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Introduction

A Message from the Department

This handbook provides you with information about the process of taking an examination and becoming licensed by the Vermont Department of Financial Regulation (the Department). It also contains information that is useful after you become licensed. We suggest you keep this bulletin for future reference. Additional information about each license type and electronic application information is available on the Department’s Web site.

The Department has contracted with Prometric Inc., to conduct its examination program. We wish you well in preparing for your examination and remind you that by law Producers and Workers’ Compensation Adjusters are required to take continuing education.

Overview of Licensing Process

This handbook provides information about the examination and licensing process for obtaining a resident insurance license. You should read this Licensing Handbook including the examination content outlines prior to taking an exam. If interested in applying for a nonresident license, you can apply online via NIPR at www.nipr.com or an NIPR authorized business partner.

Overview of Licensing Process

Follow these main steps if you are interested in obtaining an insurance license.

1. Read this handbook to learn about examination and licensing requirements.

2. Register and schedule your exam. The easiest way to register and schedule is online at www.prometric.com/vermont/insurance. Phone, fax and mail options are also available.

3. Review the examination content outlines, which can be found at the end of this document. The content outlines in this guide are the basis for the exams.

4. Take the scheduled examination, bringing required identification to the test center.

5. Apply for your license through the Department at: www.vermontinsuranceagent.info
To get answers not provided in this handbook

Visit our Website: www.prometric.com/vermont/insurance

Frequently Asked Questions are available:

LICENSING INFORMATION
Vermont Department of Financial Regulation
89 Main Street, Montpelier, VT 05620-3101
Phone: 802.828.3303
Web site: www.vermontinsuranceagent.info

QUESTIONS ABOUT EXAMINATION OR PRELICENSING
Prometric
Website: www.prometric.com/vermont/insurance
E-mail: pro.ceservices@prometric.com
Tel: (800) 868-6113
Fax: (800) 347-9242
TDD User: (800) 790-3926
Vermont Licensing Requirements

This section describes:

- The types of licenses offered and their requirements.
- Examination waivers.

Types of Licenses and Requirements

Pursuant to Vermont Statutes Annotated Title 8, Chapter 131, the Vermont Department of Financial Regulation is authorized to issue the license types listed below to qualified candidates to sell or provide insurance services and products in Vermont. Each license granted by the Department is valid only for the line/lines of authority named on the license.

<table>
<thead>
<tr>
<th>License Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance Producer</td>
<td>Any individual who intends to sell, solicit or negotiate insurance. An insurance producer must be appointed by an insurer if the producer intends to act as an agent of the insurer.</td>
</tr>
<tr>
<td>Limited Lines Producer</td>
<td>Any individual or partnership who is authorized by the Commissioner to solicit or negotiate contracts for a particular line of insurance that does not require the professional competency demanded for an insurance producer’s license. Limited Lines include credit, crop, rental, surety and travel.</td>
</tr>
<tr>
<td>Adjuster</td>
<td>Any individual who investigates claims and negotiates settlement of claims arising under policies of insurance in behalf of insurers under such policies, or who advertises or solicits business from insurers as an adjuster.</td>
</tr>
<tr>
<td>Public Adjuster</td>
<td>Any individual who investigates claims and negotiates settlement of claims arising under policies of insurance on behalf of the insured under such policies, or who advertises or solicits business as such adjuster.</td>
</tr>
<tr>
<td>Appraiser</td>
<td>Any individual who, for compensation, appraises the loss or damage under policies of automobile insurance in behalf of the insurers under such policies.</td>
</tr>
<tr>
<td>Consultant</td>
<td>Any individual who, for a fee, holds himself or herself out to the public as engaged in the business of offering any advice, counsel, opinion or service with respect to the benefits, advantages or disadvantages promised under any policy of insurance that could be issued in this state. A consultant may not concurrently hold a producer license.</td>
</tr>
<tr>
<td>Life Settlement Broker</td>
<td>Vermont Law defines a Life Settlement Broker to mean a natural person who is working exclusively on behalf of a policy owner and, for a fee, commission, or other valuable consideration, offers or attempts to negotiate life settlement contracts between an owner and one or more life settlement providers.</td>
</tr>
<tr>
<td>Managing General Agent</td>
<td>Any individual who manages all or part of the insurance business of an insurer and acts as a producer for such insurer, and who, either separately or together with affiliates, produces directly or indirectly and underwrites an amount of gross written premium greater than or equal to five percent of the policyholder surplus of the insurer in any one quarter or year; and adjusts or pays claims in excess of $10,000; or negotiates reinsurance on behalf of such insurer.</td>
</tr>
<tr>
<td>Reinsurance Intermediary Broker</td>
<td>Any individual, other than an officer or employee of the ceding insurer, who solicits, negotiates or places reinsurance cessions or retro-cessions on behalf of a ceding insurer without the authority or power to bind reinsurance on behalf of such insurer.</td>
</tr>
</tbody>
</table>
Important  Passing an exam does not guarantee that you will be issued a license. Issuance of a license depends on review and approval of all license application materials. See the “Applying for your license” section for more information.

The basic requirements for each type of license are shown in this chart. You should read the “Applying for your license” section in this handbook for specific details relevant to the type of license you need.

<table>
<thead>
<tr>
<th>Property and Casualty Adjuster and Appraiser</th>
<th>Workers' Compensation Adjuster</th>
<th>Consultants</th>
<th>Limited Lines Producers</th>
<th>Surplus Lines Brokers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• must have at least two years of experience in, or special training, handling loss claims, or, in the case of appraisers, in insurance loss appraising.</td>
<td>• must have at least two years of experience in or special training handling workers’ compensation claims.</td>
<td>• may not concurrently hold a producer license and a consultant license.</td>
<td>• may be licensed to sell credit, crop, rental, surety and travel or other limited lines producer types, as determined by the Commissioner.</td>
<td>• must be licensed in Vermont as insurance producers qualified for the line or lines to be written.</td>
</tr>
<tr>
<td>• must pass the Vermont Workers’ Compensation adjuster examination.</td>
<td>• must pass the Vermont Workers’ Compensation adjuster examination.</td>
<td>• must provide the Commissioner with a $5,000 bond with an authorized corporate surety approved by the Commissioner prior to licensure.</td>
<td>• May not employ, be employed by, or be in partnership with nor receive any payment whatsoever from any licensed insurance producer, surplus lines broker, limited lines producer, or insurer arising out of his or her activities as a consultant.</td>
<td>• must have one or more years of experience as an insurance producer or comparable employment with an insurance company, agency or brokerage firm during the three years immediately preceding the date of application or such experience as the Commissioner may deem comparable.</td>
</tr>
</tbody>
</table>

Note: The results of the combination Life Accident and Health, and Property and Casualty examinations are reflected in one final score. You must pass the complete examination to qualify for a license. Do not schedule your examinations until you are familiar with all subject areas contained in the outline.

Examination Waivers

- Applicants for a limited lines producer license are not required to take an examination.
- Applicants for Title Agents license who have passed a state bar examination are not required to take the Title Examination.
Scheduling Your Exam

Registering and Scheduling Information

Prometric provides computerized testing through its multistate testing network. You may take the exam at any Prometric test center in the United States. Follow the instructions here to register and schedule an appointment.

Testing Accommodations. If you require an Americans with Disabilities Act (ADA) accommodation(s) or English as Second Language (ESL) additional time, see the “Testing Accommodations” section below.

Online

Register and schedule online—it saves time and it’s easy!

You can easily register and schedule your exam online at any time using our Internet Registration Service by going to:

1  http://www.prometric.com/vermont/insurance.
2  Click on Create or Login to Your Account to register.
3  Click on Schedule Your Test and follow the prompts.

By fax or mail

You may fax the completed Exam Registration Form found at the end of this handbook to Prometric to (800) 347-9242. You must also include the completed Credit Card Payment Form (Visa, MasterCard or American Express). The cardholder’s signature must be on the Form.

OR

You may mail the completed Exam Registration Form and the appropriate exam fee to the address on the form. When registering by mail, you may pay the exam fee by Visa, MasterCard or American Express, company check, cashier’s check or money order. Personal checks and cash are not accepted.

If paying by credit card, you must also include the completed Credit Card Payment Form (Visa, MasterCard or American Express). The cardholder’s signature must be on the Form. Including a Visa, MasterCard or American Express payment information, company check, cashier’s check or money order.

By phone

If you are unable to schedule online, you may schedule the examination by calling (800) 868-6113 between 8 a.m. and 9 p.m. (Eastern Time), Monday through Friday, and between 10 a.m. and 3 p.m. (Eastern Time), Saturday and Sunday. Please have your exam information and credit card information for payment available.

Note  An exam registration remains valid for 90 calendar days after it has been processed. It will expire without further notice at that time. We recommend that you do not register for your exam until you are prepared to take it. If you allow your exam registration to expire or did not pass your exam, you must re-register. Another exam registration fee is required.
Reschedule and Cancellation
To reschedule your existing exam appointment, you must contact Prometric 24 hours prior to the exam appointment date in order to avoid forfeiting your exam fee. If you need to reschedule or confirm your appointment, please go to http://www.prometric.com/connecticut/insurance.

To cancel your existing exam appointment, you must contact Prometric at least three (3) calendar days prior to your scheduled exam appointment in order to avoid forfeiting $40 of your original exam fee. After you cancel your exam, you must initiate a refund by going to https://fs6.formsite.com/Prometric/form33/index.html and completing the refund form.

Prometric will review refund requests and email decisions to you within 7-10 business days of receipt unless further research and/or documentation are required. Prometric reserves the right to request documentation to support any illness or emergency claim. Refund requests made via phone will not be accepted.

If you change or cancel your appointment without proper notice, you will forfeit your examination fee(s).

If absent or late for your appointment
If you miss your appointment, or arrive late and are not allowed to test, you will forfeit your exam fee(s).

Test Centers
You may take the exam at any Prometric test center in the United States.

Test center locations are subject to change. Be sure to verify the address of and directions of the test center before you leave for the exam.

Holidays
Testing generally does not occur on federal holidays. Additional state holidays may be observed in the state where your schedule the exam appointment.

Emergency Closings
Severe weather or an emergency could require canceling scheduled exams. If this occurs, Prometric will attempt to contact you by phone; however, you may check for testing site closures by checking our website at https://www.prometric.com/en-us/pages/siteclosure.aspx or calling Prometric at (866) 370-3411. If the site is closed, the exam will be rescheduled without a rescheduling fee.

If a test center is open for testing and you choose not to appear for the appointment, you will forfeit the exam fees and must reschedule and pay another exam fee.
ADA Accommodation. Reasonable testing accommodations are provided to allow candidates with documented disabilities recognized under the ADA an opportunity to demonstrate their skills and knowledge. Prometric makes every effort to provide reasonable testing accommodations that enable all test takers to take examinations.

If you require testing accommodations under the Americans with Disabilities Act (ADA), please complete and submit a Testing Accommodation Request Form online at https://www.prometric.com/en-us/for-test-takers/prepare-for-test-day/pages/arrange-testing-accommodations.aspx, or contact Prometric at (888) 226-9406 to obtain an Accommodation Request Form.

Professional documentation of the disability must be submitted with the Accommodation Request Form to aid Prometric in determining the appropriate testing accommodations. Thirty days’ advance notice is required for all testing arrangements. There is no additional charge for these accommodations.

ESL Accommodation. All examinations are given in English. If English is not your primary language, you may qualify for additional time for the test by requesting an ESL Authorization from Prometric. To request an ESL authorization, please submit:

• A personal letter requesting the authorization; and
• A letter from the English instructor or sponsoring company (on company letterhead), certifying that English is not your primary language.

Please fax documents to 800.347.9242 and allow three (3) days for processing. If your request is approved, Prometric may extend the time limit on your examination to time-and-one-half or 150% of the normal time limit. Prometric will inform you by mail whether your request for accommodation is approved. You should not schedule your exam until you have received the confirmation email. Exams scheduled before the ESL request has been approved will not include extra time.
Preparing for Your Exam

Being well prepared will help you pass your examination. This section offers:

- An overview of the examination content outlines in this bulletin.
- Information about study materials.
- Information about practice exams.

Study Materials

Not all questions on the examinations will necessarily be covered in your study materials. The content outlines are updated periodically, and outdated study materials may not be consistent with them. Where such discrepancies exist, the outlines take precedence. **Make sure your study materials cover the topics in the outlines.**

You are free to use materials of your own choosing to prepare for the license examination. Manuals have been prepared by different publishers to assist candidates specifically in preparing for license examinations. Because of the number and the diversity of approach of these publications, **neither the Department nor Prometric reviews or approves study materials.** However, the following sources may be a starting point in your search for study materials. Be sure that the materials you use cover the topics listed in the content outline for the examination you are taking.

2. ABLE Incorporated: 800.586.2253, ext. 5638.

**Vermont statutes and regulations.** All examinations cover Vermont regulations and statutes. You may wish to consult a standard statute reference, which is generally available at any public or law library, or go to the Department’s Web site at [http://www.dfr.vermont.gov/view/regbul](http://www.dfr.vermont.gov/view/regbul) for links to Regulations and Bulletins.

**Workers’ compensation materials.** You may contact the Department of Labor at 802.828.2286 for study material for the Vermont Workers’ Compensation adjuster license or by visiting their website at [http://labor.vermont.gov/workers-compensation](http://labor.vermont.gov/workers-compensation).

Content Outlines Overview

The license examination for each type of license consists of questions that test knowledge of topical areas listed in the content outline for that examination. An overview of each examination content outline appears at the end of this handbook. You can view a complete outline specific to your examination online at [www.prometric.com/vermont/insurance](http://www.prometric.com/vermont/insurance)

**Note** Do not schedule the exam until you are familiar with all subject areas in the applicable content outline.
Practice Exams

To take a practice exam, select or copy the link below to your browser:

While practice exams contain general, non-state specific insurance questions, they are created in the same format and use the same question types as the actual licensure exams. Practice exams are designed to help you become familiar with the computer-based testing process.

During the practice exam, you will get immediate feedback to correct and incorrect responses as well as overall feedback at the end of the session just as you would during the actual exam. Practice exams are available for:

- (LIPA) Life Insurance Producer/Agent Practice Exam in English and Spanish
- (HIPA) Health Insurance Producer/Agent Practice Exam in English and Spanish
- (PIPA) Property & Casualty Insurance Producer Practice Exam in English only

There is no cost to take Prometric Practice Exams!
Taking Your Exam

Knowing what to expect when taking your examination may help you prepare for it. This section contains:

- An overview of the testing process.
- Regulations that will be enforced at the test center.
- Information about the types of questions.
- A guide to understanding your examination results.
- Information about appeals.

Testing Process

The exam will be administered by computer but you do not need any computer experience or typing skill to take the exam.

