

# Your Exam Content Outline

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

## Utah Producer's Examination for Title Escrow Part I – General Series 17-16

100 questions – Two-hour time limit

### 1.0 Insurance Regulation 10%

#### 1.1 Licensing

- Purpose (31A-23a-101)
- Persons to be licensed
  - General requirements (31A-23a-105–108)
  - Title insurance producer additional requirements (31A-23a-204)
- Maintenance and duration
  - Renewal (31A-23a-105)
  - Continuing education requirements (31A-23a-202; Reg R590-142-4)
  - Reinstatement (31A-23a-111(2), 113)
  - Change of address or telephone number (31A-23a-412(1)(c))
- Disciplinary actions
  - License termination, suspension or revocation (31A-2-308(11)(a); 31A-23a-111)
  - Probation (31A-23a-112)
  - Monetary forfeiture (fines) (31A-2-308)

#### 1.2 State regulation

- Commissioner's general duties and powers (31A-2-201)
- Title and Escrow Commission Act (31A-2-401)
  - Definitions (31A-2-402)
  - Appointments and terms (31A-2-403)
  - Duties of commission (31A-2-404)
- Title company provisions
  - Solvency (31A-4-105, 105.5)
  - Insurance rates and escrow changes (31A-19a-201–203, 209; Reg R592-3-1–10, 4-1–8)
  - Unfair claim settlement practices (31A-26-303; Reg R590-190-1–14)
- Producer regulation
  - Place of business/records maintenance (31A-23a-412)
  - Record retention and annual reports (31A-23a-413; Reg R590-136-1–6)
  - Controlled business (31A-23a-503)
  - Commissions (31A-23a-501, 504)
  - Contract with insurer (31A-23a-405, 408)
  - Insurance fraud regulation (31A-31-103–106)

#### 1.3 Utah marketing practices

- Unfair marketing practices (31A-23a-402; Reg R590-153-1–8, 154-1–18)
  - Rebating
  - Misrepresentation
  - Defamation of insurer
  - Discrimination
  - Unfair inducements and marketing practices in obtaining title insurance business
  - Unfair or deceptive practices (Reg R590-99-4)

### 2.0 General Insurance 5%

#### 2.1 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

#### 2.2 Contracts

- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
  - Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Personal contract
  - Unilateral contract
  - Conditional contract
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
  - Reasonable expectations
  - Indemnity
  - Utmost good faith
  - Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud
  - Waiver and estoppel

### 3.0 Real Property 15%

#### 3.1 Concepts, principles and practices

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

### 3.2 Acquisition and transfer of real property

- Conveyances
- Encumbrances
- Adverse possession
- Condemnation
- Accession
- Dedication
- Escheats
- Involuntary alienation
- Abandonment
- Foreclosures
- Judicial sales
- Trusts
- Types of joint ownership
  - Tenants in common
  - Joint tenancy
- Acknowledgments
- Legal capacity of parties
  - Individuals
  - Corporations
  - General partnerships
  - Limited partnerships
  - 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

## 4.0 Title Insurance 15%

### 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
  - Types of entities
    - Individual
    - Corporations
    - Partnerships
    - Limited Liability Companies
    - Trusts (trustee of)
  - Title insurance needs
    - Residential
    - Commercial
- Interests that can be insured
  - Fee simple estate
  - Leasehold estate
  - Life estate
- Title insurance forms
  - Commitments
  - Owner's policy
  - Loan policy
  - Leasehold policies
  - Endorsements
- Title insurance policy structure and provisions
  - Covered risks

- Schedule A
- Schedule B — Exceptions from coverage
- Exclusions from coverage
- Conditions
- Rates and premiums

### 4.2 Title searching techniques

- Hard copy index
- Computer index
- Chain sheet

## 5.0 Title Exceptions and Procedures for Clearing Title 20%

### 5.1 Principles and concepts

- General exceptions
- Voluntary and involuntary liens
- Federal liens
- Deed of trust
- Deeds
- Judgments
- Taxes and assessments
- Surveys
- Condominiums
- Planned unit developments
- Water rights
- Mineral rights
- Equitable interests
- Attachments
- Executions
- Easements
- Covenants
- Conditions
- Restrictions

### 5.2 Special problem areas and concerns

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

### 5.3 Principles of clearing title

- Releases
- Assignments
- Collateral assignments
- Subordinations
- Affidavits
- Reconveyances

## 6.0 Real Estate Transactions 35%

### 6.1 Escrow principles (31A-23a-406, 409; Reg R590-170-4-6)

- Escrow terminology
- Types of escrows
- Escrow contracts
- Fiduciary responsibilities of escrow producers
- Good funds

## **6.2 Settlement/closing procedures for all types of closings**

Types of documents used

FHA requirements

VA requirements

Real Estate Settlement Procedures Act (RESPA)

Insured closing protection

Recording and disbursement procedures

Settlement statement, lender and government  
entity requirements

Contract sales

All-inclusive trust deed

Lot sales

Loan closings

Exchanges (including 1031)

## **6.3 Recording**

Types of records

Requirements to record (R590-99-4)

Acknowledgments

Presumptions