** submit your license application within **180 days** of passing the exam.

Producer license. If you are applying for a Producer license:

- You must qualify by either (a) having taken and passed the appropriate exam within the past 180 days or (b) testing within a year of losing your license.
- Pay fees electronically online at www.sircon.com/southdakota.
- All future correspondence must include your Social Security number.

If you lose your producer license due to failure to renew or voluntary surrender, you will need to retest within one year after losing your license to be eligible to receive another license.

Variable Annuity Producers. If you are applying for these types of producers licenses, you must also:

- Register with the South Dakota Division of Securities;
- Pass a Series 6, 7, 63 or 66 exam; and
- Submit the completed state-approved application form, available from your company or apply online on our Web site at www.state.sd.us/insurance.



Note Applications that are incomplete, illegible or incorrect will be returned to you unprocessed, which will delay the license issuance. Applications that are found to contain inaccurate or untruthful responses may be denied.

Continuing education

After you are licensed, please check the link on the Division's Web site at www.state.sd.us/insurance for the most current continuing education requirements and guidelines. Resident and nonresident providers are required to apply to the director for course approval electronically through Sircon at www.sircon.com/login. Continuing education administrative rules are available at www.state.sd.us/drr2/reg/insurance.

Exam content outlines

The following outlines give an overview of the content of each of the South Dakota insurance examinations. Each examination will include 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 10 questions will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

An outline that includes more descriptive subsections for your exam is available online at www.prometric.com/southdakota.

Series 10-41 Producer's Exam for Life Insurance

100 questions – 2-hour time limit

1.0 Insurance Regulation 11%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 10%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Life Insurance Basics 17%

- 3.1 Insurable interest (58-10-3-6)
- 3.2 Personal uses of life insurance
- 3.3 Determining amount of personal life insurance
- 3.4 Classes of life insurance policies
- 3.5 Premiums
- 3.6 Producer responsibilities
- 3.7 Individual underwriting by the insurer

4.0 Life Insurance Policies 15%

- 4.1 Term life insurance
- 4.2 Whole life insurance
- 4.3 Flexible premium policies
- 4.4 Specialized policies
- 4.5 Group life insurance
- 4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 12%

- 5.1 Common provisions
- 5.2 Beneficiaries
- 5.3 Settlement options
- 5.4 Nonforfeiture options
- 5.5 Policy loan and withdrawal options
- 5.6 Dividend options
- 5.7 Disability riders
- 5.8 Accelerated (living) benefit provision/rider
- 5.9 Riders covering additional insureds

- 5.10 Riders affecting the death benefit amount

6.0 Annuities 20%

- 6.1 Annuity principles and concepts
- 6.2 Immediate versus deferred annuities
- 6.3 Annuity (benefit) payment options
- 6.4 Annuity products
- 6.5 Uses of annuities

7.0 Federal Tax Considerations for Life Insurance and Annuities 10%

- 7.1 Taxation of personal life insurance
- 7.2 Modified endowment contracts (MECs)
- 7.3 Taxation of non-qualified annuities
- 7.4 Taxation of individual retirement annuities (IRAs)
- 7.5 Rollovers and transfers (IRAs and qualified plans)
- 7.6 Section 1035 exchanges

8.0 Qualified Plans 5%

- 8.1 General requirements
- 8.2 Federal tax considerations
- 8.3 Plan types, characteristics and purchasers

Series 10-42 Producer's Exam for Accident and Health or Sickness Insurance

100 questions – 2-hour time limit

1.0 Insurance Regulation 11%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 10%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Health Insurance Basics 12%

- 3.1 Definitions of perils

- 3.2 Principal types of losses and benefits
- 3.3 Classes of health insurance policies
- 3.4 Limited policies
- 3.5 Common exclusions from coverage
- 3.6 Producer responsibilities in individual health insurance
- 3.7 Individual underwriting by the insurer
- 3.8 Considerations in replacing health insurance