**Arrival.** You should arrive at least 30 minutes before the scheduled exam appointment. This allows time for you to sign in and for staff to verify your identification and complete all security checks.

**Identification required.** You must present a valid form of identification before you can test. That identification document must:

- Be government-issued (e.g., driver’s license, state-issued identification card or military identification card).
- Contain both a current photo and your signature.
- Have a name that exactly matches the name used to register for the examination (including designations such as “Jr.” and “III”).

**Important** Failure to provide appropriate identification at the time of the exam is considered a missed appointment. As a result, you will be required to pay another full examination fee before making another appointment. If you cannot provide the identification listed above, contact Prometric before scheduling the appointment to arrange an alternative way to meet this requirement.

Test center regulations

**Copyrighted questions.** All test questions are the property of Prometric Inc. and are protected by copyright. Federal law provides severe civil and criminal penalties for the unauthorized reproduction, distribution, or exhibition of copyrighted materials.

To ensure that all candidates are tested under similar conditions, the following regulations and procedures will be enforced at each test center. Failure to follow any of these security procedures may result in your being disqualified from taking an examination. For more information on Prometric test center regulations, please visit: https://www.prometric.com/en-us/for-test-takers/pages/Test-Center-Security.aspx.

1. While in the test center, you will be continuously monitored by video. During your examination, you will also be monitored by physical walk-throughs and through an observation window. All testing sessions are video and audio recorded.

2. You must present valid (unexpired) and acceptable ID(s) in order to take your test. (See “Identification required” in the previous section).
3 You will be scanned with a metal detector wand prior to every entry into the test room. If you refuse, you cannot test.

4 You will be required to raise your pants legs above your ankles, empty and turn all pockets inside-out and raise shirt sleeves above your wrists prior to every entry into the test room.

5 If you are wearing eyeglasses, you will be required to remove them for visual inspection to ensure they don’t contain a recording device. Large jewelry items must be stored in your locker due to concerns over concealed recording devices.

6 You must sign the test center roster each time you leave the test room. You must also sign back in and show your ID to the Test Center Administrator (TCA) in order to re-enter the test room.

7 You are prohibited from communicating, publishing, reproducing, or transmitting any part of your test, in any form or by any means, verbal or written, for any purpose.

8 You must not talk to other candidates or refer to their screens, testing materials, or written notes in the test room.

9 You must not use written notes, published materials, or other testing aids.

10 You are allowed to bring soft ear plugs or center-supplied tissues into the test room.

11 Any clothing or jewelry items allowed to be worn in the test room must remain on your person at all times. Removed clothing or jewelry items must be stored in your locker.

12 You must not bring any personal/unauthorized items into the testing room. Such items include but are not limited to outerwear, hats, food, drinks, purses, briefcases, notebooks, pagers, watches, cellular telephones, recording devices, and photographic equipment. Weapons are not allowed at any Prometric test center. You will be asked to empty and turn your pockets inside out prior to every entry into the test room to confirm that you have no prohibited items.

13 You must return all materials issued to you by the test center administrator ("TCA") at the end of your test.

14 You are not allowed to use any electronic device or phone during breaks.

15 If you have a medical condition that may require you to access food or medicine during your exam session, you must store those items separately from other items you place in the test center locker. You must inform the TCA before you retrieve the food or medicine, and the TCA will observe you obtaining the item from the locker. You are not allowed to access any item other than food or medicine needed for a medical reason.

16 You must conduct yourself in a civil manner at all times when on the premises of the test center. Exhibiting abusive behavior towards the TCA or any other staff member of the test center may result in examination disqualification and criminal prosecution.

Failure to follow any of these security procedures may result in the disqualification of the examination. Prometric reserves the right to audio and videotape any examination session.

For more information on Prometric test center regulations, please visit: www.prometric.com/en-us/for-test-takers/prepare-for-test-day/documents/TestCenterRegulations.pdf

Please note: Test center administrators are not allowed to answer any questions pertaining to the exam content. If you do not understand a question on the examination, you should answer the question to the best of your ability.
**Question Types**
The examination contains four-option multiple-choice questions. These questions are designed to be as clear and concise as possible while testing knowledge and comprehension of insurance concepts as well as the application of the insurance concepts. The design of the exam ensures that those who possess the required knowledge of the specific insurance line of authority being tested should perform well on the examination for which they prepared.

**Question Formats.**
Three different multiple-choice formats are used. Each format is shown in the following examples. An asterisk (*) indicates the correct answer in each sample question.

**Format 1—Direct question**
Which one of the following is a type of health insurance policy designed to replace the wages of an insured that is unable to work due to an accident or sickness?

* 1. Disability Income Insurance Policy
  2. Employer-Sponsored Group Major Medical Policy
  3. Hospital Expense Insurance Policy
  4. Special Risk Policy

**Format 2—Incomplete sentence**
Benefits under workers’ compensation insurance are payable:

* 1. For bodily injury that is accidental or intentional
  2. Regardless of the liability of the employer
  3. Unless safety rules are violated
  4. Up to a maximum of 30 percent of weekly wages

**Format 3—All of the following except**
A life insurance policy may include provisions that do all of the following EXCEPT:

* 1. Restrict coverage if death is caused by suicide
  2. Require evidence of insurability to reinstate coverage
  3. Extend the contestable period beyond two years
  4. Adjust proceeds if the insured’s age is misstated on the application

**Experimental Questions**
The examination may include some experimental questions that will not be scored. If present, they are distributed throughout the examination and will not be identified as such. These are used to gather statistical information on the questions before they are added to the examination as scored items. These experimental questions will not be counted for or against you in the final examination score.

You will be helping us help future test takers by completing 5 experimental test questions in your exam. We plan to use the experimental questions on future exams based on your performance.

The questions will:

- be randomly distributed within your test
- will not be counted in your final score
- time spent on the question will not be deducted from your test time
Exam Results

At the end of the exam, the score will be shown on the screen and you will receive a printed score report. The report indicates the overall score and grade, including the numerical percentage of questions answered correctly and whether you passed or failed.

The report also displays the correct percentage in each major section of the exam, as defined by the exam content outline. These section scores are shown to guide you, or your employer and/or trainer, about areas requiring additional preparation for retesting if you do not pass the exam. Even after you pass, you may want to focus on these areas as you begin to provide insurance products and services to the public.

Sample Score Report

<table>
<thead>
<tr>
<th>Section</th>
<th>Number of Questions</th>
<th>Number Correct</th>
<th>Percent Correct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Total Test Score</td>
<td>100</td>
<td>80</td>
<td>80%</td>
</tr>
<tr>
<td>Insurance Regulation</td>
<td>14</td>
<td>10</td>
<td>71%</td>
</tr>
<tr>
<td>General Insurance</td>
<td>11</td>
<td>9</td>
<td>82%</td>
</tr>
<tr>
<td>Life Insurance Basics</td>
<td>17</td>
<td>14</td>
<td>82%</td>
</tr>
<tr>
<td>Life Insurance Policies</td>
<td>16</td>
<td>13</td>
<td>81%</td>
</tr>
<tr>
<td>Life Insurance Provisions, Options and Riders</td>
<td>13</td>
<td>11</td>
<td>85%</td>
</tr>
<tr>
<td>Annuities</td>
<td>11</td>
<td>10</td>
<td>91%</td>
</tr>
<tr>
<td>Tax Considerations</td>
<td>10</td>
<td>7</td>
<td>70%</td>
</tr>
<tr>
<td>Qualified Plans</td>
<td>8</td>
<td>6</td>
<td>75%</td>
</tr>
</tbody>
</table>

Score: 80%
Grade: Pass
(A total score of 70 percent is required to pass)

Note that the section percentages will not average out to your total percentage score. That is because individual examination outline sections are allocated different numbers of questions on the examination. Your total percentage score is computed by dividing the number of questions you answered correctly by the total number of questions in the examination. The total score is not computed by adding the section percentages and dividing by the total number of sections.

Duplicate score report. You may call or write to Prometric to request a duplicate of your score report for a period of two years after an examination at no cost to the candidate. Please direct any questions or comments about your examination to Prometric.

Appeals Process

Prometric’s goal is to provide a quality examination and a pleasant testing experience for every candidate. If you would like to submit an appeal concerning examination content, registration, scheduling or test administration (testing site procedures, equipment, personnel, etc.), please submit an appeal by visiting www.prometric.com/contactus and clicking on “Request an Appeal”.

Once submitted you will receive an email response within 20 days indicating whether your appeal has been approved.
Applying for Your License

This section offers information about:

- Applying for your license.
- License Requirements by residence.
- Licensing fees.
- Other licensing information.

Note: Applicants for Life Settlement Broker, Managing General Agent and Reinsurance Intermediary should visit the Departments website for license instructions and procedures at www.vermontinsuranceagent.info.

Applicants should visit the Department’s website for more information about licensing, including FAQs.

**Resident License Requirements**

Vermont residents desiring any type of insurance license must be:

- 18 years of age;
- A resident of, or actually residing in, Vermont or maintaining a principal place of business in this state; and;
- Deemed by the Commissioner of the Department of Financial Regulation to be competent, trustworthy, financially responsible, and of good personal and business reputation.

**Important** If a producer acts as an agent of an insurer, he or she must be appointed by the insurer as its agent. Individuals licensed as producers must be appointed by each insurer for whom they act as an agent.

**New Vermont Residents**

An individual who applies for an insurance producer license in this state who was previously licensed for the same lines of authority in another state shall not be required to complete any pre-licensing education or examination. This exemption is only available if the person is currently licensed in that state or if the application is received within 90 days of the cancellation of the applicant’s previous license and if the prior state issues a certification that, at the time of cancellation, the applicant was in good standing in that state or the state’s producer database records, maintained by the National Association of Insurance Commissioners, its affiliates or subsidiaries, indicate that the producer is or was licensed in good standing for the line of authority requested.

**Licensing Fees**

The initial license application must be accompanied by a $30 application fee and the appropriate licensing fee. Visit the Department’s Web site at www.vermontinsuranceagent.info for the fee charts under each license type.

**Applying for a License Electronically**

Residents can apply electronically using the NIPR website (www.nipr.com) 48 hours after passing the exam. Applying electronically significantly reduces the time for processing your application.
Paper Submissions
After passing your license examination, you must submit:

- A completed NAIC Uniform Application, found at the end of this handbook.
- The original score report showing passage of the appropriate examination.
- The $30 application fee.
- The appropriate license fee.
- Adjuster, public adjuster and appraiser applicants must also submit Attachment #2 Required Certifications (available online at www.vermontinsuranceagent.info or at the end of this handbook).

Please allow a minimum of 10 days for processing time prior to checking on your license status if submitted through the mail.

Nonresidents
In order to obtain a Vermont insurance license, a nonresident must hold a similar license in another state or province of Canada and must be deemed by the Commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation.

Nonresidents MUST apply for licensure ELECTRONICALLY effective September 1, 2012 using one of the electronic service providers listed below. An applicant may request a hardship exception to the submission of an electronic application. To request a hardship exception, you must submit the reason for the hardship by faxing a signed statement to 802-828-1633.

Nonresidents can process license applications electronically using NIPR (www.nipr.com).

Retaliatory fees. Producer’s, surplus lines broker’s, consultant’s, adjuster’s, appraiser’s, public adjuster’s, limited lines producer’s, managing general agent’s, reinsurance intermediary, and life settlement broker’s licenses and fees are retaliatory to the applicant’s state of residence. This means that a nonresident must pay the Vermont license fee, or the fee of the resident state if higher.

Note If you are seeking a nonresident Workers’ Compensation adjuster license, you must take and pass the Vermont Workers’ Compensation adjuster examination. You must also complete the educational or training program required by the Commissioner after your first license renewal or eligibility for renewal.
### Change of Address
Any change of business, home or mailing address must be reported to the Department within 30 days. If you have moved, but still reside in the same state or have moved from one state to another, you must submit the address change electronically using NIPR’s Address Change Request (ACR) service at www.nipr.com; OR Sircon’s Producer Edge at http://www.sircon.com.

### Name Change
If you need to change your name with the Department, please submit it in writing along with a copy of the documentation that supports the name change via email (dfr.producerlicensing@vermont.gov) or fax (802.828.1633).

### Licensing of individuals, partnerships and corporations
Vermont statute requires individuals to be licensed and allows business entities to be licensed as insurance producers. Producers may assign their commissions to an insurance agency or to persons who do not sell, solicit or negotiate insurance.

### Continuing Education
Vermont law requires insurance producers to complete 24 credit hours of continuing education (CE) every two years. For further information, contact Prometric, the Department’s CE vendor, online at www.prometric.com/CE/vtceprod.htm, or at 800.532.2199

### Duration of License
All licenses in Vermont expire on a common expiration date regardless of when they were issued. Vermont does not prorate fees. Producer licenses are biennial, effective from April 1 (or date of issuance) to March 31 of each odd-numbered year. All licenses must be renewed by the individual, and it is the licensee’s responsibility to see that the renewal license is in effect, even if a notice is not received. Licenses other than producer licenses are biennial, and are effective from April 1 (or date of issuance) to March 31 of even-numbered years.

### Business Entity Producer License
A business entity must designate a licensed producer to be responsible for the business entity’s compliance with Vermont laws and regulations.

### Temporary License
The Commissioner may issue a temporary insurance producer license for a period not to exceed 180 days without requiring an examination. A temporary license may be issued to the surviving spouse or court-appointed personal representative or employee, or to the administrator, executor or employee of a deceased or disabled licensed producer, to the designee of a producer who has entered active service in the armed forces of the United States of America, or in any other circumstances where the Commissioner deems that the public interest will be best served by issuing such a license.
The following outlines give an overview of the content of each of the Vermont insurance examinations. Each examination will include 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 10 questions will be drawn on a 100-question examination and 15 will be drawn on a 150-question examination.

An outline that includes more descriptive subsections for your examination is available online at www.prometric.com/vermont/insurance.

All citations are Vermont Insurance Statutes Title 8, unless otherwise noted. When preceded by "Reg" refer to Vermont Department Regulations, when preceded by "Bul" refer to Vermont Department Bulletins.

