PROMETRIC

ARIZONA

Department of Insurance

Licensing Information Handbook

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Register online at http://www.prometric.com/arizona/insurance

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Introduction

A Message from the Department

This Handbook provides information about the examination and licensing process for individuals who wish to become licensed by the Arizona Department of Insurance ("Department"). In addition to the information in this Handbook, you should also review the information on eligibility to hold a license on the Department's website: **www.insurance.az.gov/producers**

The Handbook **does not** provide instructions pertaining to licensing business entities. For information about licensing a business entity, visit the Insurance Licensing Section website at **https://insurance.az.gov/producers**, e-mail the Insurance Licensing Section at **Licensing@azinsurance.gov**, or call the Insurance Licensing Section at 602.364.4457.

At a Glance

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 the information** on the Department's website for the type of license you desire to make sure you meet all of the requirements. **www.insurance.az.gov/producers**
2. **Review this handbook** to determine which exam(s) you need to pass, if any, for the type(s) of license you require. Prepare for your exam, using this bulletin and materials from other sources. The content outlines at the back of this guide are the basis for the exams.
3. **Register and schedule** your exam. The easiest way to schedule is online at **www.prometric.com/arizona/insurance** Phone; fax and mail options are also available.
4. **Bring the required identification** to the test center and take the exam(s). You will receive your results immediately after the exam.
5. **You must pass your exam then** apply for your license at **http://www.nipr.com/**

   Certain types of licenses require submission of fingerprints as part of the application package. Please see the chart below in Arizona licensing requirements to determine if this is a requirement and detailed information on the fingerprint requirements and options in the section Apply for your license.
6. **If you do NOT pass the exam**, repeat steps 2 through 4. **PLEASE NOTE**: ARS §20-284(H) permits a maximum of 4 attempts to pass an exam in a 12-month period. If you do not pass an exam after 4 attempts, you must wait one year after failing the fourth attempt before you are eligible to take that exam again.

Note Passing an exam does not guarantee that you will receive a license. If you take an exam unnecessarily or are found unqualified, neither the exam fee nor the license application fee will be refunded.

To get answers not provided in this handbook

Visit our Website: **http://www.prometric.com/arizona/insurance**

Frequently Asked Questions are available:
https://www.prometric.com/en-us/clients/insurance/Documents/arizona/AZInsuranceExamFAQs.pdf

Direct licensing-related questions to:

Arizona Department of Insurance Licensing Section
Phone: 602.364.4457
E-mail: **Licensing@azinsurance.gov**
Website: **https://insurance.az.gov/producers**

Direct questions and requests for information about exams to:

Prometric
7941 Corporate Drive
Nottingham, MD 21236
Phone: 800.853.5448
TDD User: 800.790.3926
Website: **http://www.prometric.com/arizona/insurance**

Arizona Licensing Requirements

Arizona Revised Statutes ("ARS") and Arizona Administrative Code ("AAC") set forth the requirements for licensees, insurers and insurance products in the State of Arizona. The Arizona legislature may amend the statutes and the Department of Insurance may promulgate changes to administrative code or policies as necessary. Licensees must remain aware of changes in law, code and Department policies that affect their activities.

- For ARS, select "Arizona Revised Statutes" from the "Legislative Council" menu option on the Arizona State Legislature website at **www.azleg.gov**.
- For AAC, select "Administrative Code" from the "Rules" menu option on the Arizona Secretary of State website at **www.azsos.gov**.
- To receive Department regulatory bulletins and press releases, register online at **http://www.insurance.az.gov/mailinglists.html**.

Types of Licenses

The Department grants licenses specifying one or more lines of license authority. Each license is only valid for the lines of license authority shown on the license.

Exam requirements do not apply to business entity licenses and they do not apply to most nonresidents. Most residents and some nonresident adjusters must complete exams as shown in the following table. Obtain additional license requirements from the Producer page of the Insurance Licensing Section website (**https://insurance.az.gov/producers**).

License Line	Exam Series	Fingerprint	Background Check	Notes
Life Insurance	13-31	Yes*	Yes	
Accident and Health or Sickness	13-32	Yes*	Yes	
Life, Accident and Health or Sickness	13-33	Yes*	Yes	
Variable Life and Variable Annuity Products	None	Yes*	Yes	Must hold life producer authority.
Property and Casualty	13-34	Yes*	Yes	
Property	13-42	Yes*	Yes	
Casualty	13-43	Yes*	Yes	
Personal Lines	13-44	Yes*	Yes	
Travel Accident Ticket or Baggage Insurance (See note to right)	--	--	--	Effective July 24, 2014, this license is no longer available for individuals and has been replaced with a limited lines travel insurance producer business entity license
Surplus Lines Broker	13-41	Yes*	Yes	Must also hold property producer or casualty producer authority.
Mexican Insurance Surplus Lines Broker (per ARS § 20-411.01)	None	Yes*	Yes	Must have an office in Arizona and hold property producer or casualty producer authority.

License Line	Exam Series	Fingerprint	Background Check	Notes
Adjuster (including portable electronics) (per ARS § 20-321.01)	13-36	Yes*	Yes	Residents, and nonresidents who do not hold a resident license in their resident state, must pass the exam.
Bail Bond Agent (per ARS § 20-340.01)	13-35	Yes	Yes	Must be AZ resident for at least one year to qualify for license. See application instructions for additional requirements.
Crop	13-46	Yes*	Yes	
Risk Management Consultant (per ARS § 20-331.01)	None	Yes*	Yes	Requires written authorization from political subdivision (city or county) employer.
Life Settlement Broker (per ARS § 20-3202)	None	Yes*	Yes	Must also hold or be applying for life producer authority. Form L-LSB is required.
Health Insurance Navigator or Health Insurance Certified Application Counselor	None	Yes*	Yes	Must meet federal training and registration requirements

* Fingerprints are not required if you are adding a line of authority to an existing license.

Consult the Producer page of the Insurance Licensing Section Website (**https://insurance.az.gov/producers**) for detailed application requirements.

Note: Long-term care Training & Continuing Education

Accident and health or sickness insurance producers (resident or nonresident) who wants to sell, solicit or negotiate long-term care insurance must first complete eight hours of Arizona-approved **long-term care training (LTCT)** and must complete four hours of Arizona-approved LTCT during each two-year period after July 1, 2009. A resident licensee can apply hours of LTCT toward satisfying Arizona's CE requirement. Nonresidents can satisfy the LTCT requirement if they completed substantially similar courses in another state.

Exception to the long-term care training requirement. A nonresident insurance producer can satisfy Arizona's LTCT requirement by satisfying a substantially similar LTCT requirement in the producer's home state. ARS §20-1691.12.

Note: Annuity Training & Continuing Education

Life insurance producers (resident or nonresident) who wants to sell, solicit or negotiate annuities must first complete four hours of Arizona-approved annuity training. A resident licensee can apply hours of annuity training toward satisfying Arizona's CE requirement if the course is also an Arizona approved CE course. Both residents and nonresidents can satisfy the annuity training requirement if they completed substantially similar courses in another state.

Moving to Arizona

If you hold a resident insurance license in another state and are **relocating to Arizona**, you must submit a license application to the Department within 90 days after canceling the resident license in your former state to avoid having to pass an Arizona insurance exam. Your application must include a "clearance letter" issued by the insurance department in your former state. The letter **must specify**:

- the date your license from the former state was cancelled, expired or converted to a nonresident status (which must be within 90 days of the date the Department receives your application);
- the line(s) of authority for which you were licensed in the other state (Arizona must already issue these exact license types to residents of this state); and,
- that you were licensed in good standing at the time the license expired, cancelled, or converted to a nonresident status.