4.0 Individual Health Insurance Policy General Provisions 12%

- 4.1 Uniform required provisions
- 4.2 Uniform optional provisions
- 4.3 Other general provisions

5.0 Disability Income and Related Insurance 7%

- 5.1 Qualifying for disability benefits
- 5.2 Individual disability income insurance
- 5.3 Unique aspects of individual disability underwriting
- 5.4 Group disability income insurance
- 5.5 Business disability insurance
- 5.6 Social Security disability
- 5.7 Workers compensation

6.0 Medical Plans 13%

- 6.1 Medical plan concepts
- 6.2 Types of providers and plans
- 6.3 Cost containment in health care delivery
- 6.4 South Dakota requirements (individual and group)
- 6.5 HIPAA (Health Insurance Portability and Accountability Act) requirements
- 6.6 PPACA (Patient Protection and Affordable Care Act)

7.0 Group Health Insurance 13%

- 7.1 Characteristics of group insurance
- 7.2 Types of eligible groups
- 7.3 Marketing considerations
- 7.4 Employer group health insurance

- 7.5 Small employer medical plans
- 7.6 PPACA (Patient Protection and Affordable Care Act) requirements

8.0 Dental Insurance 3%

- 8.1 Types of dental treatment
- 8.2 Indemnity plans
- 8.3 Employer group dental expense

9.0 Insurance for Senior Citizens and Special Needs Individuals 17%

- 9.1 Medicare
- 9.2 Medicare supplements
- 9.3 Other options for individuals with Medicare
- 9.4 Long-term care (LTC) insurance

10.0 Federal Tax Considerations for Health Insurance 2%

- 10.1 Personally-owned health insurance
- 10.2 Employer group health insurance
- 10.3 Medical expense coverage for sole proprietors and partners

**Series 10-43
Producer's Exam for
Property Insurance**

100 questions – 2-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 15%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Property Insurance Basics 20%

- 3.1 Principles and concepts
- 3.2 Policy structure
- 3.3 Common policy provisions
- 3.4 South Dakota laws, regulations and required provisions

4.0 Dwelling ('02) Policy 7%

- 4.1 Characteristics and purpose
- 4.2 Coverage forms — Perils insured against
- 4.3 Property coverages
- 4.4 General exclusions
- 4.5 Conditions
- 4.6 Selected endorsements
- 4.7 Personal liability supplement

5.0 Homeowners ('00) Policy – Section I 15%

- 5.1 Coverage forms
- 5.2 Definitions
- 5.3 Section I — Property coverages
- 5.4 Perils insured against
- 5.5 Exclusions
- 5.6 Conditions
- 5.7 Selected endorsements

6.0 Commercial Package Policy (CPP) 15%

- 6.1 Components of a commercial policy
- 6.2 Commercial property ('07)
- 6.3 Commercial inland marine
- 6.4 Equipment breakdown ('08)
- 6.5 Farm coverage

7.0 Businessowners ('10) Policy – Property 15%

- 7.1 Characteristics and purpose
- 7.2 Businessowners Section I — Property
- 7.3 Businessowners Section III — Common Policy Conditions
- 7.4 Selected endorsements

8.0 Other Coverages and Options 3%

- 8.1 National Flood Insurance Program
- 8.2 Other policies

**Series 10-44
Producer's Exam for Casualty Insurance**

100 questions – 2-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 10%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Casualty Insurance Basics 20%

- 3.1 Principles and concepts
- 3.2 Policy structure
- 3.3 Common policy provisions
- 3.4 South Dakota laws, regulations and required provisions

4.0 Homeowners ('00) Policy – Section II 10%

- 4.1 Coverage forms
- 4.2 Definitions

- 4.3 Section II — Liability coverages
- 4.4 Exclusions
- 4.5 Conditions
- 4.6 Selected endorsements

5.0 Auto Insurance 12%

- 5.1 Laws
- 5.2 Personal ('05) Auto Policy
- 5.3 Commercial auto ('10)

