

Your Exam Content Outline

The following outline describes the content of one of the New York 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.

New York Independent Fire Adjuster Examination Series 17-64

60 questions - 1-hour time limit
Live Date- September 20, 2018

1.0 Insurance Regulation 10%

1.1 Licensing requirements

- Qualifications (2108(c, g))
- Process (2108(d), (f))
- Bond (2108(l))
- Fingerprints (2108(d)(2))
- Temporary adjuster permit (2108(h, n))
- Superintendent's general duties and powers (2404, Financial Services 201, 202, 301)

1.2 Maintenance and duration

- Renewal (2108(i, j))
- Assumed names (2102(f))
- Change of address (Reg 25, Part 26.6)
- Reporting of actions (2110(i)(j))
- Cyber Security Requirements for Financial Services Companies (Reg 23)

1.3 Disciplinary actions

- Cease and desist (2405)
- Suspension, revocation, and nonrenewal (2110)
- Penalties (2127)

1.4 Claim settlement laws and regulations (Reg 64, Part 216)

- Unfair claim practices (2601)
- Misrepresentation (2108(o))
- Suit against insurer (3404)
- Prohibitions (Reg 25, Part 26.5)

Consumer privacy regulation (Reg 169, Parts 420.0 to 420.4)

1.5 Federal regulation

- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
- Terrorism Risk Insurance Act of 2002 and Extension Act of 2015 (15 USC 6701; S467)

2.0 Insurance Basics 10%

2.1 Contract basics

- 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
 - Indemnity
 - Utmost good faith
 - Representations/misrepresentations
 - Warranties
 - Concealment
 - Fraud
 - Waiver and estoppel

2.2 Insurance principles and concepts

- Insurable interest
- Hazards
 - Physical

- Moral
- Morale
- Causes of loss (perils)
- Named perils versus special (open) perils
- Direct loss
- Consequential or indirect loss
- Blanket versus specific insurance
- Basic types of construction
- Loss valuation
 - Actual cash value
 - Broad evidence rule
 - Replacement cost
 - Guaranteed
 - Functional
 - Market value
 - Agreed value
 - Stated amount

2.3 Policy structure

- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

2.4 Common policy provisions

- Insureds — named, first named, additional, defined
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Policy limits
- Other insurance
 - Nonconcurrency
 - Primary
 - Excess
 - Pro rata

- Contribution by equal shares
- Policy limits
- Reinstatement of limits
- Coinsurance
- Vacancy or unoccupancy
- Named insured provisions
 - Assignment
 - Abandonment
 - Duties after loss
- Insurer provisions
 - Liberalization
 - Subrogation
 - Salvage
 - Loss settlement options
 - Duty to defend
- Third-party provisions
 - Standard mortgage clause
 - Loss payable clause
 - No benefit to the Bailee

3.0 Adjusting Losses 14%

3.1 Role of the adjuster

- Duties and responsibilities
- Staff and independent adjuster versus public adjuster
- Relationship to the legal profession

3.2 Claim reporting

- Claim investigation
- Claim file documentation of events
- Types of reports
 - Initial or first field
 - Interim or status
 - Full formal

3.3 Property losses

- Duties of insured after a loss
 - Notice to insurer
 - Mitigating the loss
 - Proof of loss
 - Special requirements
 - Produce books and records

- Abandonment
- Determining value and loss
 - Burden of proof of value and loss
 - Estimates
 - Depreciation
 - Salvage
- Claim settlement options
- Payment and discharge

3.4 Coverage problems

- Dealing with coverage disputes
 - Reservation of rights letter
 - Nonwaiver agreement
 - Declaratory judgment action

3.5 Claims adjustment procedures

- Settlement procedures
 - Advance payments
 - Draft authority
 - Execution of releases
- Subrogation procedures
- Alternative dispute resolution
 - Appraisal
 - Competitive estimates
 - Negotiation
 - Releases
 - Mediator
 - Arbitrator
- Coverage Problems
 - Reservation of Rights Letter
 - Non-Waiver Agreement