Note: If your prior home state does not issue clearance letters, contact the Licensing Section for the required procedures. Not all license lines of authority are eligible for transfer.

Nonresident Applicants

If you are seeking a **nonresident adjuster license** and you are not licensed as a resident in your resident state, you will need to pass the AZ adjuster exam.

All nonresident applicants must **either**:

- apply online at **http://www.nipr.com/**; **or**
- submit the appropriate NAIC Uniform Application Form.

Note: If you apply through NIPR or use a Uniform Application, carefully review the checklist of application requirements and furnish all specified information.

Fingerprint Requirement

If you are an Arizona resident, a nonresident relocating to Arizona, or a nonresident adjuster whose resident state does not license adjusters, you must submit fingerprints and Form L-FPV with your license application. You are not required to submit fingerprints if you are adding a line of authority to an existing Arizona insurance license. **Form L-FPV is located in bulletin near the last page.**

The Arizona Department of Public Safety (AZDPS) and the Federal Bureau of Investigations (FBI) use the fingerprints to conduct criminal history background checks. See the "Obtaining your license" section on page 18 for details on how to satisfy the fingerprint requirement.

Your fingerprints will be used to check the criminal history records of the FBI. If you have a criminal history record, the officials making a determination of your suitability for the job, license, or other benefit must provide you the opportunity to complete or challenge the accuracy of the information in the record. You should be afforded a reasonable amount of time to correct or complete the record (or decline to do so) before officials deny you the job, license, or other benefit based on information in the criminal history record.

The procedures for obtaining a change, correction, or updating of your FBI criminal history record are set forth in Title 28, Code of Federal Regulations (CFR), Sections 16.30 through 16.34. Information on how to review and challenge your FBI criminal history record can be found at **https://www.fbi.gov/services/cjis/identity-history-summary-checks** (Identity History Summary Checks) or by calling 304.625.5590.

To obtain a copy of your Arizona criminal history in order to review, update or correct the record, you can contact the Arizona Department of Public Safety

Criminal History Records Unit at 602.223.2222 to obtain a fingerprint card and a Review and Challenge packet. Information on the review and challenge process can be found on the DPS website at
https://www.azdps.gov/services/public/records/criminal

Prometric offers a fingerprinting service at its Arizona test centers. Please refer to the Fingerprinting service under Apply for your license below.

Fees

The following fees may apply to your license application:

- **Examination fee** charged by Prometric (either $44 or $56), depending upon the exam you take – see the Exam Registration Form.
- **Fingerprinting fee** charged by Prometric ($20) or the amount charged by another professional fingerprinting service that scans fingerprints using LiveScan technology equipment (fees vary). **We recommend you do not schedule your fingerprint appointment until you have passed your licensing exam. You will not be fingerprinted if you do not pass your exam, as all fees are non-refundable.**
- **FBI fingerprint processing fee** ($22, subject to change – see the Department's website for the current fee) paid to the Department if you are required to submit fingerprints with your license application.
- **License fee,** paid to the Department with your license application, consisting of one or more of the following:
  - $120 per license class other than surplus lines broker or life settlement broker. License classes are Adjuster, Bail Bond, Insurance Producer, Portable Electronics Vendor, Rental Car Agent, Risk Management Consultant, Self Service Storage Agent and Temporary Producer.
  - $1,000 for surplus lines broker license authority on a new license or added to an existing license that has a remaining term of two years or more;
  - $500 for surplus lines broker authority added to an existing license with a remaining term of less than two years.
  - $500 for life settlement broker license authority on a new license or added to an existing license that has a remaining term of two years or more;
  - $250 for life settlement broker license authority added to an existing license that has a remaining term of less than two years;

Prometric accepts payment by MasterCard, Visa, American Express, money order, company check, and cashier's check. **Personal checks and cash are not accepted**. Prometric's fees are not refundable or transferable.

The Department accepts payment by credit card, check or money order. **Cash is not accepted.** If you apply online using a NIPR website, payment is accepted by credit card or electronic check. Please be aware that pursuant to ARS § 20-167, the Department cannot refund or prorate fees.

Note: Arizona license fees are subject to annual updates each July 1. The FBI fingerprint-processing fee may change at any time. Obtain up-to-date fee information from the Insurance Licensing Section website at **https://insurance.az.gov/producers**, or by contacting the Insurance Licensing Section by email at **Licensing@azinsurance.gov**, or by phone at 602.364.4457 (or 877.660.0964).

Scheduling Your Exam

Exam Restriction

Exam Restrictions. It is unlawful to take an examination for a line of authority for which you already hold an Arizona insurance license. ARS § 20-284(G). Additionally, while ARS § 20-284(C) requires the Department of Insurance to make license examinations available to license applicants, the Department is not required to make examinations available to other persons. To promote security over exam questions, the Department has instructed Prometric to refuse to administer an examination to a person who is not an applicant for a license.

Note: You will be eligible to take the exam up to four attempts to pass an exam for a line of authority within a one-year period. After the fourth unsuccessful attempt, you will be placed into a waiting period and not be able to retake the exam until the one-year waiting period is over. ARS § 20-284(H)

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 **before** scheduling your exam.

Register and Schedule

Online

Register and Schedule Online—it saves time and it's easy!

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

1 **www.prometric.com/arizona/insurance**

2 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 (877) 341-9469. 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.

By Phone

If you are unable to schedule online, you may schedule the examination by calling (800) 853-5448 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.

Reschedule and Cancellation

To reschedule your existing exam appointment, you must contact Prometric 48 hours prior to the exam appointment date in order to avoid a $40 reschedule fee. If you need to reschedule or confirm your appointment, please go to **http://www.prometric.com/arizona/insurance .**

If you cancel your appointment or fail to appear for your appointment, you will forfeit your examination fee(s). **Exam registration fees are not refundable or transferable.**

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).

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.

Testing Accommodations

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.

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 to the test center before you leave for the exam. Go to http://www.prometric.com/arizona/insurance and click on "Check appointment availability" to confirm the address and get directions.

Test Centers most convenient in Arizona include:

AZ Test Centers	
Flagstaff, AZ 2615 North 4th St., # 8 Flagstaff, AZ 86004	**Tempe, AZ** Papago Arroyo Business Ctr. 1275 West Washington St., # 110 Tempe, AZ 85281
Goodyear, AZ 13770 West Van Buren St., # 100 Goodyear, AZ 85338	**Tucson, AZ** University of Arizona Testing Office #0403 220 W 6th Street Building B, Room B114 Tucson, AZ 85721
Phoenix, AZ Camelwest Plaza 1951 West Camelback Rd., # 120 Phoenix, AZ 85015	**Yuma, AZ** 1790 S 3rd Ave Suite 2 Yuma, AZ 85364

Additional Test Centers Near Arizona		
Las Vegas, NV Valley View Business Ctr. 6625 South Valley View Blvd., # 414 Las Vegas, NV 89118	**St. George, UT** Dixie State College SW Corner of Tabernacle Street & 1000 East St. George, UT 84770	**Farmington, NM** San Juan College 4601 College Blvd Info Tech Bldg., Rm. 7120 Farmington, NM 87402

Preparing for Your Exam

Being well prepared can help you pass the exam and save time and possibly money spent retaking it. This section offers:

- **An overview of the exam content outlines.**
- **Information about study materials.**
- **An explanation of how to take a practice exam.**

Content Outlines Overview

The license exam for each type of license consists of questions that test knowledge of topical areas listed in the content outline for that exam. An overview of each exam content outline appears at the end of this handbook.

