

Your Exam Content Outline

The following outline describes the content of one of the Utah 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.

Utah Producer's Casualty Exam Series 17-23

100 questions (plus 5 unscored items)

2-hour time limit

Effective date: January 1, 2020

1.0 Insurance Regulation 11% (11 Items)

1.1 Licensing

- Purpose (31A-23a-101)
- Process (31A-23a-103-105, 107, 302)
- Qualifications (31A-23a-107, 108)
- Types of licensees (31A-1-301, 31A-23a-106, 203, 401, 504)
 - Producers
 - Consultants
 - Adjusters
 - Nonresidents (31A-23a-109)
- Maintenance and duration
 - Renewal (31A-23a-105; 31A-23a-111)
 - Continuing education requirements (31A-23a-202; Reg R590-142-1 through 10)
 - Reinstatement (31A-23a-111(2), 113)
 - Assumed name (31A-23a-110(2))
 - Change of address or telephone number (31A-23a-412(1)(c))
 - Reporting of actions (31A-23a-105(2)(b))
- Disciplinary actions
 - License termination, suspension, or revocation (31A-2-308(10)(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)
- Company regulation
 - Solvency (31A-4-105, 105.5)
 - Rates (31A-19a-201-203)
 - Policy forms (31A-21-201-203)
 - Producer appointment (31A-23a-115; Reg R590-244-1-14)
 - Termination of appointment (Reg R590-244-1-14)
 - Unfair claim settlement practices (31A-26-303; Reg R590-190-192)
- Producer regulation
 - Fiduciary and trust account responsibilities (31A-23a-409)
 - Place of business/records maintenance (31A-23a-412)
 - Controlled business (31A-23a-502)
 - Shared commissions (31A-23a-504)
- Unfair marketing practices (Reg R590-154)
 - Misrepresentation (31A-21-105; 31A-23a-402(1))
 - False advertising (31A-23a-402(1))
 - Rebating (31A-23a-402(2), 31A-1-301(145))
 - Unfair discrimination (31A-23a-402(3))
 - Boycott, coercion or intimidation (31A-23a-402(4))
 - Illegal inducement (31A-23a-402.5, Reg R590-154-11)
 - Examination of records (31A-2-203-205; 31A-23a-412)
- Privacy of Consumer Information (Reg R590-206)
- Insurance fraud regulation (31A-31-103-106)

Personal liability for unpaid claims (31A-15-105)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681-1681d)

Fraud and false statements (18 USC 1033, 1034)

Privacy (Gramm Leach Bliley)

Motor Carrier Act (MCS-90 and others)

2.0 General Insurance 11% (11 Items)

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

Reciprocal

Lloyd's associations

Risk retention groups

Private versus government insurers

Admitted versus nonadmitted insurers

Domestic, foreign and alien insurers

Financial status (independent rating services)

Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal

Producer/insurer relationship

Authority and powers of producer

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

3.0 Property and Casualty Insurance Basics 13% (13 Items)

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 and additional

Policy period

Policy territory

Cancellation and nonrenewal

Deductibles

Other insurance

Nonconcurrency

Primary and excess

Limits of liability

Per occurrence (accident)

Per person

Aggregate—general versus products—
completed operations

Split

Combined single

Policy limits

Named insured provisions

Duties after loss

Assignment

Insurer provisions

Liberalization

Subrogation

3.4 Utah laws, regulations and required provisions

Utah Property and Casualty Insurance
Guaranty Association (31A-28-202-210,
212-215, 217-218, 220, 222)

Cancellation, issuance and renewal (31A-21-
303)

Binders (31A-21-102)

Other insurance (31A-21-307)

Suit against insurer (31A-21-313)

Concealment or fraud (RL 76-6-521)

Federal Terrorism Insurance Program (15
USC 6701; Public Law 107-297, 109-144,
110-160)

4.0 Homeowners Policy 14% (14 Items)

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 — Utah (HO 01 43)

Limited fungi, wet or dry rot, or bacteria
coverage (HO 04 26, HO 04 27, HO 04 28)

Permitted incidental occupancies — residence
premises (HO 04 42)

Home day care (HO 04 97)

Business pursuits (HO 24 71)

Personal injury (HO 24 82)

