

# 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 Automobile Insurance Adjuster Examination Series 17-66

**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))
- Prohibitions (Reg 25, Part 26.5)
- Consumer privacy regulation (Reg 169, Parts 420.0 to .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
- Direct loss
- Consequential or indirect loss
- Blanket versus specific insurance
- Loss valuation
  - Actual cash value
  - 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
- Other insurance
  - Nonconcurrency
  - Primary and excess

- Pro rata
- Contribution by equal shares
- Limits of liability
  - Per occurrence (accident)
  - Per person
  - Aggregate
  - Single/Split
  - Combined single
- Named insured provisions
  - Assignment
  - Abandonment
- Insurer provisions
  - Liberalization
  - Subrogation
  - Salvage
  - Loss settlement options
  - Duty to defend
- Third-party provisions
  - Loss payable clause
  - No benefit to the Bailee

**3.0 Adjusting Losses 25%**

**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

Total Loss Valuation Methods (Reg 64, Part 216.7(c)(1))

Claim settlement options

Payment and discharge

### 3.4 Liability losses

Investigation procedures

Verify coverage

Determine liability

Gathering evidence

Physical evidence

Witness statements

Determining value of intangible damages

### 3.5 Coverage problems

Dealing with coverage disputes

Reservation of rights letter

Nonwaiver agreement

Declaratory judgment action

### 3.6 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 Auto Insurance 55%

### 4.1 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))

New York Automobile Insurance Plan (Assigned Risk) (5301-5304)

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

Uninsured/Underinsured motorist (3420(f))

Motor vehicle accident indemnification

Corporation Act (5201-5225)

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))

#### **4.2 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)

#### **4.3 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  
Definitions  
Hired auto and non-owned auto liability - New York  
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)  
    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)