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

Study Materials

The Department of Insurance does not provide study materials, cannot recommend any supplier for study materials and does not evaluate the quality of any training course or study material. You are free to use the materials of your choice to prepare for the exam. Different publishers provide materials to assist you in preparing for insurance licensing exams. These materials take different approaches and you should choose one that meets your needs. A list of businesses that have advised the Department that they may provide training or study materials can be found at: **https://insurance.az.gov/sites/default/files/documents/files/Study%20Materials%2020161018.pdf**

Neither the Office of the Commissioner of Insurance nor Prometric reviews or approves these study materials.

General recommendations. You may obtain recommendations for study materials and pre-licensing study courses from insurance companies, the company or agency you plan to work for, or local insurance and agents' associations.

Arizona statutes. The exam outlines contain a section relating to Arizona Revised Statutes ("ARS") and Arizona Administrative Code ("AAC"). In addition to general study material, you may wish to consult ARS Title 20 and AAC Title 20, Chapter 6.

You can also access Arizona statutes and insurance regulations at **http://www.azleg.gov/arsDetail/?title=20** and the Arizona Secretary of State at **https://www.azsos.gov/rules/arizona-administrative-code** .

Practice Exams

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

https://www.prometric.com/en-us/clients/insurance/Pages/practice-exam.aspx

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 only
- (HIPA) Health Insurance Producer/Agent Practice Exam in English only
- (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 the exam may help you prepare for it. This section contains:

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

The Testing Process

The exam will be administered by computer; you are not required to have any computer experience or typing skills 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 taking the test. The identification document **must**:

- Be government-issued (e.g., driver's license, state-issued identification card, passport, or military identification card).
- Contain **both** a current photo and signature (if not you must present two identification cards: one with your photo and one with your signature).
- Exactly match the name used to register for the exam (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 LLC 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 disqualification from taking an examination.

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.

Note 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

Your Exam Results

At the end of your exam, your score will be shown on the screen and you will receive a printed score report. The report shows your 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

Score Report for Sample, Sarah A.

Arizona Producer's Life Examination

	Number of Questions	Number Correct	Percent Correct
Life Total Test Score	100	80	80%
Insurance Regulation	5	4	80%
General Insurance	7	5	71%
Life Insurance Basics	20	17	85%
Life Insurance Policies	18	14	78%
Life Insurance Provisions, Options and Riders	18	15	83%
Annuities	14	11	79%
Tax Considerations	12	9	75%
Qualified Plans	6	5	83%

Score: 80%
Grade: Pass

(A total score of 70 percent is required to pass)

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

Prometric electronically notifies the Department of Insurance of exam results within 48 hours of passing the exam. Note that exam scores are confidential and will be revealed only to you and the Department.

Duplicate score report. You may call or write to Prometric to request a duplicate of your score report for a period of one year after an exam with no fee. Direct any questions or comments about your exam to Prometric.

Appeals Process

Our goal is to provide a quality exam and a pleasant testing experience for every candidate. If you are dissatisfied with either and believe we can correct the problem, we would like to hear from you. We provide an opportunity for general comments at the end of your exam. Your comments will be reviewed by our personnel, but you will not receive a direct response.

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 **http://www.prometric.com/contactus**.

The Appeals Committee will review your concern and send you a written response within 20 business days of receipt.

Apply for Your License

Once you have passed your license exam (if an exam is required), you must submit your license application along with any other required paperwork and your fee payment to the Insurance Licensing Section. The Section must receive all required application materials, including the correct nonrefundable license fees, **within one year** after you pass the exam. ARS § 20-284 (A).

NOTE: The Insurance Licensing Section no longer accepts documents by fax.

Submit Your Application

- You must submit **license applications** either (1) through the NIPR electronic licensing system (**www.nipr.com**) or (2) by mailing to the Insurance Licensing Section. **NOTE:** NIPR applications are prioritized for processing, and are processed faster than mailed paper applications.
- **Fingerprints** (if required) must be delivered with Form L-FPV to the Insurance Licensing Section. The form can be found at: **https://insurance.az.gov/sites/default/files/documents/files/L-FPV%20Fingerprint%20Verification%2020170601.pdf** . Please follow the directions completely or your fingerprints may be rejected causing a delay in the application processing. Prometric offers the convenience of a fingerprinting service at our Arizona test centers only, if scheduled when you schedule your exam. Further information on this service can be found below.
- If you answer "Yes" to a background question on the application, **submit your written statement accompanied by corresponding official court documents** (printouts from a court's web site are not acceptable):
  - as part of your NIPR electronic license application (using the Attachments Warehouse), or
  - by e-mail to Licensing@azinsurance.gov, or
  - by mailing to the Insurance Licensing Section.
- **Submit all other documents** either by e-mail to Licensing@azinsurance.gov or by delivery to the Insurance Licensing Section.

Business Name

When conducting insurance business, Arizona law requires that you use your legal name unless you obtain permission from the Department to use another name. Access the L-193 "Certificate of Assumed Name" form on the Insurance Licensing Section website **https://insurance.az.gov/producers/licensing-related-forms** to learn how to request permission to use an "assumed name" and how to protect the name by registering a "trade name."

Licensing Eligibility Requirement (Form L-152)

Arizona state agencies cannot issue a license to an individual unless the agency first receives a completed Form L-152 accompanied by a readable photocopy of a required form of identification. You may download Form L-152 from the Insurance Licensing Section Web site at **https://insurance.az.gov/sites/default/files/documents/files/form_l-152_20170809.pdf**

Arizona residents applying for an initial license and non-resident adjusters who reside in states that do not issue adjuster licenses must complete this form, attach a copy of a required identification and submit it with the license application. If you are applying online at a Prometric test center, you should bring the completed Form L-152 with you to the test center.

Fingerprint Service

If you want Prometric to scan your fingerprints immediately after you pass your exam, you must register for the fingerprinting processing service. **We recommend you do not schedule your fingerprint appointment until you have passed your licensing exam. You will not be fingerprinted if you do not pass your exam, as all fees are non-refundable**

Note In some cases, based on the content of your application or the type of license for which you are applying, the NIPR application system may inform you that you need to provide additional information before the Department can process your application.

Department of Insurance Application Review Process

It is your responsibility to ensure that you have completed the license application and other supporting documents fully, properly and accurately. If your application is incomplete, the Department will return it to you, delaying the licensing decision. You will have 60 days from the deficiency date to cure any deficiency. After 60 days, the application will be withdrawn and the fees forfeited.

After receiving your application, the Department has up to 120 days to determine whether it contains all required information and is therefore "administratively complete," and up to an additional 60 days to review the substance of your application. These timeframes are the outer limits by which the Department must grant or deny a license application. The Department processes most license applications within 10 days. The Department is usually able to process applications submitted electronically faster than applications submitted on paper.

After reviewing your application, the Department will either issue or deny the license. If the Department denies your application, the Department will send you a notice that describes the denial reason and your appeal rights.