5.0 Auto Insurance 14% (14 Items)

5.1 Laws

Utah Financial Responsibility of Motor Vehicle
Owners and Operators Act (RL 41-12a-101-
104)

Required motor vehicle limits of liability
(31A-22-301-304)

Personal injury protection (31A-22-306-309)

Medical

- Loss of income
- Special damages allowance
- Funeral
- Death
- Uninsured/underinsured motorist (31A-22-305-305.3)
 - Definitions
 - Bodily injury
 - Property damage (31A-22-305.5)
 - UM/UIM rejection
 - Required limits
- Utah Assigned Risk Insurance Plan (31A-22-310)
- Aftermarket Crash Parts Act (31A-22-316-319)

5.2 Personal 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 — Utah (PP 01 93)
 - Towing and labor costs (PP 03 03)
 - Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)
 - Miscellaneous type vehicle (PP 03 23)
 - Joint ownership coverage (PP 03 34)

5.3 Commercial auto

- Commercial auto coverage forms
 - Business auto

- Garage
 - Business auto physical damage
 - Truckers
 - Motor carrier
- Coverage form sections
 - Covered autos
 - Liability coverage
 - Garagekeepers coverage
 - Trailer interchange 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)
 - Drive other car coverage (CA 99 10)
 - 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) 10% (10 Items)

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

- Commercial general liability coverage forms
 - Bodily injury and property damage liability
 - Personal and advertising injury liability
 - Medical payments
 - Supplementary payments
 - Who is an insured
 - Limits of insurance
 - Conditions
 - Definitions

- Exclusions
- 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
- Pollution liability coverage form (CG 00 39)

6.3 Commercial crime

- General definitions
 - Burglary
 - Theft
 - Robbery
- Crime coverage forms
 - Commercial crime coverage forms (discovery/loss sustained)
 - Government crime coverage forms (discovery/loss sustained)
- Coverages
 - Employee theft
 - Forgery or alteration
 - Inside the premises — theft of money and securities
 - Inside the premises — robbery or safe burglary of other property
 - Outside the premises
 - Computer fraud
 - Funds transfer fraud
 - Money orders and counterfeit money
- Other crime coverages
 - Extortion — commercial entities (CR 04 03)
 - Guests' property (CR 04 11)

6.4 Farm coverage

- Farm liability coverage form
 - Coverage H — Bodily injury and property damage liability
 - Coverage I — Personal and advertising injury liability

- Coverage J — Medical payments
- Definitions
- Conditions
- Exclusions
- Limits
- Additional coverages

7.0 Businessowners Policy 10% (10 Items)

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 endorsement

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

8.0 Workers Compensation Insurance 9% (9 Items)

8.1 Workers compensation laws

- Type of law
 - Monopolistic versus competitive
 - Compulsory versus elective
- Utah Workers' Compensation Law
 - Exclusive remedy (RL 34A-2-105)
 - Employment covered (required, voluntary) (RL 34A-2-103, 104)
 - Covered injuries (RL 34A-2-401, 402)
 - Occupational disease (RL 34A-3-101-112)
 - Benefits provided (RL 34A-2-401, 408-418)
 - Employers' Reinsurance Fund (RL 34A-2-702, 703)
 - Uninsured Employers' Fund (RL 34A-2-704)

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 endorsements
 - Voluntary compensation
 - Anniversary rating date
 - Other states
 - Sole proprietors, partners, officers and others coverage

8.3 Premium computations

- Job classification
- Rates
- Payroll
- Adjustment upon audit
- Experience modification factor
- Premium discounts

8.4 Other sources of coverage

- Workers' Compensation Fund (31A-22-1001; 31A-33-101-118)
- Self-insured employers (RR R612-400-3)

8.5 Rating organization (31A-301-309)

9.0 Other Coverages and Options 8% (8 Items)

9.1 Umbrella/excess liability policies

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

9.2 Specialty liability insurance

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

9.3 Surplus lines (31A-15-103)

- Definitions and markets
- Licensing requirements

9.4 Surety bonds

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

9.5 Aviation insurance

- Aircraft liability

9.6 Ocean marine insurance

- Major coverages
 - Protection and indemnity

9.7 Other policies

- Boatowners (31A-22-1501-1504)