Vermont Producer's Examination for Life Insurance Series 14-25

100 questions - 2-hour time limit
Effective November 3, 2018

1.0 Insurance Regulation 14%

1.1 Licensing

Process (4800; 4813f)
Types of licensees (4791)
  Resident (4800(3)(A))
  Nonresident (4800(3)(B); 4813h)
Maintenance and duration
  Renewal and expiration (4798)
  Address change (4800(3)(F))
  Assumed business name (4813j)
  Reporting of actions (4813o)
  Continuing education requirements (4800a; Reg 2000-2 Sec 4)
Disciplinary actions
  Denial of license (4800(3)(E))
  Cease and desist order (3661)
  Suspension, revocation or nonrenewal (4804; 4806)

Penalties
  (3661(a)(2); 4804(d))

1.2 State regulation

Commissioner’s general duties and powers (4726; 4804)
Company regulation
  Certificate of authority (3368)
  Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1–7)
  Policy forms (3541)
  Examination of records (3565)
  Producer appointment (4798(d); 4813l)
  Termination of appointment (4798(d); 4813m)
Producer regulation
  Acting without a license (4793; 4813c)
  Shared commissions (4796)
  Trust accounts — anti-commingling (Reg 95-1; 4724(12))
  Controlled business (4795)
  Duties (4813c)
Unfair trade practices (4724)
  Misrepresentation (4724(1, 11, 13))
  Non-guaranteed elements
  False advertising (4724(2))
  Defamation (4724(3))

Boycott, coercion and intimidation (4724(4))
False financial statements and entries (4724(5))
Illegal inducement (4724(6))
Unfair discrimination (4724(7))
Rebating (4724(8))
Failure to maintain complaint record (4724(10))
Failure to act as fiduciary (4724(12); Reg 95-1)
Unsuitability (4724(16))
Nondisclosure of fees or charges (4724(95-1))
Consumer privacy regulation (IH-2001-01)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)
Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 11%

2.1 Concepts

Risk management key terms
  Risk
  Exposure
  Hazard
  Peril
  Loss
  Methods of handling risk
  Avoidance
### Elements of insurable risks
- Retention
- Sharing
- Reduction
- Transfer
- Elements of insurable risks
- Adverse selection
- Law of large numbers
- Reinsurance

### 2.2 Insurers
- Types of insurers
  - Captive Insurers
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Lloyd's associations
  - Risk retention groups
- 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 producers
  - Express
  - Implied
  - Apparent

### 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
- 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 Life Insurance Basics 17%

#### 3.1 Insurable interest (3710)
- Power to contract

#### 3.2 Personal uses of life insurance
- Survivor protection
- Estate creation
- Cash accumulation
- Liquidity
- Estate conservation

#### 3.3 Determining amount of personal life insurance
- Human life value approach
- Needs approach
  - Types of information gathered
  - Determining lump-sum needs
  - Planning for income needs

#### 3.4 Business uses of life insurance
- Buy-sell funding
- Key person
- Executive bonuses
- Deferred compensation funding

#### 3.5 Classes of life insurance policies
- Group versus individual
- Ordinary (home service)
- Permanent versus term
- Participating versus nonparticipating
- Fixed versus variable life insurance and annuities
  - Regulation of variable products (SEC, FINRA and Vermont) (3855; Reg 88-3 Art VI, XI, 2001-03; Bul 121, 129)

#### 3.6 Premiums
- Factors in premium determination
  - Mortality
  - Interest
  - Expense
- Premium concepts
  - Net single premium
  - Gross annual premium
- Premium payment mode

#### 3.7 Producer responsibilities
- Solicitation and sales presentations (Reg 77-2)
  - Advertising
- Life and Health Insurance Guaranty Association (4151–4185)
- Illustrations (Reg 98-1)
- Policy summary (Reg 77-2 Sec 5(A, B), Appendix B)
- General Rules (Reg 77-2 Sec 6 (B, C, K, L, N, O, P))
- Buyer’s guide (Reg 77-2 Sec 5(A, B), Appendix A)
- Life insurance policy cost comparison methods
- Replacement (Reg 2001-3 Sec 1–10)
Indexed Annuity Buyer’s Guide (Bul 110)
Indexed Life Insurance Products (Bul 121)
Suitability
Use and disclosure of insurance information
Field underwriting
Notice of information practices
Application procedures
Delivery
Policy review
Effective date of coverage
Premium collection
Statement of good health

3.8 Individual underwriting by the insurer
Information sources and regulation
Application
Producer report
Attending physician statement
Investigative consumer (inspection) report
Medical Information Bureau (MIB)
Inquiry into sexual orientation 8 V.S.A. Section 4724(7)(c)
Medical examinations and lab tests including HIV (4724(20); Bul 138)
Selection criteria and unfair discrimination (3701)
Classification of risks
Preferred
Standard
Substandard

4.0 Life Insurance Policies 16%

4.1 Term life insurance
- Level term
- Annual renewable term
- Level premium term
- Decreasing term

4.2 Whole life insurance
- Continuous premium (straight life)
- Limited payment
- Single premium

4.3 Flexible premium policies
- Universal life
- Indexed universal life

4.4 SEC regulated policies
- Variable life insurance
- Variable universal life

4.5 Specialized policies
- Joint life (first-to-die)
- Survivorship life (second-to-die)
- Juvenile life
- Indexed Life Products

4.6 Group life insurance
- Characteristics of group plans
- Types of plan sponsors (3803-3810a)
- Insurability (3816)
- Assignability (3713(a, b))
- Conversion to individual policy (3820-3823)
- Portability (3810a(c))

4.7 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 13%

5.1 Required provisions (3731)
- Required interest (Bul 159)
- Entire contract (3731(3))
- Payment of premiums (3731(1))

5.2 Other provisions
- Power to contract (3710)
- Assignment (3713(a, b))
- Modifications
- Right to examine (free look)
- Exclusions
- Representations in applications (3736)

5.3 Beneficiaries
- Designation options
  - Individuals
  - Classes
  - Estates
  - Minors
  - Trusts
- Succession
- Revocable versus irrevocable
- Common disaster clause
- Spendthrift clause

5.4 Settlement options
- Cash payment
- Interest only
- Interest on death benefits 8 V.S.A Section 3665(c)(2).
- Fixed-period installments
- Fixed-amount installments
- Life income
  - Single life
  - Joint and survivor
- Retained asset accounts

5.5 Nonforfeiture options
- Cash surrender value
- Extended term
- Reduced paid-up insurance
5.6 Policy loan and withdrawal options
- Cash loans
- Automatic premium loans
- Withdrawals or partial surrenders

5.7 Dividend options
- Premium offset
- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions
- Paid-up insurance

5.8 Disability riders
- Waiver of premium
- Waiver of cost of insurance
- Disability income benefit
- Payor benefit life/disability (juvenile insurance)

5.9 Accelerated (living) benefit provision/rider
- Conditions for payment
- Effect on death benefit

5.10 Life settlements (3835–3849; Reg 95–4 Sec 1–15)
- Life settlement providers
- Life settlement brokers
- Life insurance providers
- Life settlement contract provisions
- Disclosure provisions
- Rules of conduct

5.11 Riders covering additional insureds
- Spouse/other-insured term rider
- Children’s term rider
- Family term rider

5.12 Riders affecting the death benefit amount
- Paid-up addition rider
- Accidental death
- Guaranteed insurability

6.0 Annuities 20%

6.1 Annuity principles and concepts
- Accumulation period versus annuity period
- Owner, annuitant and beneficiary
- Insurance aspects of annuities

6.2 Immediate versus deferred annuities
- Single premium immediate annuities (SPIAs)
- Deferred annuities
- Premium payment options
- Nonforfeiture
- Surrender charges
- Death benefits

6.3 Annuity (benefit) payment options
- Life contingency options
- Pure life versus life with guaranteed minimum
- Single life versus multiple life
- Annuities certain (types)

6.4 Annuity products
- Fixed annuities
- General account assets
- Interest rate guarantees (minimum versus current)
- Level benefit payment amount
- Equity indexed annuities
- Definition
- Suitability
- Market value adjusted annuities
- Variable annuity contracts

6.5 Uses of annuities
- Lump-sum settlements
- Qualified retirement plans
- Group versus individual annuities
- Personal uses
  - Individual retirement annuities (IRAs)
  - Tax-deferred growth
  - Retirement income
  - Education funds

7.0 Federal Tax Considerations for Life Insurance and Annuities 6%

7.1 Taxation of personal life insurance
- Amounts available to policyowner
- Cash value increases
- Dividends
- Policy loans
- Surrenders
- Amounts received by beneficiary
- General rule and exceptions
- Settlement options
- Values included in insured’s estate

7.2 Modified endowment contracts (MECs)
- Modified endowment versus life insurance
- Seven-pay test
- Distributions

7.3 Taxation of non-qualified annuities
- Individually-owned
  - Accumulation phase (tax issues related to withdrawals)
  - Annuity phase and the exclusion ratio
  - Distributions at death
- Corporate-owned

7.4 Taxation of individual retirement annuities (IRAs)
- Traditional IRAs
Contributions and deductible amounts
Premature distributions (including taxation issues)
Annuity phase benefit payments
Values included in the annuitant’s estate
Amounts received by beneficiary
Roth IRAs
Contributions and limits
Distributions

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 3%

8.1 General requirements

8.2 Federal tax considerations
Tax advantages for employers and employees
Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers
Simplified employee pensions (SEPs)
Self-employed plans (HR 10 or Keogh plans)
Profit-sharing and 401(k) plans
SIMPLE plans
403(b) tax-sheltered annuities (TSAs)

1.0 Insurance Regulation 5%

1.1 Licensing
Process (4800; 4813f)
Types of licensees (4791)
Resident (4800(3)(A))
Nonresident (4800(3)(B); 4813h)
Maintenance and duration
Renewal and expiration (4798)
Address change (4800(3)(F))
Assumed business name (4813j)
Reporting of actions (4813o)
Continuing education requirements (4800a; Reg 2000-2 Sec 4)

Disciplinary actions
Denial of license (4800(3)(E))
Cease and desist order (3661)
Suspension, revocation or nonrenewal (4804; 4806)
Penalties (3661(a)(2); 4804(d))

1.2 State regulation
Commissioner’s general duties and powers (4726; 4804)
Company regulation
Certificate of authority (3368)
Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1–7)
Policy forms (3541)
Examination of records (3565)
Producer appointment (4798(d); 4813i)
Termination of appointment (4798(d); 4813m)

Producer regulation
Acting without a license (4793; 4813c)
Shared commissions (4796)
Trust accounts — anti-commingling (Reg 95-1; 4724(12))
Controlled business (4795)
Duties (4813c)

Unfair trade practices (4724)
Misrepresentation (4724(1, 11, 13))
False advertising (4724(2))
Defamation (4724(3))
Boycott, coercion and intimidation (4724(4))
False financial statements and entries (4724(5))
Illegal inducement (4724(6))
Unfair discrimination (4724(7))
Rebating (4724(8))
Failure to maintain complaint record (4724(10))
Failure to act as fiduciary (4724(12); Reg 95-1)
Unsuitability (4724(16))
Nondisclosure of fees or charges (4724(14))
Consumer privacy regulation (IH-2001-01)
Vermont Fair Credit Reporting Act (V.S.A. 2480 a-n)

1.3 Federal regulation
Fair Credit Reporting Act (15 USC 1681–1681d)
Fraud and false statements (18 USC 1033, 1034)
2.0 General Insurance 5%

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
- Captive insurers
- Stock companies
- Mutual companies
- Fraternal benefit societies
- Lloyd’s associations
- Risk retention groups

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 producers
- Express
- Implied
- Apparent

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
- Bilateral 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 Health Insurance Basics 11%

3.1 Definitions of perils
- Accidental injury: Reg. 80-1, Sec. 5(D)
- Sickness: Reg. 80-1, Sec. 5(E)

3.2 Principal types of losses and benefits
- Loss of income from disability: Reg. 80-1, Sec. 5(I), (J), (K)
- Medical expense: Reg. 80-1, Sec. 5; Reg. H-2009-03, Sec. 1.4

3.3 Classes of health insurance policies
Individual versus group
Private versus government
Limited versus comprehensive: Reg. 80-1, Sec. 7(E); Reg. H-2009-03
Self-Funded Plans (ERISA)

3.4 Limited policies
Limited perils and amounts
Required notice to insured: Reg. 80-1, Sec. 8; 8 V.S.A. Sec. 4063; 8 V.S.A. Sec. 4902
Types of limited policies
- Accident-only: Reg. 80-1, Sec. 7(G)
- Specified (dread) disease: Reg. 80-1, Sec. 7(H)
- Hospital indemnity: Reg. 80-1, Sec. 7(D)
- Blanket insurance (student accident, passengers, others): 8 V.S.A. Sec. 4081
- Prescription drugs: 8 V.S.A. Sec. 4089(j) & 4089(i)
- Vision care/hearing care
- Suitability: 8 V.S.A. Sec. 4724(16); 8 V.S.A. Sec. 4062

3.5 Common exclusions from coverage (Pre-existing cond. Reg. 80-1, Sec. 6(C))

3.6 Producer responsibilities in individual health insurance
Marketing requirements
- Advertising (Reg 71-1)
- Sales presentations
- Outline of coverage Reg 80-1 Sec 8(B)

Field underwriting
Nature and purpose
Privacy, Protected
Health Information (ERISA)
Application procedures
Reg. 80-1, Sec. 9
Requirements at
delivery of policy
Common situations for
errors/omissions
Life and Health Insurance
Guaranty Association
Title 8, Ch. 112

3.7 Individual underwriting
by the insurer
Underwriting criteria
Sources of underwriting
information
Application
Producer report
Attending physician
statement
Investigative
consumer (inspection) report
Title 9 Sec. 2480a
(5)
Medical Information
Bureau (MIB)
Medical examinations
and lab tests
including HIV
(4724(20))
Unfair discrimination 8
V.S.A. Sec. 4724(7)
Genetic testing Title 18
Sec. 9331–9335; 8
V.S.A. Sec. 4724(22)

3.8 Considerations in
replacing health
insurance Reg. 80-1,
Sec. 9, replacement)
Pre-existing conditions
Pre-existing condition
exclusion regulation Reg
80-1 Sec 5(F), 6(E)),
6(C)
Benefits, limitation and
exclusions Reg. 80-1,
Sec. 6
Underwriting requirements

4.0 Health Insurance Policy
General Provisions (Non-
group and Group) 11%

4.1 Uniform required
provisions
Entire contract; changes
(4065(1), 4080(1))
Certificate of insurance
(4080(2))
Time limit on certain
defenses (4065(2))
Grace period (4065(3))
New employees (4080(3))
Part-time employees
(4080(5))
Reinstatement (4065(4))
Claim procedures
(4065(5–9); Reg 93-4)
Physical examinations and
autopsy (4065(10))
Legal actions (4065(11))
Change of beneficiary
(4065(12))

4.2 Optional provisions
(4066)
Change of occupation
(4066(1))
Misstatement of age
(4066(2))
Other insurance in this
insurer (4066(3))
Insurance with other
insurers
Expense-incurred
basis (4066(4))
Other benefits
(4066(5))
Unpaid premium
(4066(7))
Cancellation Reg 91-4B
Sec 3(10))
Conformity with state
statutes (4066(9))
Illegal occupation
(4066(10))