The Department may deny a license for any cause listed in ARS § 20-295. If your application contains inaccurate or untruthful responses, or material omissions, the Department may deny the license and prevent you from being licensed in the future. If the Department issues a license and later discovers that the application was incomplete or contained erroneous, untruthful or materially incomplete information, the Department may fine you or revoke your license.

License Expiration

When the Department issues an Arizona insurance license to someone who does not already hold a license, the license term is between three and four years and expires on the last day of the licensee's birth month. Future renewals will be a full four-year term from the previous expiration date, expiring on the last day of your birth month.

Maintaining Your License

Insurance professionals are responsible for complying with Arizona insurance laws and rules, including but not limited to timely reporting changes of address and timely renewing insurance licenses.

NIPR: National Insurance Producer Registry

You can use the NIPR's website, at **www.nipr.com** to report changes of email, address and telephone information at no charge. In many cases, for a small additional fee, you can also use the NIPR website to renew an existing license.

License Renewal

An insurance professional may renew a license up to 90 days before the date the license expires. The licensee is solely responsible for renewing the license before its expiration. The Department may or may not remind the licensee of the need to renew a license.

If the license expires, the licensee must cease acting under the license. For up to one year after the expiration of the license, a person may apply for a "late renewal" by fulfilling the renewal requirements and adding a $100 late renewal fee to the license renewal fee.

You can either use **NIPR (http://www.nipr.com/)** to renew your license online, or download a renewal application from the Insurance Licensing Section website at **https://insurance.az.gov/producers/licensing-related-forms** and mail the completed renewal form to the Insurance Licensing Section.

More detailed information on license renewals can be found on the Department's website at: **https://insurance.az.gov/producers/producer-agentbroker/producer-agentbroker-license-renewal-individual**

Insurance Continuing Education

The insurance continuing education requirements apply to all major line resident licensed Insurance Producers. Specific requirements can be found at**https://insurance.az.gov/producers/producer-agentbroker/producer-agentbroker-continuing-education and by using our surveymonkey tool at https://www.surveymonkey.com/r/adoi_ce.**

Insurance continuing education only applies to insurance producers.
Continuing education is not required for a person to renew a license for insurance adjuster, bail bond agent, self-service storage agent, insurance exchange navigator or insurance exchange certified application counselor license.

Nonresidents do not have an insurance continuing education requirement.
A nonresident would only be required to complete insurance continuing education if the resident state did not have a continuing education requirement (and all states do) or if the resident state required an Arizona resident to complete insurance continuing education (and no state does).

Individuals who only hold a limited-line credit or crop insurance producer license do not have an insurance continuing education requirement.
A resident that holds a major line of authority may need to complete insurance continuing education.

Long-term care training As of July 1, 2009, an accident and health or sickness insurance producer (resident or nonresident) who wants to sell, solicit or negotiate long-term care insurance must complete four hours of Arizona-approved long-term care training (LTCT) during each two-year period after July 1, 2009. A resident licensee can apply hours of LTCT toward satisfying Arizona's CE requirement. Nonresidents can satisfy the LTCT requirement if they completed substantially similar courses in another state.

Exception to the long-term care training requirement. A nonresident insurance producer can satisfy Arizona's LTCT requirement by satisfying a substantially similar LTCT requirement in the producer's home state. ARS §20-1691.12.

Exam Content Outlines

The following outlines give an overview of the content of each of the Arizona 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 exam and 15 will be drawn on a 150-question exam.

An outline that includes more descriptive subsections for your exam is available online at **www.prometric.com/arizona/insurance.**

Arizona Examination for Life Insurance Producer

Series 13-31

100 questions - 2-hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 5%

1.1 Licensing

- License application requirements (20-285)
- Number of exam attempts 20-284(H)
- Licensing eligibility/lawful presence (41-1080)
- Types of licensees
  - Producers (20-281(5), 286)
  - Nonresidents (20-281(11))
  - Adjusters (20-321)
  - Life Settlement Broker (ARS 20-3202)
  - Business entities (20-281(1), 285(D, E), 290(B))
  - Surplus lines brokers (20-407, 411)
  - Temporary (20-294)
  - Vending machines (20-293)
- Lines of producer license authority (20-286, (A), 321, 331, 332, 411, 411.01, 1580, 1693.01, 2662)
- Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))
- Assumed business name (20-297)
- Maintenance and duration
  - Expiration, surrender and renewal (20-289)
  - Inactive license status during military service (20-289.01)
  - Change of personal contact information (20-286(C))
  - Change of business information (20-286)(C))
  - Business information (20-286)(C))
  - Report of actions (20-301)
  - Continuing education (20-2902, 2903)
- Disciplinary actions
  - Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)
  - Cease and desist order (20-292)

1.2 State regulation

- Acts constituting insurance transaction (20-106, 282, 401.01)
  - Negotiate (20-281(10))
  - Sell (20-281(14))
  - Solicit (20-281(15))
- Payment of premiums (20-191)
- Certificate of authority (20-217(A))
- Identification of Producer (20-229)
- Producer regulation
  - Sharing commissions (20-298)
  - Place of business and records (20-157, 290; AZ Const Art 14 s 16)
- Unfair practices and frauds
  - Unfair trade practices (20-442)
  - Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))
  - False or deceptive advertising (20-444)
  - Defamation of insurer (20-445)
  - Boycott, coercion or intimidation (20-446)
  - False financial statements (20-447)
  - Unfair discrimination (20-448)
  - Gender discrimination (Rule R20-6-207)
  - Rebating (20-449–451)
  - Prohibited inducements (20-452)
  - Fees (20-465)
  - Unfair claims settlement practices (20-461; Rule R20-6-801)
  - Claims payment (20-462)
  - Insurance fraud (20-463, 466–466.04)

- Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

- Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)
- Fair Credit Reporting Act (15 USC 1681–1681d)
- Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)
- CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)
- Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)
- Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

2.0 General Insurance 10%

2.1 Concepts

- Insurance, definition of (20-103)
- 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
  - Mutual, stock, fraternal (20-702, -703)
  - Captive insurance insurers (20-1098)
  - Stock insurers
  - Mutual insurers
  - Fraternal benefit societies
  - Reciprocals (20-761,-762)
  - Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)
  - Lloyd's associations (20-1021)
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers (20-201, 203, 204)
- 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
  - Personal contract
  - Aleatory 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 Life Insurance Basics 24%

3.1 Insurable interest (20-443.02, 20-1104, 1106, 1107)

3.2 Personal uses of life insurance

- Survivor protection
- Estate creation
- Cash accumulation
- Liquidity
- Estate conservation
- Viatical and life settlements

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

3.5 Classes of life insurance policies

- Group versus individual
- Ordinary versus industrial (home service)
- Permanent versus term
- Participating versus nonparticipating
- Fixed versus variable life insurance and annuities

- Regulation of variable products (SEC, FINRA and Arizona) (20-2604, 2606, 2633)
- Qualifications of producers for the sale of variable products (20-2662)

