Your Exam Content Outline

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

**Nebraska Producer's Examination for Crop Insurance**
Series 13-09

<table>
<thead>
<tr>
<th>60 questions - 1-hour time limit</th>
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<td>Effective Date: January 21, 2018</td>
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### 1.0 Insurance Regulation 10%

**1.1 Licensing**
- Process (44-4052, 4053)
- Types of licensees (44-4054)
- Producers (44-4049, 4054)
- Consultants (44-2606–2635)
- Resident versus nonresident (44-2625, 4055, 4063)
- Temporary (44-4058)
- Maintenance and duration
  - Renewal (44-4054)
  - Name or address change (44-4054(8))
  - Reporting of actions (44-4065)
  - Assumed names (44-4057)
- Continuing education requirements including ethics education (44-3901–3908)
- Disciplinary actions
  - Right to hearing (44-4059(2))
  - Suspension, revocation or refusal to issue or renew (44-2633, 4059)
  - Fines (44-2634, 4059(4))
  - Cease and desist order (44-1529, 1542)

**1.2 State regulation**
- Director's general duties and powers (44-101.01, 2635)
- Company regulation
  - Certificate of authority (44-303)
  - Capital and surplus requirements (44-214, 305)
  - Unfair claims settlement practices (44-1539, 1540)
  - Examination of books and records (44-1527, 5904)
  - Appointment (44-4061)
  - Termination of appointment (44-4062)
  - Unfair trade practices complaint register (44-1525(9); Reg Ch 21)
- Producer regulation
  - Sharing commissions (44-4060)
  - Controlled business (44-361.01, .02)
  - Prohibited fees or charges (44-354)
  - Records retention (44-5905)
  - Unfair trade practices
    - Misrepresentation (44-1525(1))
    - False advertising (44-1525(2))
    - Defamation of insurer (44-1525(3))
    - Boycott, coercion or intimidation (44-1525(4))
    - Unfair discrimination (44-1525(7))
    - Rebating (44-361, 1525(8))
- Insurance Fraud Act (44-6601–6608)
- Privacy of Insurance Consumer Information Act (44-901–925)

### 1.3 Federal regulation

- Fair Credit Reporting Act (15 USC 1681–1681d)
- Fraud and false statements

### 2.0 General Insurance 10%

**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
  - Reciprocals
  - Lloyd's associations
  - Risk retention groups
  - Surplus lines
- 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 licensees
  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 Crop-Hail Insurance 29%

3.1 Eligibility
Insureds
Insurable crops

3.2 Application
Binder
Declarations section
Required signatures
Required information
Provision for company rejection

3.3 Term 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 extension

3.8 Claim settlement practices
Notice of loss
Insured's duties after loss
Appraisal/arbitration

4.0 Federal Multi-Peril Crop Insurance Programs 51%

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
Revenue Plan Choice
  Revenue Protection (RP)
  Revenue Protection with Harvest Price Exclusion (RPHPE)

4.3 Other provisions
Individual crop
Small grain
Coarse grain
Priorities of conflicts between provisions
Duties after loss
  Insured
  Insurer

4.4 Additional programs
Area Risk Plans (ARP)/(ARPHPE)
Livestock Risk Protection (LRP)
Pasture Rangeland and Forage (PRF)
Livestock gross margin (LGM)