4.3 Other general
provisions
Right to examine (free
look) (4063(8))
Mental health parity 8
V.S.A. 4089b

Insuring clause
Consideration clause
Renewability clause Reg.
80-1, Sec. 7(A)(1), (2)
and (15)(f)
Noncancelable
Guaranteed renewable
Conditionally
renewable
Renewable at option
of insurer
Nonrenewable
(cancelable, term)
Reduction in coverage

5.0 Disability Income and
Related Insurance (Reg.
80-1, Sec. 7(F)) 10%

5.1 Qualifying for disability
benefits
Inability to perform duties
Reg. 80-1, Sec. 5(I), (J),
and (K)
Own occupation
Any occupation
Pure loss of income
(income replacement
contracts)
Presumptive disability
Requirement to be under
physician care

5.2 Individual disability
income insurance
Basic total disability plan
Income benefits
(monthly indemnity)
Elimination and
benefit periods
Waiver of premium
feature
Coordination with social
insurance and workers
compensation benefits
Additional monthly
benefit (AMB)
Social insurance
supplement (SIS)
Occupational versus
nonoccupational
coverage
At-work benefits
Partial disability benefit
Residual disability benefit
Other provisions affecting income benefits
Cost of living adjustment (COLA) rider
Future increase option (FIO) rider
Relation of earnings to insurance (4066(6))
Other cash benefits
Accidental death and dismemberment
Reg. 80-1, Sec. 7(G)
Rehabilitation benefit
Medical reimbursement benefit
(nondisabling injury)
(Subject to applicable health & sickness rule)
Exclusions (Bul HCA 127)

5.3 Unique aspects of individual disability underwriting
Occupational considerations
Benefit limits
Policy issuance alternatives

5.4 Group disability income insurance
Group versus individual plans

5.5 Social Security disability
Qualification for disability benefits
Definition of disability
Waiting period
Disability income benefits

5.6 Workers compensation
Eligibility
Benefits

6.1 Patient Protection and Affordable Care Act (PPACA, or ACA)
Vermont Health Connect (VHC) (V.S.A Title 33, Ch. 18)
Eligibility
Income levels
Private insurance products through VHC
Person ineligible
Premium subsidies
Pre-existing condition exclusions
Ten Essential Health Benefits (EHB)
Lifetime and annual limits
Preventive benefits
Individual and small group major med market
Large group market
Off-exchange
Dental Insurance
Availability of coverage
Individual and employer-sponsored group plans
Provider network
Stand-alone dental plans (SADPs)
Pediatric dental coverage under the ACA
Waiting periods

6.2 Medical plan concepts
Fee-for-service basis versus prepaid basis
Specified coverages versus comprehensive care
Benefit schedule versus usual/reasonable/customary charges
Managed care versus non-managed care (Reg. H-2009-03)
Expense based versus indemnity based

6.3 Types of providers and plans
Major medical insurance
Characteristics
Common limitations
Exclusions from coverage
Provisions affecting cost to insured
Major-med coverage in VT (Reg. H-2009-03)
Health maintenance organizations (HMOs)
Preferred provider organizations (PPOs)
General characteristics
Open or closed network
Types of parties to the provider contract
Exclusive provider organizations (EPOs)
General characteristics
Open or closed network
Point-of-service (POS) plans
Nature and purpose
Non-network provider access (open-ended HMO)
PCP referral (gatekeeper PPO)
Indemnity plan features

6.4 Utilization management (H-2009-03)
Prior approval H-2009-03, Sec. 3.1
Appeal/Grievance procedures H-2009-03, Sec. 3.3

6.5 Vermont eligibility requirements (non-group and/or group)
Child age limit, whether or not dependent
Adopted child coverage (4100c)
Disabled child coverage 8 V.S.A. Sec. 4089d)
Newborn child coverage (4092)
Civil unions (Title 15 Sec 1201, 4063a, Reg IH-2001, Bul. 128)
Same-sex marriage 15 V.S.A. Sec. 8; 18 V.S.A. Sec. 5131(a)(2)

6.6 HIPAA (Health Insurance Portability and Accountability Act) requirements
Eligibility
Guaranteed issue
Pre-existing conditions
Creditable coverage
Renewability
Protected Health Information (PHI)

6.7 Medical Savings Accounts (MSAs), Health Savings Accounts (HSAs) and High Deductible Health Plans (HDHPs)
Definition
Eligibility
Contribution limits

7.0 Health Maintenance Organizations (HMOs) 8%

7.1 General characteristics
Combined health care delivery and financing
In network versus out of network
Limited service area
Limited choice of providers
Gatekeeper concept
Copayments
Prepaid basis

7.2 HMO Services
Preventive care services
Well-child care
Immunizations
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Vermont Producer’s Examination for Life, Accident, Health and HMO

Series 14-29

150 questions - 2.5-hour time limit
Effective November 3, 2018

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Dental Insurance
Availability of coverage
Individual and employer-sponsored group plans
Provider network
Stand-alone dental plans (SADPs)

12.2 Medical plan concepts
Fee-for-service basis versus prepaid basis
Specified coverages versus comprehensive care
Benefit schedule versus usual/reasonable/customary charges
Managed care versus non-managed care (Reg. H-2009-03)
Expense based versus indemnity based

12.3 Types of providers and plans
Major medical insurance (indemnity plans)
Characteristics
Common limitations
Exclusions from coverage
Provisions affecting cost to insured
Major-med coverage in VT (Reg. H-2009-03)
Health maintenance organizations (HMOs)
Preferred provider organizations (PPOs)
General characteristics
Open or closed network
Types of parties to the provider contract
Exclusive provider organizations (EPOs)
General characteristics
Open or closed network
Point-of-service (POS) plans
Nature and purpose
Non-network provider access (open-ended HMO)
PCP referral (gatekeeper PPO)

12.4 Utilization Management (H-2009-03)
Prior approval H-2009-03, Sec. 3.
Appeal/Grievance procedures H-2009-03, Sec. 3.3

12.5 Vermont eligibility requirements (non-group and/or group)
Child age limit, whether or not dependent
Adopted child coverage (4100c)
Child coverage; noncustodial parents (4100b)
Disabled child coverage 8 V.S.A. Sec. 4089d)
Newborn child coverage (4092)
Civil unions (4063a; Title 15 Sec 1201; Reg IH-2001, Bul HCA 110)
Same sex marriage 15 V.S.A. Sec. 8; 18 V.S.A. Sec. 5131(a)(2)

12.6 HIPAA (Health Insurance Portability and Accountability Act) requirements
Eligibility
Guaranteed issue
Pre-existing conditions
Creditable coverage
Renewability
Protected Health Information (PHI)

12.7 Medical savings accounts (MSAs), Health Savings Accounts (HSAs) and High Deductible Health Plans (HDHPs)
Definition
Eligibility
Contribution limits

13.0 Health Maintenance Organizations (HMOs) 7%
13.1 General characteristics
Combined health care delivery and financing
In network versus out of network
Limited service area
Limited choice of providers
Gatekeeper concept
Copayments
Prepaid basis

13.2 HMO Services
Preventive care services
Well-child care
Immunizations
Routine physical examinations
Wellness programs
Physician services
Primary care physician (PCP)
Referral (specialty) physician
Emergency care
Urgent care center
Hospital emergency room
Hospital services
Skilled nursing facility services
Home health care (4096)
Family planning services
Mental health/substance abuse benefits
Prescription drugs
Additional plans and services
Dental services (effects of PPACA)
Vision care/hearing care (effects of PPACA)

14.0 Group Health Insurance 5%

14.1 Characteristics of group insurance
Group contract 8 V.S.A. Sec. 4080
Certificate of coverage 8 V.S.A. Sec. 4080
Experience rating versus community rating

14.2 Types of eligible groups (8 V.S.A. Sec. 4079)
Employment-related groups
Individual employer groups
Multiple-Employer Trusts (METs)
Exempt associations (alumni, professional, other)
Trusts (unions, employers)

14.3 Marketing considerations
Advertising (Reg. 71-1)
Regulatory jurisdiction/place of delivery

14.4 Employer group health insurance
Vermont underwriting requirements (4079)
Insurer underwriting criteria
Characteristics of group
Plan design factors
Persistency factors
Administrative capability
Eligibility for coverage
Open enrollment
Employee eligibility (4080(5))
Dependent eligibility
Coordination of benefits provision
Change of insurance companies or loss of coverage
Coinsurance and deductible carryover
No-loss no-gain

14.5 Small employer group medical plans
Definition of small employer (4080a(a)(1))
Availability of coverage (4080a(d))

15.0 Insurance for Senior Citizens and Special Needs Individuals 6%

15.1 Medicare
Nature, financing and administration
Part A — Hospital Insurance
Individual eligibility requirements
Enrollment
Coverages and cost-sharing amounts
Part B — Medical Insurance
Individual eligibility requirements
Enrollment
Coverages and cost-sharing amounts
Exclusions
Claims terminology and other key terms
Part C — Medicare Advantage
Part D — Prescription Drug Insurance

15.2 Medicare supplements (Reg H-2009-04 Sec 1–25)
Purpose (Reg H-2009-04 Sec 1)
Open enrollment (Reg H-2009-04 Sec 11)
Standardized Medicare supplement plans (Reg H-2009-04 Sec 8, 9)
Core benefits (Reg H-2009-04 Sec 8(B))
Additional benefits (Reg H-2009-04 Sec 8(C))
Vermont regulations and required provisions
Standards for marketing (Reg H-2009-04 Sec 20)
Advertising (Reg H-2009-04 Sec 19)
Appropriateness of recommended purchase (Reg H-2009-04 Sec 21)
Buyer’s guide (Reg H-2009-04 Sec 17(A)(5))
Outline of coverage (Reg H-2009-04 Sec 17(D))
Right to return (Reg H-2009-04 Sec 17(A)(5))
Pre-existing conditions (Reg H-2009-04 Sec 8(A)(1), Sec 8.1(A)(1))
Duplication of Medicare benefits (Reg H-2009-04 Sec 21(B))
Replacement (Reg H-2009-04 Sec 18, 23)
Required disclosure provisions (Reg H-2009-04 Sec 17)
Permitted compensation arrangements (Reg H-2009-04 Sec 16)
Renewability and cancellation (Reg H-2009-04 Sec 8(A)(5), Sec 8.1(A)(5))
Continuation and conversion requirements (Reg H-2009-04 Sec 8(A)(5), Sec 8.1(A)(5))
Notice requirements (Reg H-2009-04 Sec 17(B))
Medicare Select (Reg H-2009-04 Sec 10)
15.3 Other options for individuals with Medicare
Employer group health plans
Disabled employees
Employees with kidney failure
Individuals age 65 and older
Medicaid
Eligibility
Benefits
15.4 LTC, Medicare and Medicaid compared
Individual vs. Group
Continuation and Conversion (Reg. H-2009-01, Section 6(D))
Eligibility for Benefits
Elimination Period (Reg. H-2009-1, Section 6(I))
Activities of Daily Living (Reg. H-2009-1, Section 29)
Cognitive Impairment (Reg. H-2009-1, Section 29)
Coverage of Mental Health Conditions (Reg. H-2009-1, Section 6(J)(3))
Appeal of Benefit Determinations (Reg. H-2009-1, Section 31)
Internal Appeal (Reg. H-2009-1, Section 31 (A)-(C))
Independent Review (Reg. H-2009-1, Section 31 (D)-(E))
Level of Benefits (Reg. H-2009-1, Section 6(H)(4)-(5))
Home Health Care
Personal Care
Adult Day Care
Nursing Facility
Hospice Care
Required Benefit Configurations (Reg. H-2009-1, Section 6 (K))
Qualified Long Term Care Plans (Regulation H-2009-1, Section 30)
Underwriting Considerations
Suitability (Regulation H-2009-1, Section 29)
Replacement (Reg. H-2009-1, Section 14)
Vermont regulations and required provisions
Standards for Marketing (Reg. H-2009-1, Sections 9, 23)
Buyer’s Guide (8 V.S.A. Section 8098, Reg. H-2009-1, Section 23)
Outline of Coverage (8 V.S.A. Section 87090, Reg. H-2009-1, Section 32)
Right to Return (free look) (8 V.S.A. Section 8089, Reg. H-2009-1, Section 6 (L))
Replacement (Reg. H-2009-1, Section 14)
Benefit Standards (8 V.S.A. Section 8085)
Prohibited Policy Provisions (8 V.S.A. Sections 8086, 8087; Reg. H-2009-1, Sections 6, 25)
Renewal Considerations (Reg. H-2009-1, Sections 7(B) and 8(B))
Inflation Protection (Reg. H-2009-1, Section 13)
Pre-existing Conditions (8 V.S.A. Section 8086, Reg. H-2009-1, Section 25)
Non-forfeiture requirements (8 V.S.A. Section 8095, Reg. H-2009-1, Section 28)

16.0 Federal Tax Considerations for Health Insurance 5%

16.1 Personally-owned health insurance
- Disability income insurance
- Medical expense insurance
- Long-term care insurance

16.2 Employer group health insurance
- Disability income (STD, LTD)
- Medical and dental expense
- Long-term care insurance
- Accidental death and dismemberment

16.3 Medical expense coverage for sole proprietors and partners

16.4 Medical savings accounts (MSAs)

Assumed business name (4813j)
- Reporting of actions (4813o)
- Continuing education requirements (4800a; Reg 2000-2 Sec 4)

Disciplinary actions
- Denial of license (4800(3)(E))
- Cease and desist order (3661)
- Suspension, revocation or nonrenewal (4804; 4806)
- Penalties (3661(a)(2); 4804(d))

1.2 State regulation
Commissioner's general duties and powers (4726; 4804)
- Company regulation
  - Certificate of authority (3368)
  - Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1–7)
- Policy forms (3541)
- Examination of records (3565)
- Producer appointment (4798(d); 4813j)
- Termination of appointment (4798(d); 4813m)

Producer regulation
- Acting without a license (4793; 4813c)
- Shared commissions (4796)
- Trust accounts — anti-commingling (Reg 95-1; 4724(12))
- Controlled business (4795)
- Duties (4813c)
- Unfair trade practices (4724)

Misrepresentation (4724(1, 11, 13))
False advertising (4724(2))
Defamation (4724(3))
Boycott, coercion and intimidation (4724(4))
False financial statements and entries (4724(5))
Illegal inducement (4724(6))
Unfair discrimination (4724(7))
Rebating (4724(8))
Failure to maintain complaint record (4724(10))
Failure to act as fiduciary (4724(12); Reg 95-1)
Unsuitability (4724(16))
Nondisclosure of fees or charges (4724(14))

Consumer privacy regulation (IH-2001-01)

1.3 Federal regulation
- Fair Credit Reporting Act (15 USC 1681–1681d)
- Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 9%

