

# 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 Casualty Insurance Adjuster Examination Series 17-65

**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 26.5)
- 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))
- 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

- Negligence
  - Elements of a negligent act
  - Defenses against negligence
- Damages
  - Compensatory — special versus general
  - Punitive
  - Absolute liability
  - Strict liability
  - Vicarious liability
  - Causes of loss (perils)
  - Named perils versus special (open) perils
  - Direct loss
  - Consequential or indirect loss
  - Loss valuation
    - Actual cash value
    - Broad evidence rule
    - Replacement cost
      - Guaranteed
      - Functional

### 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
- Other insurance
  - Nonconcurrency
  - Primary and excess
  - Pro rata

- Contribution by equal shares
- Limits of liability
  - Per occurrence (accident)
  - Per person
  - Aggregate — general versus products/completed operations
  - Single/Split
  - Combined single
  - Coninsurance
- Named insured provisions
  - Assignment
  - Abandonment
  - Duties after loss
- Insurer provisions
  - Liberalization
  - Loss settlement options
  - Subrogation
  - Salvage
  - Duty to defend
- Third-party provisions
  - Standard mortgage clause
  - Loss payable clause
  - No benefit to 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 Liability losses

- Investigation procedures
- Verify coverage

- Determine liability
- Gathering evidence
  - Physical evidence
  - Witness statements
- Determining value of intangible damages

### 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 Homeowners (2011) Policy 16%

### 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 — New York (HO 01 31)

- Identity fraud expense (HO 04 55)
- Home business (HO 07 01)
- Personal injury — New York (HO 24 86)
- Workers' compensation — certain residence employees — New York (HO 24 93)

## 5.0 Auto Insurance 10%

### 5.1 Laws

- New York Motor Vehicle Financial Responsibility Law
  - Required limits of liability (RL Veh & Traf 333)
  - Required proof of insurance (RL Veh & Traf 311(3))
  - Insurance information and enforcement (IIES) notification to DMV (Veh & Traf 313 (2))
- New York Automobile Insurance Plan (Assigned Risk) (5301–5304)
  - Purpose
  - Eligibility
  - Coverage
  - Building authority
- Comprehensive Motor Vehicle Insurance Repairs Act (PIP) (5101–5108)
  - Notice of claim
  - Medical
  - Rehabilitation
  - Loss of earnings
  - Funeral
  - Substitution services
  - Tort limitation/verbal threshold
- Optional coverages
  - OBEL
  - Additional PIP
- Motor vehicle accident indemnification corporation act (5201-5225)
- Uninsured/Underinsured motorist (3420(f))
  - Definitions
  - Bodily injury only
  - Required limits
  - Mandatory coverage

Supplementary uninsured/underinsured motorist coverage (3420(f)(2)(A)(B); Reg 35-A, Parts 60-2.0 to 60-2.4)

Definitions

Optional

Nonstacking

Coverage limits

Mandatory inspection requirements for private passenger automobiles (Reg 79, Parts 67.0 to 67.11)

Cancellation/nonrenewal (3425)

Grounds

Notice

Choice of repair shop (2610)

Supplemental spousal liability (3420(g))

## 5.2 Personal (2005) auto policy

Definitions

Liability coverage

Bodily injury and property damage

Supplementary payments

Who is an insured

Exclusions

Medical payments coverage

Coverage for damage to your auto

Collision

Other than collision/Comprehensive

Deductibles

Transportation expenses

Exclusions

Duties after an accident or loss

General provisions

Selected endorsements

Amendment of policy provisions — New York (PP 01 79)

Towing and labor costs (PP 03 03)

Miscellaneous type vehicle — New York (PP 03 29)

Named non-owner coverage — New York (PP 03 30)

Rental vehicle coverage — New York (PP 03 46)

Joint ownership coverage — New York (PP 03 78)