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, advertising requirements, and disclosures
  - General provisions (20-1241.03; Rule R20-6-202)
  - Policy summary (Rule R20-6-209(B)(8), (D))
  - Buyer's guide (20-1242.02, Rule R20-6-209(C), R20-6-211 Appendix)
  - Life and Disability Insurance Guaranty Fund (20-443(6), 683)
  - Life insurance policy cost comparison methods (Rule R20-6-209(B)(6))
  - Replacement (20-1241–1241.09; Rule R20-6-212)
- Field underwriting
  - 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 (20-2107)
  - Medical Information Bureau (MIB)
  - Medical examinations and lab tests including HIV (20-448.01; Rule R20-6-1203, 1204; Bul 2003-5, 9)
- Selection criteria
  - General selection criteria
  - Discrimination on basis of blindness prohibited (Rule R20-6-211)
  - Genetic testing (20-448(D), (E), 448.02)
- Classification of risks
  - Preferred
  - Standard
  - Substandard
  - Certificate of Authority (20-206(A))

4.0 Life Insurance Policies 23%

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

- Adjustable life
- Universal life
- Variable universal
- Index whole life

4.4 Specialized policies

- Joint life (first-to-die)
- Juvenile life
- Survivorship life

4.5 Group life insurance

- Individual certificates (20-1265)
- Characteristics of group plans
- Group eligibility (20-1251)
- Types of plan sponsors
- Group underwriting requirements
- Conversion to individual policy (20-1266–1269)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 23%

5.1 Standard provisions

- Ownership
- Assignment (20-1122, 1277)
- Limitation of liability (20-1226)
- Entire contract (20-1205)
- Modifications
- Right to examine (free look) (Rule R20-6-209(C)(1))
- Payment of premiums (20-1214)
- Grace period (20-1203, 1259)
- Reinstatement (20-1213)
- Incontestability (20-1204, 1217, 1260)
- Misstatement of age (20-1206, 1263)
- Policy title (20-1216)
- Policy settlements and proceeds (20-1228–1230)
- Exclusions (20-1226)

Payment of claims (20-1215)

5.2 Beneficiaries

Designation options

Individuals

Classes

Estates

Minors

Trusts

Succession

Revocable versus irrevocable

Primary and contingent

Common disaster clause

5.3 Settlement options

Cash payment

Interest only

Fixed-period installments

Fixed-amount installments

Life income

Single life

Joint and survivor

5.4 Nonforfeiture options (20-1231)

Cash surrender value

Extended term

Reduced paid-up insurance

5.5 Policy loan and withdrawal options (20-1209, 1209.01)

Cash loans

Automatic premium loans

Withdrawals or partial surrenders

5.6 Dividend options

Cash payment

Reduction of premium payments

Accumulation at interest

One-year term option

Paid-up additions

Paid-up insurance

5.7 Disability riders

Waiver of premium

Waiver of cost of insurance

Disability income benefit

Payor benefit life/disability (juvenile insurance)

5.8 Accelerated (living) benefit provision/rider (20-1136)

Conditions for payment

Effect on death benefit

Long-term care

Conditions for payment

Effect on death benefit

5.9 Riders covering additional insureds (20-1257)

Spouse/other-insured term rider

Children's term rider

Family term rider

5.10 Riders affecting the death benefit amount

Accidental death

Guaranteed insurability

Cost of living

Return of premium

6.0 Annuities 10%

6.1 Standard provisions

Grace period (20-1219, 1271)

Incontestability (20-1220)

Entire contract (20-1221, 1272)

Misstatement of age (20-1222, 1227, 1273)

Reinstatement (20-1224, 1227)

Free look (20-1233)

Disclosure (20-1242, 1242.01–1242.05)

6.2 Annuity principles and concepts

Accumulation period versus annuity period

Owner, annuitant and beneficiary

Insurance aspects of annuities

6.3 Immediate versus deferred annuities

Single premium immediate annuities (SPIAs)

Deferred annuities

Premium payment options

Nonforfeiture (20-1232, 1274)

Surrender charges

Death benefits

6.4 Annuity (benefit) payment options

Life contingency options

Pure life versus life with guaranteed minimum

Single life versus multiple life

Annuities certain (types)

6.5 Annuity

Fixed annuities

General account assets

Interest rate guarantees (minimum versus current)

Level benefit payment amount

Equity indexed annuities

6.6 Uses of annuities

Market value adjusted annuities

Lump-sum settlements

Qualified retirement plans

Group versus individual annuities

Personal uses

Individual retirement plans

Tax-deferred growth

Retirement income

Education funds

Compatibility and suitability (20-1243, 1243.01–1243.06)

7.0 Federal Tax Considerations for Life Insurance and Annuities 5%

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 Section 1035 exchanges

Arizona Examination for Accident and Health or Sickness Insurance Producer

Series 13-32

100 questions 2-hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 5%

1.1 Licensing

License application requirements (20-285)

Number of exam attempts (20-284)(H))

Licensing eligibility/lawful presence (41-1080)

Types of licensees

- Producers (20-281(5), 286)
- Nonresidents (20-281(11))
- Adjusters (20-321)
- Life Settlement Broker (ARS 20-3202)
- Business entities (20-281(1), 285(D, E), 290(B))
- Surplus lines brokers (20-407, 411)
- Temporary (20-294)
- Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01,2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

- Expiration, surrender and renewal (20-289)
- Inactive license status during military service (20-289.01)
- Change of contact information (20-286(C))
- Change of business information (20-286)(C))
- Report of actions (20-301)
- Continuing education (20-2902, 2903)

Disciplinary actions

- Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)
- Cease and desist order (20-292)

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

- Negotiate (20-281(10))
- Sell (20-281(14))
- Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Identification of Producer (20-229)

Producer regulation

- Sharing commissions (20-298)
- Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Unfair practices and frauds

- Unfair trade practices (20-442)
- Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))
- False or deceptive advertising (20-444)
- Defamation of insurer (20-445)
- Boycott, coercion or intimidation (20-446)
- False financial statements (20-447)
- Unfair discrimination (20-448)
- Gender discrimination (Rule R20-6-207)
- Rebating (20-449–451)
- Prohibited inducements (20-452)
- Fees (20-465)
- Unfair claims settlement practices (20-461; Rule R20-6-801)
- Claims payment (20-462)
- Insurance fraud (20-463, 466–466.04)

Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Affordable Care Act (45 CFR 144, 146, 147, 148, 150, 154, 155, 156, 157,

164 and 170; and 42 USC 300gg-300gg-91)

Mental Health Parity and Addiction Equity Act (45 CFR Parts 146 and 147)

Genetic Information Nondiscrimination Act (45 CFR Parts 144, 146, and 148; 45 CFR Parts 160 and 164; and 29 CFR Part 2590)

Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)

Fair Credit Reporting Act (15 USC 1681–1681d)

Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)

CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)

2.0 General Insurance 7%

2.1 Concepts

Insurance, definition of (20-103)

Risk management key terms

- Risk
- Exposure
- Hazard
- Peril
- Loss

Methods of handling risk

- Avoidance
- Retention
- Sharing
- Reduction
- Transfer
- Managed care
- Utilization review

Elements of insurable risks

Adverse selection

Law of large numbers

Reinsurance

2.2 Insurers

Types of insurers

- Mutual, stock, fraternal (20-702, -703)
- Captive insurance companies (20-1098)
- Stock companies
- Mutual companies
- Fraternal benefit societies
- Reciprocals (20-761,-762)
- Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)
- Lloyd's associations (20-1021)
- Hospital, medical, dental, optometric service corporations (ARS 20-821 et seq)
- Health care service organizations (ARS 20-1051 et seq; AAC R20-6-1901 et seq; AAC R20-6-405)

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers (20-201, 203, 204)

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
- Personal contract
- Aleatory 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 Disability (Accident and Health) Insurance Basics 18%