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
- Captive insurers
- Stock companies
- Mutual companies
- Fraternal benefit societies
- Lloyd’s associations
- Risk retention groups
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 producers
- Express
- Implied
- Apparent

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
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 Property and Casualty Insurance Basics 10%

3.1 Principles and concepts
Insurable interest
Underwriting
- Function
- Loss ratio
Rates
- Types
- Loss costs
- Components
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
Blanket versus specific insurance
Basic types of construction
Loss valuation
- Actual cash value
- Replacement cost
- Functional replacement cost
- Market value
- Agreed value
- Stated amount
- Valued policy

3.2 Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements

3.3 Common policy provisions
Insureds — named, first named, additional
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  
Split  
Combined single  
Restoration/nonreduction of limits  
Coinsurance  
Vacancy or unoccupancy  
Named insured provisions  
Duties after loss  
Assignment  
Abandonment  
Insurer provisions  
Liberalization  
Subrogation  
Salvage  
Claim settlement options  
Duty to defend  
Third-party provisions  
Standard mortgage clause  
Loss payable clause  
No benefit to Bailee

3.4 Vermont laws, regulations and required provisions  
Vermont Property and Casualty Insurance Guaranty Association (3611–3626)  
Renewal notice (3882; 4715)  
Cancellation and nonrenewal (3879–3881; 3883; 4711–4714)  
Consent to rate (4688(f); Reg 1-2010-03)  
Loss payment (3868; Reg 79-2 Sec 6, 8)  
Discrimination (3861)  
Coinsurance (3961–3968)  
Pollution coverage (Bul 111)  
Required provisions (4203)

Federal Terrorism Insurance Program (Bul 142, 150; 15 USC 6701; Public Law 107–297, 109–144, 110–160)

4.0 Dwelling ('02) Policy 5%

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against  
Basic  
Broad  
Special

4.3 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

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements  
Special provisions — Vermont (DP 01 44)  
Automatic increase in insurance (DP 04 11)  
Broad theft coverage (DP 04 72)  
Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('11) Policy 17%

5.1 Coverage forms  
HO-2 through HO-6

5.2 Definitions

5.3 Section I — Property coverages  
Coverage A — Dwelling  
Coverage B — Other structures

5.4 Section II — Liability coverages  
Coverage E — Personal liability  
Coverage F — Medical payments to others  
Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements  
Special provisions — Vermont (HO 01 44)  
Limited fungi, wet or dry rot, or bacteria coverage — Vermont (HO 04 02)  
Permitted incidental occupations (HO 04 42)  
Earthquake (HO 04 54)  
Scheduled personal property (HO 04 61)  
Personal property replacement cost (HO 04 90)  
Home day care — Vermont (HO 23 45)  
Business pursuits (HO 24 71)  
Watercraft (HO 24 75)  
Personal injury (HO 24 82)

6.0 Auto Insurance 21%

6.1 Laws  
Vermont Motor Vehicle Financial Responsibility and Insurance Laws (Title 23 Sec 800–943)  
Required limits of liability (Title 23 Sec 801)  
Required proof of insurance (Bul 77)  
Vermont Automobile Insurance Plan (4241–4246)  
Eligibility
Liability limitations  
Physical damage coverage limitations  
Uninsured/underinsured motorist (Title 23 Sec 941)  
Definitions  
Required limits of liability  
Bodily injury  
Property damage  
Cancellation/nonrenewal grounds (4223)  
Notice (4224–4226)  
Notice of eligibility in assigned risk plan (4227)  
Binders (Title 23 Sec 942)  
Surcharges (4671–4675)  

6.2 Personal ('05) auto policy  
Definitions  
Liability coverage  
Bodily injury and property damage  
Supplementary payments  
Exclusions  
Medical payments  
Uninsured motorist/underinsured motorist coverage  
Coverage for damage to your auto  
Collision  
Other than collision  
Deductibles  
Transportation expense  
Exclusions  
Duties after an accident or loss  
General provisions  
Selected endorsements  
Amendment of policy provisions — Vermont (PP 01 72)  
Towing and labor costs (PP 03 03)  

Extended non-owned coverage (PP 03 06)  
Miscellaneous type vehicle (PP 03 23)  
Joint ownership coverage — Vermont (PP 03 80)  

6.3 Commercial auto ('10)  
Commercial auto coverage forms  
Business auto  
Auto Dealers  
Business auto physical damage  
Truckers  
Motor carrier  
Coverage form sections  
Covered autos  
Liability coverage  
Garagekeepers coverage  
Trailer interchange coverage  
Physical damage coverage  
Exclusions  
Conditions  
Definitions  
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)  
Commercial carrier regulations  
The Motor Carrier Act of 1980  
Endorsement for motor carrier policies of insurance  

7.0 Commercial Package Policy (CPP) 8%  
7.1 Components of a commercial policy  
Common policy declarations  
Common policy conditions  
Interline endorsements  
One or more coverage parts  

7.2 Commercial general liability ('07)  
Commercial general liability coverage forms  
Bodily injury and property damage liability  
Personal and advertising injury liability  
Medical payments  
Supplementary payments  
Who is an insured  
Limits of liability  
Conditions  
Definitions  
Exclusions  
Premises and operations  
Products and completed operations  
Insured contract  

7.3 Commercial property ('07)  
Commercial property conditions form  
Coverage forms  
Building and personal property  
Condominium association  
Condominium commercial unit-owners  
Builders risk  
Business income
7.4 Commercial crime ('06)

General definitions
- Burglary
- Theft
- Robbery

Crime coverage forms
- Commercial crime coverage forms (discovery/loss sustained)
- Government crime coverage forms (discovery/loss sustained)

Coverage
- Employee theft
- Forgery or alteration
- Inside the premises — theft of money and securities
- Inside the premises — robbery or safe burglary of other property
- Outside premises
- Computer fraud
- Funds transfer fraud
- Money orders and counterfeit money
- Other crime coverage
- Extortion — commercial entities

7.5 Commercial inland marine

Commercial inland marine conditions form
- Inland marine coverage forms
  - Accounts receivable
  - Bailee’s customers
  - Commercial articles
  - Contractors’ equipment floater
  - Electronic data processing
  - Equipment dealers
  - Installation floater
  - Jewelers block
  - Signs
  - Valuable papers and records
- Transportation coverages
  - Common carrier cargo liability
  - Motor truck cargo forms
  - Transit coverage forms

7.6 Equipment breakdown ('11)

Equipment breakdown protection coverage form (EB 00 20)
- Selected endorsement
  - Actual cash value (EB 99 59)

7.7 Farm coverage

Farm property coverage forms ('03)
- 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
8.4 Businessowners Section III — Common Policy Conditions

8.5 Selected endorsements
- Protective safeguards (BP 04 30)
- Utility services — direct damage (BP 04 56)
- Utility services — time element (BP 04 57)

9.0 Workers Compensation Insurance 7%

9.1 Workers compensation laws
- Type of law
  - Compulsory versus elective
- Vermont Workers’ Compensation Law
  - Exclusive remedy
  - Employment covered (required, voluntary)
  - Covered injuries
  - Occupational disease
  - Benefits provided
- Federal workers compensation laws
  - Federal Employer Liability Act (FELA) (45 USC 51–60)
  - U.S. Longshore & Harbor Workers’ Compensation Act (33 USC 904)
  - The Jones Act (46 USC 688)

9.2 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

9.3 Premium computation
- Job classification — payroll and rates
- Experience modification factor
- Premium discounts

9.4 Other sources of coverages
- Vermont workers’ compensation administration fund
- Self-insured employers and employer groups

10.0 Other Coverages and Options 7%

10.1 Umbrella/excess liability policies
- Personal (DL 98 01)
- Commercial (CU 00 01)

10.2 Specialty liability insurance
- Cyber liability coverage
- Professional liability
- Errors and omissions
- Directors and officers liability
- Fiduciary liability
- Liquor liability
- Employment practices liability

10.3 Surplus lines
- Definitions and markets
- Licensing requirements

10.4 Surety bonds
- Principal, obligee, surety
- Contract bonds
- License and permit bonds
- Judicial bonds

10.5 Ocean marine insurance
- Hull insurance
- Cargo insurance
- Freight insurance

Protection and indemnity

10.6 National Flood Insurance Program
- “Write your own” versus government
- Eligibility
- Coverage
- Limits
- Deductibles

Vermont Adjuster’s Examination for Property and Casualty Insurance Series 14–33
150 questions - 2.5-hour time limit
Effective November 3, 2018

1.0 Insurance Regulation 5%

1.1 Licensing requirements
- Qualifications (4803(a))
- Process (4800, 4800a)
- Licensing exceptions (4803(d)(2))
- Nonresident adjuster (4803(d))

1.2 Maintenance and duration
- Renewal (4798, 4800a)
- Expiration (4798)
- Records (4803(c))

1.3 Disciplinary actions
- Denial of license (4800(3)(E))
- Cease and desist order (3661)
- Suspension, revocation or nonrenewal (4804; 4806)
- Fines (4804(d))

1.4 Claims settlement laws and regulations
(4724(9); Reg 79-2 Sec 1-9; Bulletin 162)

1.5 Federal regulation
- Fraud and false statements (18 USC 1033, 1034)
## 2.0 Insurance Basics 15%

### 2.1 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
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
  - Reasonable expectations
  - Indemnity
  - Utmost good faith
- Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud
  - Waiver and estoppel

### 2.2 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
- Blanket versus specific insurance
- Basic types of construction
- Loss valuation
  - Actual cash value
  - Replacement cost
  - Functional replacement cost
  - Market value
  - Agreed value
  - Stated amount
  - Valued policy

### 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
- 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
- Split
- Combined single
- Restoration/nonreduction of limits
- Coinsurance
- Vacancy or unoccupancy
- Assignment
- Insurer provisions
  - Liberalization
  - Duty to defend
- Third-party provisions
  - Standard mortgage clause
  - Loss payable clause
  - No benefit to Bailee

### 2.5 Vermont laws, regulations and required provisions
- Vermont Property and Casualty Insurance Guaranty Association (3611–3626)
- Renewal notice (3882; 4715)
- Cancellation and nonrenewal (3879–3881; 3883; 4711–4714)
- Coinsurance (3961–3968)
- Pollution coverage (Bul 111)
- Required provisions (4203)

## 3.0 Adjusting Losses 20%

### 3.1 Role of the adjuster
- Duties and responsibilities
- Staff and independent adjuster versus public adjuster (4791)
- Relationship to the legal profession

### 3.2 Claim reporting
3.3 Property losses
Duties of insured after a loss
Notice to insurer
Minimizing the loss
Proof of loss
Special requirements
Production of 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 Liability losses
Investigation procedures
Verify coverage
Determine liability
Gathering evidence
Physical evidence
Witness statements
Police reports
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
Arbitration
Competitive estimates
Mediation
Negotiation

4.0 Dwelling ('02) Policy 6%

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against
Basic
Broad
Special

4.3 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

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements
Special provisions — Vermont (DP 01 44)
Automatic increase in insurance (DP 04 11)
Broad theft coverage (DP 04 72)
Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('11) Policy 15%

5.1 Coverage forms
HO-2 through HO-6

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 Section II — Liability coverages
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements
Special provisions — Vermont (HO 01 44)
Limited fungi, wet or dry rot, or bacteria coverage — Vermont (HO 04 02)
Permitted incidental occupancies (HO 04 42)
Earthquake (HO 04 54)
Scheduled personal property (HO 04 61)
Personal property replacement cost (HO 04 90)
Home day care — Vermont (HO 23 45)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

6.0 Auto Insurance 12%

6.1 Laws
Vermont Motor Vehicle Financial Responsibility and Insurance Laws (Title 23 Chapter 11 Sec 800–943)

Required limits of liability (Title 23 Chapter 11 Sec 801)

Required proof of insurance (Bul 77)

Vermont Automobile Insurance Plan (4241–4246)

Eligibility
Liability limitations
Physical damage coverage limitations
Uninsured/underinsured motorist (Title 23 Chapter 11 Sec 941)

Definitions
Required limits of liability
Bodily injury
Property damage
Cancellation/nonrenewal
Grounds (4223)
Notice (4224–4226)

6.2 Personal ('05) auto policy
Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Duty to defend
Medical payments
Uninsured motorist/underinsured motorist coverage
Coverage for damage to your auto
Collision
Other than collision
Deductibles
Transportation expense
Exclusions
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — Vermont (PP 01 72)
Towing and labor costs (PP 03 03)
Extended non-owned coverage (PP 03 06)

6.3 Commercial auto ('10)
Commercial auto coverage forms
Business auto
Business auto physical damage
Truckers
Motor carrier
Coverage form sections
Covered autos
Liability coverage
Garagekeepers coverage
Trailer interchange coverage
Physical damage coverage
Exclusions
Conditions
Definitions
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)

Commercial carrier regulations
The Motor Carrier Act of 1980
Endorsement for motor carrier policies of insurance for public liability (MCS-90)

7.0 Commercial Package Policy (CPP) 12%

7.1 Components of a commercial policy
Common policy declarations
Common policy conditions
Interline endorsements
One or more coverage parts

7.2 Commercial general liability ('07)
Commercial general liability coverage forms
Bodily injury and property damage liability
Personal and advertising injury liability
Medical payments
Supplementary payments
Who is an insured
Limits of liability
Conditions
Definitions
Exclusions
Premises and operations
Products and operations
Insured contract

7.3 Commercial property ('07)
Commercial property conditions form
Coverage forms
Building and personal property
Condominium association
Condominium commercial unit-owners
Builders risk
Business income
Extra expense
Legal liability

Causes of loss forms
Basic
Broad
Special

Selected endorsements
Ordinance or law (CP 04 05)
Spoilage (CP 04 40)
Peak season limit of insurance (CP 12 30)
Value reporting form (CP 13 10)

7.4 Commercial crime ('06)
General definitions
Burglary
Theft
Robbery

Crime coverage forms
Commercial crime coverage forms (discovery/loss sustained)
Government 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 premises
Computer fraud
Funds transfer fraud
Money orders and counterfeit money

Other crime coverage
Extortion — commercial entities

7.5 Commercial inland marine
Commercial inland marine conditions form
Inland marine coverage forms
Accounts receivable
Bailee’s customers
Commercial articles
Contractors equipment floater
Electronic data processing
Equipment dealers
Installation floater
Jewelers block
Signs
Valuable papers and records

Transportation coverages
Common carrier cargo liability
Motor truck cargo forms
Transit coverage forms

7.6 Equipment breakdown ('11)
Equipment breakdown protection coverage form (EB 00 20)
Selected endorsement
Actual cash value (EB 99 59)

7.7 Farm coverage
Farm property coverage forms ('03)
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

Farm liability coverage form ('06)
Coverage H — Bodily injury and property damage liability
Coverage I — Personal advertising injury liability
Coverage J — Medical payments