6.0 Commercial Package Policy (CPP) 11%

- 6.1 Components of a commercial policy
- 6.2 Commercial general liability ('07)
- 6.3 Commercial crime ('06)
- 6.4 Farm coverage

7.0 Businessowners ('10) Policy – Liability 11%

- 7.1 Characteristics and purpose
- 7.2 Businessowners Section II — Liability
- 7.3 Businessowners Section III — Common Policy Conditions
- 7.4 Selected endorsements

8.0 Workers Compensation Insurance 8%

- 8.1 Workers compensation laws
- 8.2 Workers compensation and employers liability insurance policy
- 8.3 Premium computation
- 8.4 Other sources of coverages

9.0 Other Coverages and Options 8%

- 9.1 Umbrella/excess liability policies
- 9.2 Specialty liability insurance
- 9.3 Surplus lines
- 9.4 Surety bonds
- 9.5 Other policies
- 9.6 Residual markets

**Series 10-45
Producer's Exam for Life,
Accident and Health or Sickness Insurance**

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 6%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 6%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

EXAM CONTENT OUTLINES

3.0 Life Insurance Basics 9%

- 3.1 Insurable interest (58-10-3-6)
- 3.2 Personal uses of life insurance
- 3.3 Determining amount of personal life insurance
- 3.4 Classes of life insurance policies
- 3.5 Premiums
- 3.6 Producer responsibilities
- 3.7 Individual underwriting by the insurer

4.0 Life Insurance Policies 8%

- 4.1 Term life insurance
- 4.2 Whole life insurance
- 4.3 Flexible premium policies
- 4.4 Specialized policies
- 4.5 Group life insurance
- 4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 6%

- 5.1 Common provisions
- 5.2 Beneficiaries
- 5.3 Settlement options
- 5.4 Nonforfeiture options
- 5.5 Policy loan and withdrawal options
- 5.6 Dividend options
- 5.7 Disability riders
- 5.8 Accelerated (living) benefit provision/rider
- 5.9 Riders covering additional insureds
- 5.10 Riders affecting the death benefit amount

6.0 Annuities 11%

- 6.1 Annuity principles and concepts
- 6.2 Immediate versus deferred annuities
- 6.3 Annuity (benefit) payment options
- 6.4 Annuity products
- 6.5 Uses of annuities

7.0 Federal Tax Considerations for Life Insurance and Annuities 6%

- 7.1 Taxation of personal life insurance
- 7.2 Modified endowment contracts (MECs)
- 7.3 Taxation of non-qualified annuities
- 7.4 Taxation of individual retirement annuities (IRAs)
- 7.5 Rollovers and transfers (IRAs and qualified plans)
- 7.6 Section 1035 exchanges

8.0 Qualified Plans 3%

- 8.1 General requirements

- 8.2 Federal tax considerations
- 8.3 Plan types, characteristics and purchasers

9.0 Health Insurance Basics 7%

- 9.1 Definitions of perils
- 9.2 Principal types of losses and benefits
- 9.3 Classes of health insurance policies
- 9.4 Limited policies
- 9.5 Common exclusions from coverage
- 9.6 Producer responsibilities in individual health insurance
- 9.7 Individual underwriting by the insurer
- 9.8 Considerations in replacing health insurance

10.0 Individual Health Insurance Policy General Provisions 7%

- 10.1 Uniform required provisions
- 10.2 Uniform optional provisions
- 10.3 Other general provisions

11.0 Disability Income and Related Insurance 5%

- 11.1 Qualifying for disability benefits
- 11.2 Individual disability income insurance
- 11.3 Unique aspects of individual disability underwriting
- 11.4 Group disability income insurance
- 11.5 Business disability insurance
- 11.6 Social Security disability
- 11.7 Workers compensation