4.0 Dwelling (2014) Policy 10%

4.1 Coverage forms — Perils insured against

- Basic
- Broad
- Special

4.2 Property coverages

- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property

- Coverage D — Fair rental value
- Coverage E — Additional living expense
- Other coverages

4.3 General exclusions

4.4 Conditions

4.5 Selected endorsements

- Special provisions — New York (DP 01 31)
- Automatic increase in insurance (DP 04 11)
- Broad theft coverage (DP 04 83)
- Dwelling under construction (DP 11 43)

5.0 Homeowners (2011) Policy 18%

5.1 Coverage forms

- HO-2 through HO-6, HO-8

5.2 Definitions

5.3 Section I — Property coverages

- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Loss of use
- Additional coverages

5.4 Perils insured against

5.5 Exclusions

5.6 Conditions

5.7 Selected endorsements

- Special provisions — New York (HO 01 31)
- Earthquake (HO 04 54)
- Identity fraud expense (HO 04 55)
- Scheduled personal property (HO 04 61)
- Personal property replacement cost (HO 04 90)
- Home business (HO 07 01)
- Water Back Up and Sump Discharge or Overflow (HO 23 85)

6.0 Commercial Package Policy (CPP) 16%

6.1 Components of a commercial policy

- Common policy declarations
- Common policy conditions
- Monoline versus package

6.2 Commercial property (2012)

Commercial property conditions form (CP 00 90)

Coverage forms

- Building and personal property
- Condominium association
- Condominium commercial unit-owners
- Builders risk
- Business income/extra expense
- Business Interruption

Definitions

Causes of loss forms

- Basic
- Broad
- Special

Selected endorsements

- Ordinance or law (CP 04 05)
- Spoilage (CP 04 40)
- Earthquake and volcanic eruption (CP 10 40)
- Flood coverage (CP 10 65)
- Peak season limit of insurance (CP 12 30)
- Value reporting form (CP 13 10)

6.3 Boiler and machinery (2001)

Equipment breakdown protection coverage form (EB 00 20)

Selected endorsements

- Business income — Report of values (BM 15 31)
- Actual cash value (BM 99 59)

6.4 Farm coverage (2003)

Farm property coverage forms

- Coverage A — Dwellings
- Coverage B — Other private structures
- Coverage C — Household personal property
- Coverage D — Loss of use
- Coverage E — Scheduled farm personal property
- Coverage F — Unscheduled farm personal property
- Coverage G — Other farm structures

Mobile agricultural machinery and equipment coverage form

Livestock coverage form

Definitions

Cause of loss (basic, broad and special)

Conditions

Exclusions

Limits

Additional coverages

Animals other than "livestock"

7.0 Businessowners (2010) Policy 12%

7.1 Characteristics and purpose

7.2 Businessowners property coverage forms (standard and special)

Coverage

Causes of loss

Exclusions

Limits of insurance

Deductibles

Loss conditions

General conditions

Optional coverages

Additional Coverages

Definitions

7.3 Businessowners common policy conditions form

7.4 Selected endorsements

Protective safeguards (BP 04 30)

Utility services — direct damage (BP 04 56)

Utility services — time element (BP 04 57)

8.0 Other Coverages and Options 10%

8.1 National Flood Insurance Program

"Write your own" versus direct

Eligibility

Coverage

Flood definition

Limits

Deductibles

Increased cost of compliance

Proof of loss requirement

Coarse Grain

Forms

Dwelling

General

Residential Condominium building
association policy

8.2 Ocean marine insurance

Major coverages

Hull insurance

Cargo insurance

Freight insurance

Implied warranties

Perils

General and particular average

8.3 Other Policies

Watercraft

Differences in conditions

Personal recreational vehicles (ATVs,
snowmobiles)

8.4 Crop Insurance

Eligibility

Application

Term of coverage

Covered perils

Limits of coverage

8.5 Federal multi-peril crop insurance

Basic crop insurance

Eligibility

Coverage level

Covered causes of loss

Application

Life of policy

Multiple peril policy options

Levels of coverage

Price election

Optional units

Other provisions

Individual crop

Small grain