Mobile agricultural machinery and equipment coverage form
Livestock coverage form
Definitions
Cause of loss (basic, broad and special)
Conditions
Exclusions
Limits
Additional coverages

8.0 Businessowners ('10) Policy 15%
8.1 Characteristics and purpose
8.2 Businessowners Section I — Property
Coverage
Exclusions
Limits
Deductibles
Loss conditions
General conditions
Optional coverages
Definitions

8.3 Businessowners Section II — Liability
Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions
8.4 Businessowners Section
III — Common Policy
Conditions
8.5 Selected endorsements
Protective safeguards (BP 04 30)
Utility services — direct
damage (BP 04 56)
Utility services — time
element (BP 04 57)

Vermont Workers' Compensation Law and
Department of Labor Rules (Related
Regulation 94-1 Rule 1.0000)
Definitions (RR 94-1
Rule 2.0000)
Exclusive remedy
Employment covered
(required, voluntary)
Independent contractor
versus employee
Statutory employer
Covered injuries
First-aid-only injuries
(Title 21 sec. 640(e))
Pre-authorization requests and denials
T. 21 s 640b Rule 6.000
Benefits provided
Out-of-state injuries
Jurisdiction
Subrogation (Rule
21.13; Title 21 sec.
624(e)(2))
Bars to recovery
Willful intention
Intoxication
Failure to use
safety appliance
Statute of
limitations
Average weekly wage
(RR 94-1 Rule
8.0000)
Choice of physician
(RR 94-1 Rule
4.0000)
Medical examination
(RR 94-1 Rule
6.0000)
Notice of injury and
claim (RR 94-1 Rule
3.0000)
Compensation
agreements and
disputed claims (RR
94-1 Rule 9.0000)

Termination of
compensation (RR
94-1 Rule 12.0000)
Lump-sum payments
(RR 94-1 Rule
13.0000)

2.2 Workers compensation and employer 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

3.0 Workers Compensation Claim Principles 36%

3.1 Role of the adjuster
Duties and responsibilities

3.2 Controlling medical costs
Designated provider
Medical fee schedule (RR
95-22 Rule 40.01-.11)
Hospital bill auditing
Reimbursement requirements (RR
95-22 Rule 40.02)
Fees for depositions, mileage and supplemental
reports (RR 95-22
Rule 40.11) 21VSA
sec. 678
Payment without
prejudice 3.2300
Concurrent employment

3.3 Investigation and evaluation
Compensability
Death benefits for
fatality claim
Employment
relationship
Compensable injury
Causal relationship
Timely notice

Vermont Adjuster's Examination for Workers Compensation Insurance Series 14-34
50 questions - 1-hour time limit
Effective November 3, 2018

1.0 Insurance Regulation 9%

1.1 Licensing requirements
Qualifications (4803(a))
Process (4800, 4800a)

1.2 Maintenance and
duration
Renewal (4798)
Expiration (4798)
Records (4803(c))

1.3 Disciplinary actions
Denial of license
(4800(3)(E))
Cease and desist order
(3661)
Suspension, revocation or
nonrenewal (4804; 4806)
Fines (4804(d))
Administrative penalties
(RR 95-20 Rule 45 Sec
5000)

2.0 Workers Compensation
Insurance 55%

2.1 Workers compensation
laws and rules

45
Workers compensation fraud
Burdens of proof
Documentation
First report of injury
Types of evidence
Time limits
Surveillance
Adjuster's log notes
Medical determination
Medical authorization
Causal relationship
Aggravation/recurrence
Disability status
Temporary/Permanent
Independent Medical Examinations (IME) (Rule 6.000)

3.4 Claim reserves
Components
Indemnity
Medical
Expense
Factors affecting reserves

3.5 Claims management
Analysis
Identifying treating physician
Identifying treatment plan
Identifying return-to-work capacity
Contested claims adjustment procedures
Form 27 (RR 94-1 Rule 12.0000)
Notice and application for hearing; filing of papers (RR 94-1 Rule 14.0000)
Representation (RR 94-1 Rule 15.0000)
Informal resolution (RR 94-1 Rule 16.0000)
Formal hearing (RR 94-1 Rule 17.0000)

Appeals (RR 94-1 Rule 17.0000)
Attorney's fees (RR 94-1 Rule 20.0000)
Dispositions
Resolving medical disputes (RR 94-1 Rule 5.0000)
Resolving permanency disputes
Settlement negotiation
Form 16

3.6 Vocational rehabilitation programs (Title 21, sec. 641)
Referral
Individual written rehabilitation plan

Vermont Producer's Examination for

Bail Bond
Series 14-35
50 questions - 1-hour time limit
Effective November 3, 2018

1.0 Insurance Regulation 20%

1.1 Licensing
Persons to be licensed (4793; Title 13 Sec 7554a)
Resident vs. non-resident 4800(a)
Process (4800; 4813f)
Producer appointment (4798(c); 4798(d); 4813j)
Termination of appointment (4798(d); 4813j)
Examination of records (3565) 8 VSA Sec. 13
Renewal and expiration (4798)
Address change (4800(3)(F))
Disciplinary actions

1.2 Unfair trade practices (4724)
Misrepresentation (4724(1, 11, 13))
False advertising (4724(2))
Defamation (4724(3))
Boycott, coercion and intimidation (4724(4))
False financial statements and entries (4724(5))
Unfair discrimination (4724(7))
Rebating (4724(8))
Failure to maintain complaint record (4724(10))
Failure to act as fiduciary (4724(12))
Nondisclosure of fees or charges (4724(14))
Failure to comply with filed rates, rules, regulations or forms (4724(19))

1.3 Trust accounts (Reg 95-1)
Fiduciary duties and responsibilities
Accounting requirements

1.4 Federal regulation
Fraud and false statements (18 USC 1033, 1034)

2.0 The Legal Framework 10%

2.1 Powers and authority of producers
Express
Implied
Apparent

2.2 Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Concealment
Fraud

2.3 Court jurisdiction
Original jurisdiction
Territorial
Personal
Appellate jurisdiction

2.4 Terminology
Arrest
Concurrent bail
Consecutive bail
Conviction
Custody
Defendant
Discharge
Disposition
Extradition
Felony
Final judgment
Hearing
Incarceration
Indictment
Misdemeanor
Mittimus
Posting of bail
Recognizance
Warrant

3.0 Bail Bond Principles and Practices  70%

3.1 Parties to a surety bond
Principal
Indemnitor for principal
Indemnity agreement
Obligee
Surety
Surety’s agent (producer)
Obligation to court (13 V.S.A. 7554a)

3.2 Duties of a bail bond producer
Approval
Premium receipt
Obligation to court
Power of attorney
Collateral and trust obligations

3.3 Types of bonds
Bail
Peace bond (13 V.S.A. 7573)
Property bond
Secured appearance bond
Unsecured appearance bond

3.4 Procedure
Application for bond (surety/defendant contract)
Collateral security
Surety contract
Posting the bond

3.5 Court procedures
Court appearances
Arraignment
Trial
Appeal
Conditions of release
Prior to trial
Pending appeal
Failure to appear
Revocation of bail (13 V.S.A. 7575)

3.6 Release of surety

3.7 Surrender of principal (defendant)
Discharge of bond
Return of premium
Return of collateral

3.8 Bond forfeiture
Notice to defendant and sureties
Judgment
Dispersal of funds

Arrest after forfeiture

Vermont Examination for Motor Vehicle Damage Appraiser

Series 14-37

60 questions - 1-hour time limit
Effective November 3, 2018

1.0 Vermont Insurance Practices  10%

1.1 Authority of the Insurance Commissioner (4726)

1.2 Licensing requirements (4791, 4800, 4800a)
Qualifications (4803)
Records (4803)
Disciplinary actions (4804, 4806)
Renewal (4798)

1.3 Claim settlement laws and regulations (4724(9); Reg 79-2 Sec 1-9; Bulletin 162)

2.0 Insurance Basics  10%

2.1 Property insurance principles
Insurable interest
Causes of loss (perils)
Direct versus indirect loss
Valuation
Actual cash value
Replacement cost

3.0 Appraising Auto Physical Damage Claims  80%

3.1 The role of the appraiser
Duties and responsibilities
Relationship to adjusters

3.2 Duties of insured after a loss
Notice to insurer
Minimizing the loss
Proof of loss
Inspection and appraisal of vehicle
Special requirements

3.3 Determining value and loss
Adjustment procedures
Salvage
Appraisal
Depreciation
Repair or replacement
  Repair options and procedures
  “Like kind and quality”
  Aftermarket parts
Partial loss versus total loss
Constructive total loss
Motor Vehicle Total Loss
Using A Price Guide Bul 182

3.4 Vehicle inspection
Proper vehicle identification and options
ID
Evaluate with regard to circumstances of accident
Estimate of repairs form

3.5 Vehicle parts and construction
Body
  Front end
  Rear body
  Quarter panels
Doors
  Roof
Bumpers/urethane repairs
Lamps
Cowl
Floor pan
Rocker panels
Pillars
Substructure
Frame
Unibody
Mechanical
  Engine
  Cooling system
  Electrical system/computers
  Exhaust system
  Fuel system
  Heating and air conditioning systems
  Brakes/ABS
  Steering
  Suspension
  Transmission
  Air bags/SRS (seat belts)
Glass
  Interior
  Paint

Vermont Agent’s Examination for Title Insurance
Series 14-38
60 questions - 1-hour time limit
Effective November 3, 2018

1.0 Licensing
1.1 Process (4800; 4813e; 4813f)
Persons to be licensed (4813b)
Maintenance and duration
  Renewal and expiration (4798)
  Address change (4800(3)(F))
Assumed business name (4813j)
Reporting of actions (4813o)
Continuing education requirements (4800a; Reg 1-2000-02 Sec 4, ?)

Disciplinary actions
  Denial of license (4800(3)(E))
  Cease and desist order (3661)
  Suspension, revocation or nonrenewal (4804; 4806)

1.2 State regulation
Commissioner’s general duties and powers (4726)
Company regulation
  Forms filing exceptions (Reg 1-2010-03 Sec 4)
  Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1-9)
  Examination of records (3565)
Agent regulation
  Acting without a license (4793)
  Shared commissions (4796)
Unfair trade practices (4724)
  Misrepresentation (4724(1, 11, 13))
  False advertising (4724(2))
  Defamation (4724(3))
  Boycott, coercion and intimidation (4724(4))
  False financial statements and entries (4724(5))
  Illegal inducement (4724(6))
  Unfair discrimination (4724(7))
  Rebating (4724(8))
  Failure to maintain complaint record (4724(10))
  Failure to act as fiduciary (4724(12))
Nondisclosure of fees or charges
(4724(14))

1.3 Federal regulation
Fair Credit Reporting Act
(15 USC 1681–1681d)
Fraud and false statements
(18 USC 1033, 1034)

2.0 General Insurance 7%

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
Insurable interest
Reinsurance

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 applicant/insured

2.3 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
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentation
Warranties
Concealment
Fraud
Waiver and estoppel

3.0 Real Property 34%

3.1 Concepts, principles and practices
Definition of real property
Types of real property
Title to real property
Marketable title

3.2 Acquisition and transfer of real property
Conveyances
Encumbrances
Adverse possession
Condemnation
Accession
Escheats
Involuntary alienation
Abandonment
Judicial sales
Decedents’ estates
Intestate
Testate
Trusts
Types of joint ownership

3.3 Legal descriptions
Types of legal descriptions
Types of measurements used
Language of real descriptions
Structure and format
Interpretation
Survey requirements

3.4 Recording
Types of records
Types of recording systems
Requirements to record
Recording steps
Acknowledgments
Presumptions

4.0 Title Insurance 24%

4.1 Title insurance principles
Risks covered by title insurance
Risk of error in public records
Hidden off-record title risks
Risk of omission and commission by agent
Entities that can be insured; need for insurance
Individual
5.0 Title Exceptions and Procedures for Clearing Title 29%

5.1 Principles and concepts

General exceptions
Voluntary and involuntary liens
Federal liens
Mortgage deeds
Judgments
Taxes and assessments
Surveys
Condominiums and common interest communities
Water rights
Mineral rights

Equitable interests
Attachments
Executions
Covenants
Conditions
Restrictions
Glebe land
Building and zoning laws

5.2 Special problem areas and concerns

Acknowledgments
Mechanic’s lien
Bankruptcy
Probate
Good faith
Foreclosure
Claims against the title
Ancient roads

5.3 Principles of clearing title

Releases
Assignments
Subordinations
Affidavits
Reconveyances

1.0 Insurance Regulation 8%

1.1 Licensing

Process (4800; 4813f)
Types of licensees (4791)
Resident (4800(3)(A))

Nonresident (4800(3)(B); 4813h)

Maintenance and duration
Renewal and expiration (4798)
Address change (4800(3)(F))
Assumed business name (4813j)
Reporting of actions (4813o)
Continuing education requirements (4800a; Reg 2000-2 Sec 4)

Disciplinary actions
Denial of license (4800(3)(E))
Cease and desist order (3661)
Suspension, revocation or nonrenewal (4804; 4806)
Penalties (3661(a)(2); 4804(d))

1.2 State regulation

Commissioner’s general duties and powers (4726; 4804)

Company regulation
Certificate of authority (3368)
Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1–7)
Policy forms (3541)
Examination of records (3565)
Producer appointment (4798(d); 4813l)
Termination of appointment (4798(d); 4813m)

Producer regulation
Acting without a license (4793; 4813c)
Shared commissions (4796)
Trust accounts — anti-commingling (Reg 95-1; 4724(12))
Controlled business (4795)
Duties (4813c)
Unfair trade practices (4724)
Misrepresentation (4724(1, 11, 13))
False advertising (4724(2))
Defamation (4724(3))
Boycott, coercion and intimidation (4724(4))
False financial statements and entries (4724(5))
Illegal inducement (4724(6))
Unfair discrimination (4724(7))
Rebating (4724(8))
Failure to maintain complaint record (4724(10))
Failure to act as fiduciary (4724(12); Reg 95-1)
Unsuitability (4724(16))
Nondisclosure of fees or charges (4724(14))
Consumer privacy regulation (IH-2001-01)

1.3 Federal regulation
Fair Credit Reporting Act (15 USC 1681-1681d)
Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 7%

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
Captive insurers
Stock companies
Mutual companies
Fraternal benefit societies
Lloyd’s associations
Risk retention groups
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 producers
Express
Implied
Apparent

