

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 Agent's Examination for Title Insurance Series 17-81

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

1.0 Insurance Regulation 10%

1.1 Licensing

Process (2103(d-i))

Definitions

Producer definition (2101(k))

Who should be licensed (2101(y))

Home state (2101(l))

Negotiate (2101(m))

Sell (2101(n))

Solicit (2101(o))

Types of licensees

Agents (2101(a, y), 2103, 2139)

Nonresident (2101(d, e), 2103(g)(5, 11), 2136)

Business entities (2101(p), 2103(i), 2139(b))

Sublicensee

Temporary (2109; Regs 9, 18, 29, Part 20.1)

Maintenance and duration

Renewal (2139(i))

Continuing education (2132)

Assumed names (2102(f))

Change of address (all addresses, including email) (2134; Reg 5 Part 21.4, Reg 7 Part 23.4)

Reporting of actions (2110(i)(j))

Disciplinary actions

Hearings-Notice and Process (2405, 2406, Financial Services 305)

Suspension, revocation, and nonrenewal (2110)

Penalties (109, 2127, 6409(d))

1.2 State regulation

Superintendent's general duties and powers (2404, Financial Services 201,202,301)

Company regulation

Certificate of authority (1102(a-b))

Solvency (307)

Unfair claim settlement practices (2601)

Appointment of agent (2112(a-c))

Termination of agent appointment (2112(d); Regs 9, 18, 29, Part 20.2)

Unfair and prohibited practices

Misrepresentation

False advertising (2603)

Defamation of insurer (2604)

Unfair discrimination (2606-2608, 2612)

Rebating (6409(d))

Licensee regulation

Controlled business (2103(i))

Sharing commissions (2121, 2128)

Fiduciary responsibility (2120; Regs 9, 18, 29, Parts 20.3 & 20.4)

License display (Reg 125, Part 34.5)

Commissions and compensation (2102(e), 2113, 2119; Reg 9, 18, 29, Part 20.6)

Termination responsibilities of producer (2112(g))

Rates and policy forms (2314, 2339, 6409 (a-c))

Approved rate manual

- Examination of books and records (2404; Reg 152 Part 243.0 to 243.3)
- Aiding Unauthorized Insurer (2117)
- Taxable fees on service products
- NYS sales tax
- Prohibitions (403)
- Reporting (405)
- Consumer privacy regulation (Reg 169 Part 420.0 to 420.24)
- Insurance Frauds Prevention Act (401-409)
- Producer Compensation Transparency (Reg 194, Parts 30.1 to 30.5)
- Cyber Security Requirements for Financial Services Companies (Reg 23)
- Title Insurance Agents, affiliated Relationships and Required Disclosures (Reg 206)
- Title Insurance Rates, Expenses and Charges (Reg 208)

1.3 Federal regulation

- Fair Credit Reporting Act (15 USC 1681a-1681d)
- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance 10%

2.1 Concepts

- Reinsurance vs. coinsurance

2.2 Agents and general rules of agency

- Insurer as principal
- Agent/insurer relationship
- Authority and powers of agents
 - Express
 - Implied
 - Apparent
- Responsibilities to the insurer

3.0 Real Property 15%

3.1 Concepts, principles and practices

- Definition of real property
- Types of real property
- Title to real property
- Insurable Title/Marketable Title

3.2 Acquisition and transfer of real property

- Chain of Title
- Conveyances
- Encumbrances
- Adverse possession
- Condemnation/eminent domain
- Leases
- Riparian Rights
- Involuntary transfer
- Abandonment
- Judicial sales
- Decedents' estates
 - Intestate
 - Testate
- Trusts
- Types of joint ownership
 - Tenants in common
 - Joint tenancy
 - Tenants by the entirety
- Divorce
 - Effects on Tenants by the entirety
 - Letters patent

3.3 Legal capacity of parties

- Individuals
- Corporations
- General partnerships
- Limited partnerships
- Fictitious names
- Trust agreements
- Limited Liability Company (LLC)
- Fiduciaries (executing trustees)
- Power of attorney/attorney in fact

3.4 Legal descriptions

- Types of legal descriptions
- Types of measurements used
- Language of real descriptions
- Structure and format
- Interpretation

4.0 Title Insurance 25%

4.1 Title insurance principles

- Risks covered by title insurance
 - Error searching public record
 - Hidden off-record title risks
- Entities that can be insured; need for insurance
 - Individual
 - Business entities
 - Municipality/government
 - Trusted estates
- Interests that can be insured
 - Fee simple estate
 - Leasehold estate
 - Life estate
 - Easements
 - Public Utility
 - Mortgagee
 - Cooperative apartment interests
- Title insurance forms
 - Commitments
 - Owner's policy
 - Notice of availability
 - Market value rider
 - Loan policy
 - Leasehold policy
 - Enhanced protection policies
 - Cooperative leasehold policy
 - Mortgage foreclosure guaranty
- Title insurance policy structure and provisions
 - Insuring provisions
 - Schedule A
 - Schedule B — Exceptions from coverage
 - Exclusions from coverage
 - Conditions and stipulations
 - Endorsements
 - Common residential endorsements
 - Contract vendee
 - Survey maps

Survey coverage/endorsement

Gap coverage/NY endorsement

4.2 Title searching techniques

- Abstract
- Section-lot-block
- Lot vs grantor/grantee
- Abstract of title

5.0 Title Exceptions and Procedures for Clearing Title 25%

5.1 Principles and concepts

- General exceptions
- Recording and race notice
- Subdivision/filed maps
- Easements as exceptions to title
 - Lien periods
- Voluntary and involuntary liens
- Federal liens
 - Tax lien
- Judgement
- Mortgage
- Judgments
- Taxes and assessments
 - Super lien priority
 - In rem vs. tax lien sale
- Tax maps
- Condominiums
- Mineral rights
- Oil and gas leases
- Equitable interests
- Executions
- Covenants
- Conditions
- Restrictions
- Cooperatives
- Homeowners' associations
- Planned unit development

5.2 Special problem areas and concerns

- Acknowledgments
- Mechanic's lien

Bankruptcy
Probate/administrations fraud
Good faith
Forfeitures
Foreclosure
 Mortgage
 Tax lien
 Deeds in lieu
 Common charge liens
Claims against the title
Lis pendens
Mobile homes

5.3 Principles of clearing title

Releases
Role of title closer
Assignments
Subordinations
Affidavits
Omissions
Statutory lien period vs. passage of time
Mutual indemnification agreement
NYSTLA best practices

5.4 Escrow deposit principles

Purpose of escrow
Fiduciary responsibilities

6.0 Real Estate Transactions 15%

6.1 Document review

Deeds
 Warranty
 Bargain and sale
 With covenants
 Without covenants
 Quitclaim
 Deeds by fiduciaries
Section 13 lien law
Leases and memorandums
Mortgages
Assignment of mortgages

Consolidation agreements
Modification agreements
Releases, satisfaction, and discharge
 Partial releases of mortgage premises
Acknowledgment forms

6.3 Closing Procedures

Role of title closer
Acknowledgment and execution of instruments
Scheduling of closing
Closing continuation practices
NY state transfer tax/TP 584
NY state mortgage tax
RP 5217/equalization and assessment form

6.4 Recording

Types of records
Requirements to record
Presumptions