12.0 Medical Plans 7%

- 12.1 Medical plan concepts
- 12.2 Types of providers and plans
- 12.3 Cost containment in health care delivery
- 12.4 South Dakota requirements (individual and group)
- 12.5 HIPAA (Health Insurance Portability and Accountability Act) requirements
- 12.6 PPACA (Patient Protection and Affordable Care Act)

13.0 Group Health Insurance 7%

- 13.1 Characteristics of group insurance
- 13.2 Types of eligible groups
- 13.3 Marketing considerations
- 13.4 Employer group health insurance
- 13.5 Small employer medical plans
- 13.6 PPACA (Patient Protection and Affordable Care Act) requirements

14.0 Dental Insurance 2%

- 14.1 Types of dental treatment
- 14.2 Indemnity plans
- 14.3 Employer group dental expense

15.0 Insurance for Senior Citizens and Special Needs Individuals 9%

- 15.1 Medicare
- 15.2 Medicare supplements
- 15.3 Other options for individuals with Medicare
- 15.4 Long-term care (LTC) insurance

16.0 Federal Tax Considerations for Health Insurance 1%

- 16.1 Personally-owned health insurance
- 16.2 Employer group health insurance
- 16.3 Medical expense coverage for sole proprietors and partners

Series 10-46 Producer's Exam for Property and Casualty Insurance

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 7%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 8%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Property and Casualty Insurance Basics 18%

- 3.1 Principles and concepts
- 3.2 Policy structure
- 3.3 Common policy provisions
- 3.4 South Dakota laws, regulations and required provisions

4.0 Dwelling ('02) Policy 5%

- 4.1 Characteristics and purpose
- 4.2 Coverage forms — Perils insured against
- 4.3 Property coverages
- 4.4 General exclusions
- 4.5 Conditions
- 4.6 Selected endorsements
- 4.7 Personal liability supplement

5.0 Homeowners ('00) Policy 12%

- 5.1 Coverage forms
- 5.2 Definitions
- 5.3 Section I — Property coverages

- 5.4 Section II — Liability coverages
- 5.5 Perils insured against
- 5.6 Exclusions
- 5.7 Conditions
- 5.8 Selected endorsements

6.0 Auto Insurance 10%

- 6.1 Laws
- 6.2 Personal ('05) Auto Policy
- 6.3 Commercial auto ('10)

7.0 Commercial Package Policy (CPP) 15%

- 7.1 Components of a commercial policy
- 7.2 Commercial general liability ('07)
- 7.3 Commercial property ('07)
- 7.4 Commercial crime ('06)
- 7.5 Commercial inland marine
- 7.6 Equipment breakdown ('08)
- 7.7 Farm coverage

8.0 Businessowners ('10) Policy 13%

- 8.1 Characteristics and purpose
- 8.2 Businessowners Section I – Property
- 8.3 Businessowners Section II – Liability
- 8.4 Businessowners Section III – Common Policy Conditions
- 8.5 Selected endorsements

9.0 Workers Compensation Insurance 5%

- 9.1 Workers compensation laws
- 9.2 Workers compensation and employers liability insurance policy
- 9.3 Premium computation
- 9.4 Other sources of coverages

10.0 Other Coverages and Options 7%

- 10.1 Umbrella/excess liability policies
- 10.2 Specialty liability insurance
- 10.3 Surplus lines
- 10.4 Surety bonds
- 10.5 National Flood Insurance Program
- 10.6 Other policies
- 10.7 Residual markets

Series 10-49 Exam for Bail Bonds

50 questions – 1-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Licensing

- 1.2 Bondsperson regulation

2.0 Principles of Bail Bonds 45%

- 2.1 Parties to a surety bond
- 2.2 Requirements (eligibility) of a surety
- 2.3 Duties of bail bondsperson
- Receipt for collateral
- 2.4 Compensation of surety
- 2.5 Types of bonds

3.0 Bail Bond Practices (South Dakota Codified Laws, 23A-43 Rule 46) 35%

- 3.1 Court procedures
- 3.2 Bond forfeiture
- 3.3 Surrender of principal (defendant)