2.4 Contracts
Elements of a legal contract
Offer and acceptance

3.0 Property and Casualty Insurance Basics 15%

3.1 Principles and concepts
Insurable interest
Underwriting
Function
Loss ratio
Rates
Types
Loss costs
Components
Hazards
Physical
Moral
Morale
Negligence
Elements of a negligent act
Defenses against negligence
Damages
| Compensatory — special versus general | Primary and excess pro rata |
| Punitive | Limits of liability |
| Absolute liability | Per occurrence (accident) |
| Strict liability | Per person |
| Vicarious liability | Split |
| Causes of loss (perils) | Combined single |
| Named perils versus special (open) perils | Restoration/nonreduction of limits |
| Direct loss | Coinurance |
| Consequential or indirect loss | Vacancy or unoccupancy |
| Blanket versus specific insurance | Named insured provisions |
| Basic types of construction | Duties after loss |
| Loss valuation | Assignment |
| Actual cash value | Abandonment |
| Replacement cost | Insurer provisions |
| Functional replacement cost | Liberalization |
| Market value | Subrogation |
| Agreed value | Salvage |
| Stated amount | Claim settlement options |
| Valued policy | Duty to defend |

### 3.2 Policy structure
- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

### 3.3 Common policy provisions
- Insureds — named, first named, additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
- Nonconcurrency

### 4.0 Dwelling ('02) Policy 5%
#### 4.1 Characteristics and purpose

#### 4.2 Coverage forms — Perils insured against
- Basic
- Broad
- Special

#### 4.3 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

#### 4.4 General exclusions

#### 4.5 Conditions

#### 4.6 Selected endorsements
- Special provisions — Vermont (DP 01 44)
- Automatic increase in insurance (DP 04 11)
- Broad theft coverage (DP 04 72)
- Dwelling under construction (DP 11 43)

#### 4.7 Personal liability supplement

### 5.0 Homeowners ('11) Policy 25%
#### 5.1 Coverage forms
- HO-2 through HO-6

#### 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 Section II — Liability coverages
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements
Special provisions — Vermont (HO 01 44)
Limited fungi, wet or dry rot, or bacteria coverage — Vermont (HO 04 02)
Permitted incidental occupancies (HO 04 42)
Earthquake (HO 04 54)
Scheduled personal property (HO 04 61)
Personal property replacement cost (HO 04 90)
Home day care — Vermont (HO 23 45)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

6.0 Auto Insurance 28%

6.1 Laws
Vermont Motor Vehicle Financial Responsibility and Insurance Laws
(Title 23 Sec 800–943)
Required limits of liability (Title 23 Sec 801)
Required proof of insurance (Bul 77)
Vermont Automobile Insurance Plan (4241–4246)
Eligibility
Liability limitations
Physical damage coverage limitations
Uninsured/underinsured motorist (Title 23 Sec 941)
Definitions
Required limits of liability
Bodily injury
Property damage
Cancellation/nonrenewal
Gounds (4223)
Notice (4224–4226)
Notice of eligibility in assigned risk plan (4227)
Binders (Title 23 Sec 942)
Surcharges (4671–4675)

6.2 Personal (‘05) auto policy
Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments
Uninsured motorist/underinsured motorist coverage
Coverage for damage to your auto
Collision
Other than collision
Deductibles
Transportation expense
Exclusions
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — Vermont (PP 01 72)
Towing and labor costs (PP 03 03)
Extended non-owned coverage (PP 03 06)

Miscellaneous type vehicle (PP 03 23)
Joint ownership coverage — Vermont (PP 03 80)

7.0 Farm Coverage 2%

7.1 Farm property coverage forms (‘03)
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

7.2 Farm liability coverage forms (‘06)
Coverage H — Bodily injury and property damage liability
Coverage I — Personal and advertising injury liability
Coverage J — Medical payments

7.3 Cause of loss (basic, broad and special)

7.4 Exclusions

7.5 Other provisions
Additional coverages
Conditions
Definitions
Limits

8.0 Other Coverages and Options 10%

8.1 Personal umbrella policy (DL 98 01)

8.2 National Flood Insurance Program
### 1.0 Insurance Regulation 10%

#### 1.1 Licensing

- Process (4800; 4813f)
- Types of licensees (4791)
  - Resident (4800(3)(A))
  - Nonresident (4800(3)(B); 4813h)
  - Temporary (4800(3)(D)(ii); 4813k)
- Maintenance and duration
  - Renewal and expiration (4798)
  - Address change (4800(3)(F))
  - Assumed business name (4813j)
  - Reporting of actions (4813o)
  - Continuing education requirements (4800a; Reg 2000-2 Sec 4)
- Disciplinary actions
  - Denial of license (4800(3)(E))
  - Cease and desist order (3661)
  - Suspension, revocation or nonrenewal (4804; 4806)

#### 1.2 State regulation

- Commissioner's general duties and powers (4726; 4804)
- Company regulation
  - Certificate of authority (3368)
  - Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1-7)
  - Policy forms (3541)
  - Examination of records (3565)
  - Producer appointment (4798(c); 4813l)
  - Termination of appointment (4798(d); 4813m)
- Producer regulation
  - Acting without a license (4793; 4813c)
  - Shared commissions (4796)
  - Trust accounts — anti-commingling (Reg 95-1; 4724(12))
  - Controlled business (4795)
  - Duties (4813c)
  - Unfair trade practices (4724)
    - Misrepresentation (4724(1, 11, 13))
    - False advertising (4724(2))
    - Defamation (4724(3))
    - Boycott, coercion and intimidation (4724(4))
    - False financial statements and entries (4724(5))
    - Illegal inducement (4724(6))
    - Unfair discrimination (4724(7))
    - Rebating (4724(8))

### 1.3 Federal regulation

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

### 2.0 General Insurance 9%

#### 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
  - Captive insurers
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Lloyd's associations

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**Vermont Producer's Examination for Property Insurance Series 14-41**

100 questions - 2-hour time limit

Effective November 3, 2018
Risk retention groups
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 producers
Express
Implied
Apparent

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
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 Property Insurance Basics

3.1 Principles and concepts
Insurable interest
Underwriting
Function
Loss ratio
Rates
Types
Loss costs
Components
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
Replacement cost
Functional replacement cost
Market value
Agreed value
Stated amount
Valued policy

3.2 Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements

3.3 Common policy provisions
Insureds — named, first named, additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Nonconcurrency
Primary and excess
Pro rata
Policy limits
Restoration/nonreduction of limits
Coinsurance
Vacancy or unoccupancy
Named insured provisions
Duties after loss
Assignment
Abandonment
Insurer provisions
Liberalization
Subrogation
Salvage
Claim settlement options
Third-party provisions
Standard mortgage clause
Loss payable clause
No benefit to Bailee

3.4 Vermont laws, regulations and required provisions
Vermont Property and Casualty Insurance Guaranty Association (3611-3626)
Renewal notice (3882; 4715)
Cancellation and nonrenewal (3879-3881; 3883; 4711-4714)
Consent to rate (4688(f); Reg I-2010-03)
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
Selected endorsements
Amendment of policy provisions — Vermont (PP 01 72)
Towing and labor costs (PP 03 03)
Miscellaneous type vehicle (PP 03 23)
Joint ownership coverage — Vermont (PP 03 80)

6.0 Auto Insurance 7%
6.1 Laws
Cancellation/nonrenewal
Grounds (4223)
Notice (4224–4226)

6.2 Personal ('05) auto policy
Definitions
Coverage for damage to your auto
Collision
Other than collision
Deductibles
Transportation expense
Exclusions
Duties after an accident or loss
General provisions

7.0 Commercial Package Policy (CPP) 14%
7.1 Components of a commercial policy
Common policy declarations
Common policy conditions
Interline endorsements
One or more coverage parts

7.2 Commercial property ('07)
Commercial property conditions form

4.0 Dwelling ('02) Policy 7%
4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against
Basic
Broad
Special

4.3 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

4.4 General exclusions

4.5 Conditions
4.6 Selected endorsements
Special provisions — Vermont (DP 01 44)
Automatic increase in insurance (DP 04 11)
Broad theft coverage (DP 04 72)
Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('11) Policy 22%
5.1 Coverage forms
HO-2 through HO-6
5.2 Definitions

5.4 Perils insured against

5.5 Exclusions

5.6 Conditions
Coverage forms
- Building and personal property
- Condominium association
- Condominium commercial unit-owners
- Builders risk
- Business income
- Legal liability
- Extra expense

Causes of loss forms
- Basic
- Broad
- Special

Selected endorsements
- Ordinance or law (CP 04 05)
- Spoilage (CP 04 40)
- Peak season limit of insurance (CP 12 30)
- Value reporting form (CP 13 10)

7.3 Commercial inland marine
- Commercial inland marine conditions form

Inland marine coverage forms
- Accounts receivable
- Bailee's customers
- Commercial articles
- Contractors equipment floater
- Electronic data processing
- Equipment dealers
- Installation floater
- Jewelers block
- Signs
- Valuable papers and records

Transportation coverages
- Common carrier cargo liability

Motor truck cargo forms
- Transit coverage forms

7.4 Equipment breakdown ('11)
- Equipment breakdown protection coverage form (EB 00 20)
- Selected endorsement
  - Actual cash value (EB 99 59)

7.5 Farm coverage
- Farm property coverage forms ('03)
  - 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

8.0 Businessowners ('10) Policy

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

8.3 Businessowners Section III — Common Policy Conditions

8.4 Selected endorsements
- Protective safeguards (BP 04 30)
- Utility services — direct damage (BP 04 56)
- Utility services — time element (BP 04 57)

9.0 Other Coverages and Options

9.1 Ocean marine insurance
- Hull insurance
- Cargo insurance
- Freight insurance

9.2 National Flood Insurance Program
- "Write your own" versus government
- Eligibility
- Coverage
- Limits
- Deductibles

Vermont Producer's Examination for Casualty Insurance
Series 14-42

100 questions - 2-hour time limit
Effective November 3, 2018
Resident
(4800(3)(A))
Nonresident
(4800(3)(B); 4813h)
Temporary
(4800(3)(D)(ii); 4813k)

Maintenance and duration
Renewal and expiration (4798)
Address change
(4800(3)(F))
Assumed business name (4813j)
Reporting of actions (4813o)
Continuing education requirements (4800a; Reg 2000-2 Sec 4)

Disciplinary actions
Denial of license (4800(3)(E))
Cease and desist order (3661)
Suspension, revocation or nonrenewal (4804; 4806)
Penalties (3661(a)(2); 4804(d))

1.2 State regulation
Commissioner’s general duties and powers (4726; 4804)

Company regulation
Certificate of authority (3368)
Unfair claim settlement practices (4724(9); Reg 79-2 Sec 1-7)
Policy forms (3541)
Examination of records (3565)
Producer appointment (4798(c); 4813l)
Termination of appointment (4798(d); 4813m)
Producer regulation

Acting without a license (4793; 4813c)
Shared commissions (4796)
Trust accounts — anti-commingling (Reg 95-1; 4724(12))
Controlled business (4795)
Duties (4813c)
Unfair trade practices (4724)
Misrepresentation (4724(1, 11, 13))
False advertising (4724(2))
Defamation (4724(3))
Boycott, coercion and intimidation (4724(4))
False financial statements and entries (4724(5))
Illegal inducement (4724(6))
Unfair discrimination (4724(7))
Rebating (4724(8))
Failure to maintain complaint record (4724(10))
Failure to act as fiduciary (4724(12); Reg 95-1)
Unsuitability (4724(16))
Nondisclosure of fees or charges (4724(14))
Consumer privacy regulation (IH-2001-01)

1.3 Federal regulation
Fair Credit Reporting Act (15 USC 1681–1681d)
Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 9%
2.1 Concepts
Risk management key terms

2.2 Insurers
Types of insurers
Captive insurers
Stock companies
Mutual companies
Fraternal benefit societies
Lloyd’s associations
Risk retention groups
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 producers
Express
Implied
Apparent

2.4 Contracts
3.0 Casualty Insurance Basics

12%

3.1 Principles and concepts

Insurable interest
Underwriting
Function
Loss ratio

Rates
Types
Loss costs
Components

Hazard
Physical
Moral
Morale

Negligence
Elements of a negligent act

Defenses against negligence
Damages
Compensatory — special versus general
Punitive

Absolute liability
Strict liability
Vicarious liability

3.2 Policy structure

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

3.3 Common policy provisions

Insureds — named, first named, additional
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
Split
Combined single

Named insured provisions
Duties after loss

Assignment
Insurer provisions
Liberalization
Subrogation
Duty to defend

3.4 Vermont laws, regulations and required provisions

Vermont Property and Casualty Insurance Guaranty Association (3611–3626)
Renewal notice (3882; 4715)
Cancellation and nonrenewal (3879–3881; 3883; 4711–4714)
Consent to rate (4688(f); Reg I-2010-03)
Loss payment (Reg 79-2 Sec 6, 8)
Discrimination (3861)
Pollution coverage (Bul 111)

Required provisions (4203)

Federal Terrorism Insurance Program (Bul 142, 150; 15 USC 6701; Public Law 107–297, 109–144, 110–160)

4.0 Homeowners (‘11) Policy

17%

4.1 Coverage forms

HO-2 through HO-6

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 — Vermont (HO 01 44)
Limited fungi, wet or dry rot, or bacteria coverage — Vermont (HO 04 02)
Permitted incidental occupancies (HO 04 42)
Home care — Vermont (HO 23 45)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

5.0 Auto Insurance 21%

5.1 Laws
Vermont Motor Vehicle Financial Responsibility and Insurance Laws (Title 23 Sec 800–943)
Required limits of liability (Title 23 Sec 801)
Required proof of insurance (Bul 77)
Vermont Automobile Insurance Plan (4241–4246)
Eligibility
Liability limitations
Physical damage coverage limitations
Uninsured/underinsured motorist (Title 23 Sec 941)
Definitions
Required limits of liability
Bodily injury
Property damage
Cancellation/nonrenewal
Grounds (4223)
Notice (4224–4226)
Notice of eligibility in assigned risk plan (4227)
Binders (Title 23 Sec 942)
Surcharges (4671–4675)

5.2 Personal ('05) auto policy
Definitions

Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments
Uninsured
motorist/underinsured
motorist coverage
Coverage for damage to your auto
Collision
Other than collision
Deductibles
Transportation expense
Exclusions
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — Vermont (PP 01 72)
Towing and labor costs (PP 03 03)
Extended non-owned coverage (PP 03 06)
Miscellaneous type vehicle (PP 03 23)
Joint ownership coverage — Vermont (PP 03 80)

5.3 Commercial auto ('10)
Commercial auto coverage forms
Business auto
Auto Dealers
Business auto physical damage
Truckers
Motor carrier
Coverage form sections
Covered autos
Liability coverage
Garagekeepers coverage

6.0 Commercial Package Policy (CPP) 9%

6.1 Components of a commercial policy
Common policy declarations
Common policy conditions
Interline endorsements
One or more coverage parts