## 5.3 Commercial auto (2010)

Commercial auto coverage forms

Business auto

Garage

Truckers

Motor carrier

Coverage form sections

Covered autos

Liability coverage

Garagekeepers coverage

Physical damage coverage

Exclusions

Conditions

Hired auto and non-owned auto liability - New York

Selected endorsements

Lessor — additional insured and loss payee (CA 20 01)

Mobile equipment (CA 20 24)

Auto medical payments coverage (CA 99 03)

Drive other car coverage (CA 99 10)

Individual named insured (CA 99 17)

Employees as insureds (CA 99 33)

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) 14%

### 6.1 Components of a commercial policy

Common policy declarations

Common policy conditions

Monoline versus package

### 6.2 Commercial general liability (2013)

Commercial general liability coverage forms

Bodily injury and property damage liability

Personal and advertising injury liability

Medical payments

- Exclusions
- Supplementary payments
- Who is an insured
- Limits of insurance
- Conditions
- Definitions
- Occurrence versus claims-made
- Claims-made and reported
- Claims made features (Reg 121 Part 73)
  - Trigger
  - Retroactive date
  - Extended reporting periods — basic versus supplemental
  - Claim information
- Premises and operations
- Products and completed operations
- Insured contract
- Owners and contractors protective liability

### 6.3 Commercial crime (2013)

- General definitions
  - Burglary
  - Theft
  - Robbery
- Crime coverage forms
  - Commercial 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
  - Identity theft

### 6.4 Farm coverage (2006)

- Farm liability coverage forms

- Coverage H — Bodily injury and property damage liability
- Coverage I — Personal and advertising injury liability
- Coverage J — Medical payments
- Livestock coverage form
- Definitions
- Conditions
- Exclusions
- Limits
- Additional coverages
- Animals other than livestock

## 7.0 Businessowners (2010) Policy 9%

### 7.1 Characteristics and purpose

### 7.2 Businessowners liability coverage form

- Coverages
- Exclusions
- Who is an insured
- Limits of insurance
- General conditions
- Definitions

### 7.3 Businessowners common policy conditions

### 7.4 Selected endorsements

- Hired auto and non-owned auto liability — New York (BP 04 36)

## 8.0 Workers Compensation Insurance 6%

### 8.1 Workers compensation laws

- Types of laws
  - Monopolistic versus competitive
  - Compulsory versus elective
- New York Workers' Compensation Law
  - Exclusive remedy (RL WC 11)
  - Employment covered (required, voluntary) (RL WC 2(3, 4, 5), 10)
  - Covered injuries (RL WC 2(7), 10, 13, 18)
  - Grave injuries (RL WC 11)
  - Occupational illness and diseases (RL WC 3(2), 37-48)
  - Benefits provided (RL WC 12-16)

- Special disability fund (RL WC 15(8)(h))
- Claims reporting requirements (RR 314.7)
- Volunteer Firefighters Rescue (or ambulance)
- Federal workers' compensation laws
  - Federal Employers Liability Act (FELA) (45 USC 51-60)
  - U.S. Longshore and Harbor Workers' Compensation Act (33 USC 904)
  - The Jones Act (46 USC 688)

## **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
  - Foreign coverage endorsement

## **8.3 Other sources of coverage**

- New York State Insurance Fund (RL WC 76-100)
- Self-insured employers and employer groups (RL WC 50, 60-75-a; RR 317.1-.22)

## **9.0 Other Coverages and Options 11%**

### **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
  - Dram shop
- Employment practices liability
- Environmental liability

- Cyber Liability

### **9.3 Excess lines (Reg 41, Part 27)**

- Definitions and markets
- Licensing requirements (2105)

### **9.4 Ocean marine insurance**

#### **Major coverages**

- Hull insurance
- Protection and indemnity

#### **Implied warranties**

### **9.5 Other policies**

- Watercraft
- Identity theft
- Personal recreational vehicles (ATVs, snowmobiles)