4.0 Legal Framework 10%

- 4.1 Terminology

Series 10-50 Producer's Exam for Crop Insurance

60 questions – 1-hour time limit

1.0 Insurance Regulation 10%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 10%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Crop Insurance 40%

- 3.1 Eligibility
- 3.2 Application
- 3.3 Term of coverage
- 3.4 Perils insured against
- 3.5 Exclusions
- 3.6 Limits of coverage
- 3.7 Other provisions
- 3.8 Claim settlement practices

4.0 Federal Multi-Peril Crop Insurance Programs 40%

- 4.1 Basic/catastrophic crop insurance (CAT)
- 4.2 Multiple peril policy options
- 4.3 Other provisions
- 4.4 Crop Revenue Coverage (CRC)

Series 10-53 Producer's Exam for Personal Lines Insurance

100 questions – 2-hour time limit

1.0 Insurance Regulation 11%

- 1.1 Licensing
- 1.2 State regulation
- 1.3 Federal regulation

2.0 General Insurance 11%

- 2.1 Concepts
- 2.2 Insurers
- 2.3 Producers and general rules of agency
- 2.4 Contracts

3.0 Property and Casualty Insurance Basics 17%

- 3.1 Principles and concepts
- 3.2 Policy structure
- 3.3 Common policy provisions
- 3.4 South Dakota laws, regulations and required provisions

4.0 Dwelling ('02) Policy 11%

- 4.1 Characteristics and purpose
- 4.2 Coverage forms — Perils insured against
- 4.3 Property coverages
- 4.4 General exclusions
- 4.5 Conditions
- 4.6 Selected endorsements
- 4.7 Personal liability supplement

5.0 Homeowners ('00) Policy 22%

- 5.1 Coverage forms
- 5.2 Definitions
- 5.3 Section I — Property coverages
- 5.4 Section II — Liability coverages
- 5.5 Perils insured against
- 5.6 Exclusions
- 5.7 Conditions
- 5.8 Selected endorsements

6.0 Auto Insurance 22%

- 6.1 Laws
- 6.2 Personal ('05) Auto Policy

7.0 Other Coverages and Options 6%

- 7.1 Personal umbrella liability policy (DL 98 01)
- 7.2 National Flood Insurance Program
- 7.3 Other policies



Exam Registration Form

for South Dakota Insurance Examinations

Last Name	First Name	Middle Initial	Social Security Number
Residence Address (Your address of legal residence is required)			Date of Birth
City	State	ZIP Code	Daytime Phone Number (including area code) ()
Employer (insurance company, if known)			Evening Phone Number (including area code) ()
E-mail address			Fax Number (including area code) ()

This form is Page 19 of the South Dakota Licensing Information Bulletin. We recommend you read the entire Bulletin.

Series	Exam Title	Exam Fee	Total
10-41	Producer's Exam for Life Insurance	\$89	\$
10-42	Producer's Exam for Accident and Health or Sickness Insurance	\$89	\$
10-43	Producer's Exam for Property Insurance	\$89	\$
10-44	Producer's Exam for Casualty Insurance	\$89	\$
10-45	Producer's Exam for Life, Accident and Health or Sickness Insurance	\$109	\$
10-46	Producer's Exam for Property & Casualty (Commercial Lines) Insurance*	\$109	\$
10-49	Exam for Bail Bonds	\$89	\$
10-50	Producer's Exam for Crop Insurance	\$89	\$
10-53	Producer's Exam for Personal Lines Insurance	\$89	\$
Mandatory State Testing Fee (Per Examination)		\$10	
By filing this registration, you assume full responsibility for exam selection. Fees for these exams are not refundable and not transferable. If you are unsure which exam is needed for the license you are seeking, resolve this question before you register. Exam fees are valid for 90 days from receipt at Prometric.		Total Fee	\$

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