3.1 Definitions of perils

Accidental injury

Sickness

3.2 Principal types of losses and benefits

Loss of income from disability

Medical expense

Dental expense

Long-term care expense

Prescriptions

3.3 Classes of health insurance policies

Individual versus group

Small group versus large group

Qualified health plan

Marketplace plans

Stand-alone dental plans

Private versus government

Limited versus comprehensive

3.4 Limited policies

- Limited perils and amounts
- Required notice to insured
- Types of limited policies
  - Excepted benefits (45 CFR 148.220)
  - Accident-only
  - Specified (dread) disease
  - Hospital indemnity (income)
  - Credit disability
  - Blanket insurance (teams, passengers, other)
  - Prescription drugs
  - Vision care

3.5 Common exclusions from coverage

3.6 Producer responsibilities in individual health insurance

- Privacy and security (ARS 20-2101 et seq; AND 45 CFR 155.260)
- Marketing requirements
  - Insurable interest (20-1104. 20-1106, 20-1107, 20-1370)
  - Advertising Requirements (R20-6-201,201.01,201.02)
  - Sales presentations
  - Summary of benefits and coverage (45 CFR Part 147)
- Life and Disability Insurance Guaranty Fund (20-683)
- Field underwriting
- Insurer underwriting
  - Nature and purpose
  - Disclosure of information about individuals
  - Application procedures
  - Requirements at delivery of policy
- Common situations for errors/omissions

3.7 Individual underwriting by the insurer

- Underwriting criteria
- Guaranteed availability (45 CFR 147.104)
- Sources of underwriting information
  - Application
  - Producer report
  - Medical Information Bureau (MIB)
  - Medical examinations and lab tests (including HIV consent) (20-448.01; Rule R20-6-1203, 1204)(Bul 2003-5, 9)
  - Policy Delivery
  - Effective date of coverage
  - QHP rating factors (45 CFR 147.102)
- Unfair discrimination (20-448)
- Genetic testing (20-448(D), (E), 448.02)
- Classification of risks
  - Preferred
  - Standard
  - Substandard
  - Certificate of Authority (20-206(A))

3.8 Considerations in replacing health insurance

- Guaranteed renewable (ARS 20-1380; 45 CFR 148.122 AND 146.152)
- Termination of coverage (45 CFR 155.430)
- Special enrollment period/late enrollment (45 CFR 155.420; ARS 20-2301)
- Open enrollment (45 CFR 155.410)
- Grace period (ARS 20-1347; 45 CFR 156.270)
- Reinstatement (ARS 20-1348; 45 CFR 155.430)
- Discontinuation (45 CFR 147.106)
- Pre-existing conditions
- Benefits, limitations and exclusions
- Underwriting requirements
- Producer's liability for errors and omissions
- Life and disability insurance Guaranty Fund (20-283(A))

4.0 Individual Disability (Accident and Health) Insurance Policy General Provisions 13%

4.1 Uniform required provisions

- Essential health benefits (45 CFR 156)
- Entire contract; changes (20-1345)
- Time limit on certain defenses (20-1346)
- Grace period (20-1347)
- Reinstatement (20-1348)
- Claim procedures (20.1349–53)
- Physical examinations and autopsy (20-1354)
- Legal actions (20-1355)
- Change of beneficiary (20-1356)
- Time of payment claims (20-1352)
- Payment of claims (20-1353)
- Notice of claim
- Proof of Loss (20-1351)
- Physical examinations and autopsy (20-1354)

4.2 Uniform optional provisions

- Change of occupation (20-1358)
- Misstatement of age (20-1359, 1373)
- Other insurance in this insurer (20-1360)
- Insurance with other insurers
  - Expense-incurred basis (20-1361)
  - Other benefits (20-1362)

- Unpaid premium (20-1364)
- Cancellation (20-1365)
- Conformity with state statutes (20-1366)
- Illegal occupation (20-1367)
- Intoxicants and narcotics (20-1368)

4.3 Other general provisions

- Right to examine (free look) (Rule R20-6-501)
- Insuring clause
- Consideration clause
- Renewability clause (20-1380)
  - Noncancelable
  - Guaranteed renewable
  - Conditionally renewable
  - Renewable at option of insurer
  - Nonrenewable (cancelable, term)
- Guaranteed issue (20-1379)

5.0 Disability Income and Related Insurance 7%

5.1 Qualifying for disability benefits

- Inability to perform duties
  - Own occupation
  - Any occupation
  - Indemnity
- 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
  - Probationary period
- 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
  - Permanent 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 (20-1363)
- Other cash benefits
  - Accidental death and dismemberment
  - Rehabilitation benefit
  - Medical reimbursement benefit (nondisabling injury)
- Refund provisions
  - Return of premium
  - Cash surrender value
- Exclusions

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
- Short-term disability (STD)
- Long-term disability (LTD)

5.5 Business disability insurance

- Key employee (partner) disability income
- Business overhead expense policy
- Disability buy-sell policy

5.6 Social Security disability

- Qualification for disability benefits
- Definition of disability
- Waiting period
- Disability income benefits

5.7 Workers compensation

- Eligibility (RL 23-901, 23-901.01)
- Benefits (RL 23-1021)

6.0 Medical Plans 13%

6.1 Medical plan concepts

- Expense reimbursement/indemnity versus prepaid basis
- Specified coverage versus comprehensive coverage
- Minimum essential coverage (45 CFR 156.600, 602, 604; 45 CFR §155.605)
- Schedule of benefits
- In- and out-of-network benefits
- On- and off-marketplace plans
- Grandfathered (45 CFR 147.140) versus transition plan
- Unusual/reasonable/customary charges
- Broad versus narrow provider network
- Insureds versus subscribers/participants
- Prepaid
- Essential health benefits coverage versus excepted benefits
- Dependents
- Healthcare appeal rights
- Role of the federal health insurance marketplace (healthcare.gov)

6.2 Types of providers and plans

- Health care services organizations (HCSOs)-pre-paid health care
  - General characteristics
  - Essential health benefits
  - Basic health care services (AAC R20-6-1904)
  - Preventive care services
  - Primary care physician versus referral (specialty) physician
  - Emergency care
  - Hospital services
  - Other basic services
  - In-network providers
  - Network exception (AAC R20-6-1910)
  - Cost-share
  - Maximum out of pocket (MOOP)
- Preferred provider organizations (PPOs)
  - General characteristics
  - Essential health benefits
  - Reimbursement methodology
  - Cost-share differences in- versus out-of-network services
  - Maximum out of pocket (MOOP)
  - Provider network
  - Types of parties to the provider contract
- Point-of-service (POS) plans-Combination HCSO & PPO policies
  - Nature and purpose
  - In- and Out-of-network provider access
  - Cost-share differences in- versus out-of-network services
  - PCP referral (gatekeeper PPO)
  - Indemnity plan features

6.3 Cost containment in health care delivery

- Cost-saving services
  - Open enrollment period
  - Preventive care
  - Hospital outpatient benefits
  - Alternatives to hospital services
  - Preauthorization 2nd opinion
- Utilization management
  - Prospective review
  - Concurrent review

6.4 Arizona eligibility requirements (individual and group)

- Dependent child age limit (20-1342(A)(3))
- Newborn child coverage (20-1342(A)(3))
- Coverage of adopted children (20-1342(A)(3),(11),(12), 2321, 20-1057)
- Child coverage; non-custodial parents (20-1692.03)
- Physically or mentally handicapped dependent coverage (20-1342.01, 1407)
- Rating criteria health insurance policies (45 CFR 147.102)

