

Your Exam Content Outline

The following outline describes the content of one of the New Hampshire 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.

Adjuster's Property and Casualty Insurance Series 12-75

150 questions – 2.5 hour time limit

1.0 Insurance Regulation 7%

1.1 Licensing requirements (402-B:1)

- Qualifications (402-B:3)
- Process (402-B:3, 4)
- Licensing exemptions (402-B:2)
- License display (402-B:9)

1.2 Maintenance and duration

- Renewal (402-B:10-a)
- Records (400-A:37(II))
- Continuing education requirements (402-B:5-a; Reg 1302.04)

1.3 Disciplinary actions

- Cease and desist order (417:12)
- Suspension or revocation (402-B:12)
- Penalties and fines (402-B:12, 13; 417:13)

1.4 Claim settlement laws and regulations (407:12–15; 417:4(XV); Reg 1002.01–.20)

1.5 Federal regulation

- Fraud and false statements (18 USC 1033, 1034)

1.6 Records Retention (400-B)

2.0 Insurance Basics 22%

2.1 Contracts

- Elements of a legal contract
 - Offer and acceptance
 - Consideration
 - Competent parties
 - Legal purpose
- 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 Insurance principles and concepts

- Insurable interest
- Hazards
 - Physical
 - Moral

- Morale
- Negligence
 - Elements of a negligent act
 - Defenses against negligence
- Damages
 - Compensatory — special versus general
 - Punitive
- Absolute liability
- Strict liability
- Vicarious liability
- Causes of loss (perils)
 - Named peril 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

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 the bailee

2.5 New Hampshire laws, regulations and required provisions

- New Hampshire Valued Policy Law (407:11)
- New Hampshire Insurance Guaranty Association (404-B)
- Standard fire policy (407:1-2a, 22)
- Cancellation and nonrenewal (417-B; 417-C:1-4, 6)
- Concealment, misrepresentation or fraud (407:22; RL 638:20)
- Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

3.0 Adjusting Losses 22%

3.1 Role of the adjuster

- Duties and responsibilities
- Staff and independent adjuster versus public adjuster
- Relationship to the legal profession

3.2 Claim reporting

- Claim investigation
- Claim file documentation of events
- Types of reports
 - Initial or first field
 - Interim or status
 - Full formal

3.3 Property losses

- Duties of insured after a loss
 - Notice to insurer
 - 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
- 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 2%

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 – New Hampshire (DP 01 28)
- Automatic increase in insurance (DP 04 11)
- Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('11) Policy 14%

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 – New Hampshire (HO 01 28)
- Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
- 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 (HO 04 97)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

6.0 Auto Insurance 25%

6.1 Laws

New Hampshire Motor Vehicle Financial
Responsibility Law
Required limits of liability (RL 259:61, 264:20)
New Hampshire Automobile Reinsurance Facility
Plan (Reg 1405)
New Hampshire Commercial Auto Insurance Plan
Uninsured/underinsured motorist (RL 264:15)
Definitions
Bodily injury
Required limits
Cancellation/nonrenewal (417-A)
Grounds
Notice
Notice of eligibility in Automobile Reinsurance
Facility Plan (417-A:5(V))
Residency statement (417-A:3-b)
Medical costs coverage (RL 264:16)
After market parts regulation (407-D)

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 — New
Hampshire (PP 01 76)
Towing and labor costs (PP 03 03)
Extended non-owned coverage — vehicles
furnished or available for regular use (PP 03
06)
Miscellaneous type vehicle — New Hampshire
(PP 13 32)
Joint ownership coverage — New Hampshire
(PP 13 34)

6.3 Commercial auto ('10)

Commercial auto coverage forms
Business auto
Garage
Business auto physical damage
Coverage form sections
Covered autos
Liability coverage

Garagekeepers 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)
Hired autos specified as covered autos you own
(CA 99 16)
Individual named insured (CA 99 17)
Pollution liability — broadened coverage (CA
99 48; CA 99 55)

7.0 Commercial Package Policy (CPP) 5%

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
Occurrence versus claims-made
Claims-made features
Trigger
Retroactive date
Extended reporting periods — basic versus
supplemental
Claim information
Premises and operations
Products and completed operations
Insured contract
Pollution liability
Pollution liability coverage form (CG 00 39)
Pollution liability limited coverage form (CG 00
40)
Pollution liability coverage extension
endorsement (CG 04 22)

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
Legal liability
Extra expense
Causes of loss forms
Basic

- Broad
- Special
- Selected endorsements coverage
 - Ordinance or law (CP 04 05)
 - Spoilage coverage (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 the premises
 - Computer fraud
 - Funds transfer fraud
 - Money orders and counterfeit money
- Other crime coverage
 - Extortion — commercial entities (CR 04 03)

7.5 Commercial inland marine

- Nationwide marine definition
- Commercial inland marine conditions form
- Inland marine coverage forms
 - Accounts receivable
 - Bailee's customer
 - 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 form ('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
- Livestock coverage form
- Mobile agriculture machinery and equipment coverage form
- Causes of loss (basic, broad and special)
- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

8.0 Businessowners ('10) Policy 3%

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

- Hired auto and non-owned auto liability (BP 04 04)
- Protective safeguards (BP 04 30)
- Utility services — direct damage (BP 04 56)
- Utility services — time element (BP 04 57)