6.2 Commercial general liability ('07)
Commercial general liability coverage forms
Bodily injury and property damage liability
Personal and advertising injury liability
Medical payments
Supplementary payments
Who is an insured
Limits of liability
Conditions
Definitions
Exclusions
Premises and operations
Products and completed operations
Insured contract

6.3 Commercial crime ('06)
General definitions
Burglary
Theft
Robbery
Crime coverage forms
Commercial crime coverage forms (discovery/loss sustained)
Government 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 premises
Computer fraud
Funds transfer fraud
Money orders and counterfeit money
Other crime coverage
Extortion — commercial entities

6.4 Farm coverage
Farm liability coverage form ('06)
Coverage H — Bodily injury and property damage liability
Coverage I — Personal advertising injury liability
Coverage J — Medical payments
Definitions
Conditions
Exclusions
Limits
Additional coverages

7.0 Businessowners ('10) Policy
8%
7.1 Characteristics and purpose
7.2 Businessowners Section II — Liability
Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions
7.3 Businessowners Section III — Common Policy Conditions

8.0 Workers Compensation Insurance 7%
8.1 Workers compensation laws
Type of law
Compulsory versus elective
Vermont Workers' Compensation Law
Exclusive remedy
Employment covered (required, voluntary)
Covered injuries
Occupational disease
Benefits provided
Federal workers compensation laws
Federal Employer Liability Act (FELA) (45 USC 51–60)

U.S. Longshore & 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
Voluntary compensation endorsement

8.3 Premium computation
Job classification — payroll and rates
Experience modification factor
Premium discounts

8.4 Other sources of coverages
Vermont workers’ compensation administration fund
Self-insured employers and employer groups

9.0 Other Coverages and Options 7%
9.1 Umbrella/excess liability policies
Personal (DL 98 01)
Commercial (CU 00 01)

9.2 Specialty liability insurance
Cyber liability coverage
Professional liability
Errors and omissions
Directors and officers liability
Fiduciary liability
<table>
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<th>Liquor liability</th>
<th>Licensing requirements</th>
<th>Judicial bonds</th>
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<td>Employment practices</td>
<td>9.4 Surety bonds</td>
<td>9.5 Ocean marine insurance</td>
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<td>liability</td>
<td>Principal, obligee, surety</td>
<td>Protection and indemnity</td>
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<td>9.3 Surplus lines</td>
<td>Contract bonds</td>
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<tr>
<td>Definitions and markets</td>
<td>License and permit bonds</td>
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License Application and Forms

This section provides printable copies of various forms and information that may be needed or helpful for completing them. It contains the following:

- NAIC Application form for individual insurance producer license.
- Social Security Disclosure statement.
- Attachment #2, Required Certifications.
- Vermont Address Change Form.
- Examination registration form.
Uniform Application for
Individual Insurance Producer License/Registration

(Please Print or Type)

Check appropriate box for license requested.

- [ ] Resident License
- [ ] Non-Resident License

- Identify Home State: _________________________

1. Soc. Security Number
2. If assigned, National Producer Number (NPN)
3. If applicable, FINRA Individual Central Registration Depository (CRD) Number
4. Last Name
5. First Name
6. Middle Name
7. Date of Birth
   (month) ___ (day) ___
8. Residence/Home Address (Physical Street)
9. City
10. State
11. Zip Code
12. Foreign Country
13. Home Phone Number
    ( ) - Individual Applicant Email Address
14. Gender (Circle One)
    Male/Female
15. Are you a Citizen of the United States? (Check One)
    Yes [ ] If No, (If which country are you a citizen?)
    No [ ] (If NO, and this is an application for a Resident License, you must supply proof of eligibility to work in the U.S.)
16. Business Entity Name
17. Business Address (Physical Street)
18. P.O. Box
19. City
20. State
22. Foreign Country
23. Business Phone Number
    (include extension) -
24. Business Fax Number
    ( ) -
25. Business E-Mail Address
26. Business Web Site Address
27. Applicant’s Mailing Address
28. P.O. Box
29. City
30. State
31. Zip Code
32. Foreign Country
33. a. List any other assumed, fictitious, alias, maiden or trade names which you have used in the past.
34. b. List any trade names under which you are currently doing business or intend to do business.

(May be subject to state approval)

Agency or Business Entity Affiliations

35. List your Insurance Agency Affiliations: (Complete only if the applicant is to be licensed as an active member of the business entity)
   FEIN ______________ NPN ______________ Name of Agency
   FEIN ______________ NPN ______________ Name of Agency
   FEIN ______________ NPN ______________ Name of Agency

Employment History

36. Account for all time for the past five years. Give all employment experience starting with your current employer working back five years. Include full and part-time work, self-employment, military service, unemployment and full-time education.

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(State Use)
Uniform Application for
Individual Insurance Producer License/Registration

Jurisdiction and Type of License Requested

Next to each jurisdiction, check the license type(s) and line(s) of authority for which you are applying.

License Types:
- A – Agent
- B – Broker
- P – Producer
- SLP – Surplus Lines Producer

Lines of Authority:
- V – Variable Life/Variable Annuity
- H – Accident & Health or Sickness
- P – Property
- C – Casualty
- PL – Personal Lines

Limited Lines:
- Credit
- Car Rental
- Crop
- Travel
- Surety
- Other: Specify Type

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# Uniform Application for Individual Insurance Producer License/Registration

## Background Information

The Applicant must read the following very carefully and answer every question. All written statements submitted by the Applicant must include an original signature.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
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<tr>
<td>1. Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?</td>
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**Note:** “Crime” includes a misdemeanor, a felony or a military offense.

You may exclude misdemeanor traffic citations and misdemeanor convictions or pending misdemeanor charges involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license and juvenile offenses.

“Convicted” includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been given probation, a suspended sentence, or a fine.

If you answer yes, you must attach to this application:

- a) a written statement explaining the circumstances of each incident,
- b) a copy of the charging document,
- c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

If you have a felony conviction involving dishonesty or breach of trust, have you applied for written consent to engage in the business of insurance in your home state as required by 18 USC 1033? N/A Yes No

If so, was consent granted? (Attach copy of 1033 consent approved by home state.) N/A Yes No

2. Have you ever been named or involved as a party in an administrative proceeding regarding any professional or occupational license or registration? Yes No

“Involved” means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation or surrendering a license to resolve an administrative action.

“Involved” also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license. “Involved” also means having a license application denied or the act of withdrawing an application to avoid a denial. INCLUDE Any business so named because of your actions, in your capacity as an owner, partner, officer, director, or member or manager of a Limited Liability Company. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application:

- a) a written statement identifying the type of license and explaining the circumstances of each incident,
- b) a copy of the Notice of Hearing or other document that states the charges and allegations, and
- c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

3. Has any demand been made or judgment rendered against you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? N/A Yes No

Do not include personal bankruptcies, unless they involve funds held on behalf of others.

If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type and location of bankruptcy.

4. Have you been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes No

If you answer yes, identify the jurisdiction(s): __________________________________________________________________________

5. Are you currently a party to, or have you ever been found liable in, any lawsuit, arbitration or mediation proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty? Yes No

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident,
- b) a copy of the Petition, Complaint or other document that commenced the lawsuit or arbitration, or mediation proceedings, and
- c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.
6. Have you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct?  
   If you answer yes, you must attach to this application:
   a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
   b) copies of all relevant documents.

7. Do you have a child support obligation in arrearage?
   If you answer yes,
   a) by how many months are you in arrearage?
   b) are you currently subject to and in compliance with any repayment agreement?
   c) are you the subject of a child support related subpoena/warrant?
   (If you answered yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)

8. In response to a “yes” answer to one or more of the Background Questions for this application, are you submitting document(s) to the NAIC/NIPR Attachments Warehouse?
   If you answer yes,
   Will you be associating (linking) previously filed documents from the NAIC/NIPR Attachments Warehouse to this application?

Note: If you have previously submitted documents to the Attachments Warehouse that are intended to be filed with this application, you must go to the Attachments Warehouse and associate (link) the supporting document(s) to this application based upon the particular background question number you have answered yes to on this application. You will receive information in a follow-up page at the end of the application process, providing a link to the Attachment Warehouse instructions.
Uniform Application for
Individual Insurance Producer License/Registration

Applicant’s Certification and Attestation

The Applicant must read the following very carefully:

1. I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.

2. Unless provided otherwise by law or regulation of the jurisdiction, I hereby designate the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to be my agent for service of process regarding all insurance matters in the respective jurisdiction and agree that service upon the Commissioner, Director or Superintendent of Insurance, or other appropriate party of that jurisdiction is of the same legal force and validity as personal service upon myself.

3. I further certify that I grant permission to the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to verify information with any federal, state or local government agency, current or former employer, or insurance company.

4. I further certify that, under penalty of perjury, a) I have no child-support obligation, b) I have a child-support obligation and I am currently in compliance with that obligation, or c) I have identified my child support obligation arrearage on this application.

5. I authorize the jurisdictions to give any information concerning me, as permitted by law, to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.

6. I acknowledge that I understand and will comply with the insurance laws and regulations of the jurisdictions to which I am applying for licensure.

7. For Non-Resident License Applications, I certify that I am licensed and in good standing in my home state/resident state for the lines of authority requested from the non-resident state.

8. I hereby certify that upon request, I will furnish the jurisdiction(s) to which I am applying, certified copies of any documents attached to this application or requested by the jurisdiction(s).

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<td>Full Legal Name (Printed or Typed)</td>
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Attachments

The following attachments must accompany the application otherwise the application may be returned unprocessed or considered deficient.

1. For Non-Resident License Applications and unless otherwise noted in the State Matrix of Business Rules, a state will rely on an electronic verification of an Applicant’s resident license through the NAIC’s State Producer Licensing Database in lieu of requiring an original Letter of Certification from the resident state.

ATTACHMENT 1

SOCIAL SECURITY DISCLOSURE

1. The Department requires you to provide your Social Security number in connection with your application for an occupational and professional license pursuant to federal law as set out in 42 U.S.C. §§ 405(c)(2)(C)(i), 654 and 666. Your Social Security number may then be used for the purposes set forth in those statutes, including the enforcement of spousal and child support orders and paternity determinations, and the administration of any tax and may be shared with the agencies that have responsibility for those matters. Your Social Security number will not appear on the face of your license, but will be kept on file by the Department with your license information.

2. In addition, you may on a voluntary basis permit the Department to use your Social Security number for internal identification purposes and to share your Social Security number with the National Association of Insurance for inclusion in the National Producer Database (PDB). The PDB is intended to assist in a uniform nationwide system of licensing through the National Insurance Producer Registry and to assist the states, territories and the District of Columbia in their producer licensing programs, including issuing, renewing, monitoring, suspending and revoking licenses. If you do not wish your Social Security number included in the National Producer Database, you will not be able to take advantage of electronic processing of your license and nationwide licensing using the PDB.

IF YOU DO NOT AGREE TO THE USE OF YOUR SOCIAL SECURITY NUMBER AS DESCRIBED IN PARAGRAPH 2, YOU MUST SO NOTIFY THE DEPARTMENT IN WRITING AND ATTACH SUCH NOTICE TO YOUR APPLICATION.
Vermont Department of Financial Regulation
INSURANCE DIVISION - PRODUCER AND INDIVIDUAL LICENSING SECTION
ATTACHMENT #2
REQUIRED CERTIFICATIONS

In order to apply for a license you must certify to statement 1 and 2 below:

Certification of Examination and knowledge of Vermont Unfair Trade Practices Act and Regulation 79-2

1) I certify to the following (initial all that apply):
I have passed a written examination for the license type for which I am applying, and I have read and understand the Vermont Insurance Trade Practices Act Title 8 V.S.A Chapter 129, Sections 4724-4726 and Insurance Regulation 79-2 (available at http://www.vermontinsuranceagent.info/) regarding claim settlement practices, prohibitive acts and the duties of a licensee.

2) Certification of Experience or Supervision
In order to obtain a license an applicant must certify that he/she has either two years of appropriate experience or that the applicant is subject to supervision by a qualified person. Check the appropriate certification below, but not both. Applications that are submitted without a certification will be returned. IF YOU CANNOT CERTIFY BASED UPON EXPERIENCE, YOU MUST COMPLETE THE SUPERVISION CERTIFICATION BELOW AND PROVIDE THE NAME OF YOUR SUPERVISOR.

Certification of Experience
I certify that I possess two years’ experience handling loss claims if I am applying for an adjuster license or two years’ experience loss appraising if I am applying for an appraiser license.

Certification of Supervision
I certify that I am subject to the immediate personal supervision of a licensed adjuster or appraiser (for appraiser applicants) who is licensed in Vermont and who has been licensed (in Vermont or elsewhere) for not less than three years immediately preceding the date of my application. I understand that I must be supervised until I have two years experience and that I cannot act under the license unless I am so supervised. I will notify the Department within thirty days of any change of my supervisor.

Name of Supervisor ___________________________________________________________

Supervisor’s Vermont License Number _________________________________

I certify that the above is true and correct.

Applicant Signature ___________________________________________ Date___/___/___

Applicant Printed Name ______________________________________________________
Mail to: Vermont Department of Financial Regulation  
Attn: Producer Licensing Section  
89 Main Street, Drawer 20  
Montpelier, VT 05620-3101  

VERMONT ADDRESS CHANGE FORM

Date (MO/DAY/YEAR)  

Vermont License Number  

Last Name __________________________ Suffix __________________________  

First Name __________________________ Middle Initial ______  

NEW Mailing Address  

______________________________  

______________________________  

NEW Residential Address  

______________________________  

______________________________  

OLD Mailing Address  

______________________________  

OLD Residential Address  

______________________________  

Business Telephone  

______________________________  

Fax  

______________________________  

Home  

______________________________  

Email Address  

Licensee Signature  

VERMONT ADDRESS CHANGE FORM
Exam Registration Form  
Vermont Insurance Examinations  

To conveniently register online, please go to www.prometric.com/vermont/insurance

Print or type clearly and neatly. Incomplete or illegible forms will not be processed.

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<th>Last Name</th>
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<td>Email address (applications without an email address may experience delays)</td>
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<td>14-31</td>
<td>Producer’s Property and Casualty</td>
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**Total Fee** $ 

By filing this registration, you assume full responsibility for exam selection. If you are unsure about which exam you need for the license you are seeking, resolve this question before you register. Fees for these exams are non-refundable and non-transferrable. Exam fees are valid for 90 days from receipt at Prometric.

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Credit Card Payment Form

Print or type clearly and neatly. Incomplete or illegible forms will not be processed.

Card Type (Check One)

- [ ] MasterCard
- [ ] Visa
- [ ] American Express

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Amount

$ ___ ___ ___ • ___ ___

Name of Cardholder (Print)

Signature of Cardholder