

# Your Exam Content Outline

The following outline describes the content of one of the Utah insurance examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weight assigned to each section of the examination. For example, 10 percent means that 6 questions will be drawn from the section on a 60-question exam, 10 will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

## Utah Producer's Title Examination Exam Series 17-14

**100 questions (plus 5 unscored Items)**

**2-hour time limit**

**Effective date: January 1, 2020**

### 1.0 Insurance Regulation 10% (10 Items)

#### 1.1 Licensing

- Purpose (31A-23a-101)
- Qualifications (31A-23a-107)
- Persons to be licensed
  - General requirements (31A-23a-105-108)
  - Title insurance producer additional requirements (31A-23a-204; R592-1)
- Maintenance and duration
  - Renewal (31A-23a-105)
  - Continuing education requirements (31A-23a-202; Admin. Rule R590-142-4; R592-7)
  - Reinstatement (31A-23a-111(2), 113)
  - Assumed name (31A-23a-110(2))
  - Change of address, telephone number or business email address (31A-23a-412(1)(c); R590-258)
  - Reporting of actions (31A-23a-105(2)(b))
- Disciplinary actions
  - License termination, suspension or revocation (31A-2-308(11)(a); 31A-23a-111)
  - Probation (31A-23a-112)
  - Monetary forfeiture (fines) (31A-2-308; R592-2)

#### 1.2 State regulation

- Commissioner's general duties and powers (31A-2-201)
- Title and Escrow Commission Act (31A-2-401)
  - Definitions (31A-2-402)
  - Appointments and terms (31A-2-403)
  - Duties of commission (31A-2-404)
- Title company provisions
  - Solvency (31A-4-105, 105.5)
  - Insurance rates and escrow changes (31A-19a-201-203, 209; R592-15)
  - Termination of appointment (Reg R590-244-1-14)
  - Unfair claim settlement practices (31A-26-303; Admin. Rule R590-190-1-14; R592-6)
- Producer regulation
  - Place of business/records maintenance (31A-23a-412)
  - Record retention and annual reports (31A-23a-413; Admin. Rule R592-11; Admin. Rule R590-136-1-6, R592-11)
  - Controlled business (31A-23a-503; R592-11)
  - Commissions (31A-23a-501, 504)
  - Contract with insurer (31A-23a-405, 408)
- Insurance fraud regulation (31A-31-103-106)

#### 1.3 Utah marketing practices

- Unfair marketing practices (31A-23a-402; Admin. Rule R590-154-1-18, Admin. Rule R592-6-1-7, R592-14)
  - Rebating (31A-1-301(145))
  - False advertising (31A-23a-402(1))
  - Misrepresentation
  - Defamation of insurer

Discrimination

Unfair inducements and marketing practices in obtaining title insurance business

Unfair or deceptive practices (Admin. Rule R590-99-4)

## **2.0 General Insurance 5% (5 Items)**

### **2.1 Producers and general rules of agency**

Insurer as principal

Producer/insurer relationship

Authority and powers of producers

Express

Implied

Apparent

Responsibilities to the applicant/insured

### **2.2 Contracts**

Elements of a legal contract

Offer and acceptance

Consideration

Competent parties

Legal purpose

Distinct characteristics of an insurance contract

Contract of adhesion

Personal contract

Unilateral contract

Conditional 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 Real Property 35% (35 Items)**

### **3.1 Concepts, principles and practices**

Definition of real property

Types of real property

Title to real property

### **3.2 Acquisition and transfer of real property**

Conveyances

Encumbrances

Adverse possession

Condemnation

Accession

Dedication

Escheats

Involuntary alienation

Abandonment

Foreclosures

Judicial sales

Trusts

Types of joint ownership

Tenants in common

Joint tenancy

Acknowledgments

Legal capacity of parties

Individuals

Corporations

General partnerships

Limited partnerships

Trust agreements

Limited Liability Company (LLC)

### **3.3 Legal descriptions**

Types of legal descriptions

Types of measurements used

Language of legal descriptions

Structure and format

Interpretation

## **4.0 Title Insurance 18% (18 Items)**

### **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 producer

Entities that can be insured; need for insurance

Types of entities

Individual

- Corporations
- Partnerships
- Limited Liability Companies
- Trusts (trustee of)
- Title insurance needs
  - Residential
  - Commercial
- Interests that can be insured
  - Fee simple estate
  - Leasehold estate
  - Life estate
- Title insurance forms
  - Commitments
  - Owner's policy
  - Loan policy
  - Leasehold policies
  - Endorsements
- Title insurance policy structure and provisions
  - Covered risks
  - Schedule A
  - Schedule B — Exceptions from coverage
  - Exclusions from coverage
  - Conditions
- Rates and premiums

#### **4.2 Title searching techniques**

- Hard copy index
- Computer index
- Chain sheet

### **5.0 Title Exceptions and Procedures for Clearing Title 22% (22 Items)**

#### **5.1 Principles and concepts**

- General exceptions
- Voluntary and involuntary liens
- Federal liens
- Deed of trust
- Deeds
- Judgments
- Taxes and assessments
- Surveys
- Condominiums
- Planned unit developments

- Water rights
- Mineral rights
- Equitable interests
- Attachments
- Executions
- Easements
- Covenants
- Conditions
- Restrictions

#### **5.2 Special problem areas and concerns**

- Acknowledgments
- Mechanic's lien
- Bankruptcy
- Probate
- Good faith
- Foreclosure
- Forfeiture
- Claims against the title
- Lis pendens

#### **5.3 Principles of clearing title**

- Releases
- Assignments
- Collateral assignments
- Subordinations
- Affidavits
- Reconveyances

### **6.0 Real Estate Transactions 10% (10 Items)**

#### **6.1 Document preparation regulations and requirements**

- Deeds
- Trust deeds
- Mortgages
- Notes
- Releases
- Reconveyances
- Acknowledgment forms

#### **6.2 Title insurance policy preparation instructions**

- Contract vendee
- Coverages
- Endorsements

Exclusions

Liabilities

### **6.3 Recording**

Types of records

Requirements to record (R592-14)

Acknowledgments

Presumptions

### **6.4 Search Principles and Techniques**

Types of available records

Records to Search

County recorder (geographical index)

County treasurer

County assessor

Utah Court records (xchange)

Federal bankruptcy records

State construction registry

Special improvement districts

Marketable Title Act

Title Examination Principles

Ownership

Legal description problems – closure, gaps & overlaps

Inderloper/wild documents

Priority

Subdivision Plats

Ownership Plats

Mineral rights

Water rights