6.5 Marketing Considerations

- Advertising (Rule R20-6-201)
- Regulatory jurisdiction/place of delivery
- Disclosure form (20-2323)
- Summary of benefits & coverages

7.0 Group Accident and Health Insurance 11%

7.1 Characteristics of group insurance

- Small group versus large group (ARS 20-2301 et seq; 45 CFR)
- Group contract
- Certificate of coverage (20-1402(A)(2))
- Experience rating versus community rating

7.2 Types of eligible groups (20-1401)

- Employment-related groups
  - Individual employer groups
  - Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs)
- Associations (alumni, professional, other)
- Customer groups (depositors, creditor-debtor, other)

7.3 Marketing considerations

- Advertising (Rule R20-6-201)
- Regulatory jurisdiction/place of delivery
- Summary of benefits & coverages

7.4 Large group disability (accident and health) insurance

- Insurer underwriting criteria
  - Characteristics of group
  - Plan design factors
- Eligibility for coverage
  - Annual open enrollment
  - Employee eligibility
  - Dependent eligibility
- Coordination of benefits provision (Rule R20-6-214)
- Change of insurance companies or loss of coverage
  - Coinsurance and deductible carryover
  - No-loss no-gain
  - Events that terminate coverage

- Extension of benefits
- Continuation of group coverage under COBRA
- Conversion (20-1408)
- Continuation of individual coverage (20-1377)
- Reinstatement of coverage for military personnel (20-1408(L-N))
- Special enrollment period (45 CFR 155.420)
- Open enrollment
- Loss of minimum essential coverage

7.5 Small group disability (accident and health) insurance

- Definition of small employer (20-2301(A)(21))
- Accountable Health Plan (20-2301(A)(1))
- Health benefits plan (20-2301(A)(11))
- Small employer (20-2301(A) (11))
- Late Enrollee (20-2301(A)(15))
- Availability and eligibility (20-2304, 2307, 2308)
- Prohibited marketing practices (20-2313)
- Renewability (20-2309)
- Guaranteed issue (20-2304)
- Limitations on exclusion from coverage
  - Pre-existing conditions (20-2301(A)(20), 2310(B))
  - Credit for prior coverage (20-2310)
- Small business health insurance (20-2341)
- Notification of small employer of reduction in premium tax (20-2304(J))
- Geographic rating areas and other rating factors (ARS 20-238; 20-2311; 45 CFR 147.102)

7.6 Privacy (20-1379)

- Insurance information & privacy protection (ARS 20-2101 et seq)
- Customer information security (AAC R20-6-2101 - 2104)
- HIPAA privacy protections
- Electronic notices (ARS 20-239; ARS 44-7001 - 7052)
- Affordable Care Act privacy protections (45 CFR 155.260)

8.0 Dental Insurance 5%

8.1 Types of dental treatment

- Diagnostic and preventive
- Restorative
- Oral surgery
- Endodontics
- Periodontics
- Prosthodontics
- Orthodontics

8.2 Indemnity plans/PPO Dental Plans

- Stand-Alone Dental Plans (SADP) (45 CFR 155.1065)
- Essential pediatric dental benefit
- Role of the federal health insurance marketplace on dental insurance
- Group versus individual dental insurance
- Choice of providers
- Scheduled versus nonscheduled plans
- Benefit categories
  - Diagnostic/preventive services
  - Basic services
  - Major services
- Deductibles and coinsurance
- Combination plans
- Exclusions
- Limitations
- Predetermination of benefits

8.3 Prepaid dental plans (R1801), (ARS 20-2001)

- Characteristics
- Basic services (R20-6-1806)
- Exclusions
- Limitations

9.0 Insurance for Senior Citizens and Special Needs Individuals 16%

9.1 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
  - Late enrollment penalty
  - Medicare savings programs (QMB, SLMB)
  - Medicare marketing restrictions

9.2 Medicare supplements (Rule R20-6-1101)

- Purpose
- Open enrollment
- Rating of supplemental plans
- Standardized Medicare supplement plans
  - Core benefits

- Additional benefits
- Arizona regulations and required provisions
  - Standards for marketing
  - Advertising
  - Appropriateness of recommended purchase and excessive insurance
  - Guide to health insurance
  - Outline of coverage
  - Right to return
  - Replacement
  - Minimum benefit standards
  - Required disclosure provisions
  - Permitted compensation arrangements
  - Renewability and cancellation
  - Continuation and conversion requirements
  - Notice of change
- Medicare select

9.3 Other options for individuals with Medicare

- Employer group health plans
  - Disabled employees
  - Employees with kidney failure
  - Individuals age 65 and older
- Arizona Health Care Cost Containment System (AHCCCS)
  - Eligibility (RL 36-2901(6), 2901.03, .05)
  - Benefits (RL 36-2907)

9.4 Long-term care (LTC) insurance

- Required communications to LTC applicants
  - Outline of Coverage (ARS 20-1691.06; Rule R20-6-1022)
  - Shopper's Guide (Rule R20-6-1023)
  - Personal Worksheet (Rule R20-6-1018 and Appendix A)
  - Rating Practices (Rule R20-6-1008(B1-6), (E) and (F))
- Eligibility for benefits
- Levels of care
  - Skilled care
  - Intermediate care
  - Custodial care
  - Home health care (Rule R20-6-1004(I))
  - Adult day care
  - Respite care
- Benefit periods (20-1691.03(C))
- Benefit amounts
- Optional benefits
  - Guarantee of insurability
  - Return of premium
- Qualified LTC plans
- Exclusions (Rule R20-6-1004(B)(1)–(4))
- Underwriting considerations
- Arizona regulations and required provisions
  - Long term care partnership program (ADOI Bulletin 2009-05)
  - Standards for marketing (Rule R20-6-1017)
  - Right to return (free look) (20-1691.07)
  - Replacement (Rule R20-6-1004(F), 1010)
  - Prohibited policy provisions (20-1691.05; Rule R20-6-1004(B), 1011)
  - Renewal considerations (Rule R20-6-1004(A))
  - Cancellation (20-1691.03(A))
  - Unintentional lapse (Rule R20-6-1005)
  - Suitability (Rule R20-6-1018)
  - Premium increase (Rule R20-6-1004(G), 1008)
  - Continuation of benefits (Rule R20-6-1004(E))
  - Inflation protection (Rule R20-6-1006)
  - Required disclosure provisions (Rule R20-6-1007)
  - Pre-existing conditions (20-1691(12), 1691.03(G))
  - Contestable periods (20-1691.10)
  - Nonforfeiture (Rule R20-6-1019)
  - Nonforfeiture benefit triggers (Rule R20-6-1020)
  - Producer long term care partnership training (20-1691.12)

Arizona Examination for Life, Accident and Health or Sickness Insurance Producer

Series 13-33

150 questions – 2.5 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 4%

1.1 Licensing

- License application requirements (20-285)
- Number of exam attempts (20-284)(H)
- Licensing eligibility/lawful presence (41-1080)
- Types of licensees
  - Producers (20-281(5), 286)

- Nonresidents (20-281(11))
- Adjusters (20-321)
- Life Settlement Broker (ARS 20-3202)
- Business entities (20-281(1), 285(D, E), 290(B))
- Surplus lines brokers (20-407, 411)
- Temporary (20-294)
- Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01,2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

- Expiration, surrender and renewal (20-289)
- Inactive license status during military service (20-289.01)
- Change of personal contact information (20-286(C))
- Change of business information (20-286)(C))
- Report of actions (20-301)
- Continuing education (20-2902, 2903)

Disciplinary actions

- Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)
- Cease and desist order (20-292)

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

- Negotiate (20-281(10))
- Sell (20-281(14))
- Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Producer regulation

- Sharing commissions (20-298)
- Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Unfair practices and frauds

- Unfair trade practices (20-442)
- Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))
- False or deceptive advertising (20-444)
- Defamation of insurer (20-445)
- Boycott, coercion or intimidation (20-446)
- False financial statements (20-447)
- Unfair discrimination (20-448)
- Gender discrimination (Rule R20-6-207)
- Rebating (20-449–451)
- Prohibited inducements (20-452)
- Fees (20-465)
- Unfair claims settlement practices (20-461; Rule R20-6-801)
- Claims payment (20-462)
- Insurance fraud (20-463, 466–466.04)

Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Affordable Care Act (45 CFR 144, 146, 147, 148, 150, 154, 155, 156, 157, 164 and 170; and 42 USC 300gg-300gg-91)

Mental Health Parity and Addiction Equity Act (45 CFR Parts 146 and 147)

Genetic Information Nondiscrimination Act (45 CFR Parts 144, 146, and 148; 45 CFR Parts 160 and 164; and 29 CFR Part 2590)

Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)

Fair Credit Reporting Act (15 USC 1681–1681d)

Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)

CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)

2.0 General Insurance 6%

2.1 Concepts

Insurance, definition of (20-103)

Risk management key terms

- Risk
- Exposure
- Hazard
- Peril
- Loss

Methods of handling risk

- Avoidance
- Retention
- Sharing
- Reduction
- Transfer
- Managed care
- Utilization review

Elements of insurable risks

Adverse selection

Law of large numbers

Reinsurance

2.2 Insurers

Types of insurers

Mutual, stock, fraternal (20-702, -703)

Captive insurance companies (20-1098)

Stock companies

Mutual companies

Fraternal benefit societies

Reciprocals (20-761,-762)

Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)

Lloyd's associations (20-1021)

Hospital, medical, dental, optometric service corporations (ARS 20-821 et seq)

Health care service organizations (ARS 20-1051 et seq; AAC R20-6-1901 et seq; AAC R20-6-405)

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers (20-201, 203, 204)

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

Personal contract

Aleatory 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 Life Insurance Basics 12%

3.1 Insurable interest (20-443.02, 20-1104, 1106, 1107)

3.2 Personal uses of life insurance

Survivor protection

Estate creation

Cash accumulation

Liquidity

Estate conservation

Viatical and life settlements

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

3.5 Classes of life insurance policies

Group versus individual

Ordinary versus industrial (home service)

Permanent versus term

Participating versus nonparticipating

Fixed versus variable life insurance and annuities

Regulation of variable products (SEC, FINRA and Arizona) (20-2604, 2606, 2633)

Qualifications of producers for the sale of variable products (20-2662)

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, sales presentations, advertising requirements, and disclosures

General provisions (20-1241.03; Rule R20-6-202)

Policy summary (Rule R20-6-209(B)(8), (D))

Buyer's guide (20-1242.02, Rule R20-6-209(C), R20-6-211 Appendix)

Life and Disability Insurance Guaranty Fund (20-443(6), 683)

Life insurance policy cost comparison

methods (Rule R20-6-209(B)(6))

Replacement (20-1241–1241.09; Rule R20-6-212)

Field underwriting

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 (20-2107)

Medical Information Bureau (MIB)

Medical examinations and lab tests including HIV (20-448.01; Rule R20-6-1203, 1204; Bul 2003-5, 9)

Selection criteria

General selection criteria

Discrimination on basis of blindness prohibited (Rule R20-6-211)

Genetic testing (20-448(D), (E), 448.02)

Classification of risks

Preferred

Standard

Substandard

Certificate of Authority (20-206(A))

4.0 Life Insurance Policies 10%

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

Adjustable life

Universal life

Variable universal

Index whole life

4.4 Specialized policies

Joint life (first-to-die)

Juvenile life

Survivorship life

4.5 Group life insurance

Individual certificates (20-1265)

Characteristics of group plans

Group eligibility (20-1251)

Types of plan sponsors

Group underwriting requirements

Conversion to individual policy (20-1266–1269)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 10%

5.1 Standard provisions

Ownership

Assignment (20-1122, 1277)

Limitation of liability (20-1226)

Entire contract (20-1205)

Modifications

Right to examine (free look) (Rule R20-6-209(C)(1))

Payment of premiums (20-1214)

Grace period (20-1203, 1259)

Reinstatement (20-1213)

Incontestability (20-1204, 1217, 1260)

Misstatement of age (20-1206, 1263)

Policy title (20-1216)

Policy settlements and proceeds (20-1228–1230)

Exclusions (20-1226)

Payment of claims (20-1215)

5.2 Beneficiaries

Designation options

Individuals

Classes

Estates

Minors

Trusts

Succession

Revocable versus irrevocable

Primary and contingent

Common disaster clause

5.3 Settlement options

Cash payment

Interest only

Fixed-period installments

Fixed-amount installments

Life income

Single life

Joint and survivor

5.4 Nonforfeiture options (20-1231)

Cash surrender value

Extended term

Reduced paid-up insurance

5.5 Policy loan and withdrawal options (20-1209, 1209.01)

Cash loans

Automatic premium loans

Withdrawals or partial surrenders

5.6 Dividend options

- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions
- Paid-up insurance

5.7 Disability riders

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

5.8 Accelerated (living) benefit provision/rider (20-1136)

- Conditions for payment
- Effect on death benefit
- Long-term care
  - Conditions for payment
  - Effect on death benefit

5.9 Riders covering additional insureds (20-1257)

- Spouse/other-insured term rider
- Children's term rider
- Family term rider

5.10 Riders affecting the death benefit amount

- Accidental death
- Guaranteed insurability
- Cost of living
- Return of premium

6.0 Annuities 9%

6.1 Standard provisions

- Grace period (20-1219, 1271)
- Incontestability (20-1220)
- Entire contract (20-1221, 1272)
- Misstatement of age (20-1222, 1227, 1273)
- Reinstatement (20-1224, 1227)
- Free look (20-1233)
- Disclosure (20-1242, 1242.01–1242.05)

6.2 Annuity principles and concepts

- Accumulation period versus annuity period
- Owner, annuitant and beneficiary
- Insurance aspects of annuities

6.3 Immediate versus deferred annuities

- Single premium immediate annuities (SPIAs)
- Deferred annuities
  - Premium payment options
  - Nonforfeiture (20-1232, 1274)
  - Surrender charges
  - Death benefits

6.4 Annuity (benefit) payment options

- Life contingency options
  - Straight life versus life with guaranteed minimum
  - Single life versus multiple life
- Annuities certain (types)

6.5 Annuity products

- Fixed annuities
  - General account assets
  - Interest rate guarantees (minimum versus current)
  - Level benefit payment amount
- Equity indexed annuities
- Market value adjusted annuities

6.6 Uses of annuities

- Lump-sum settlements
- Qualified retirement plans
  - Group versus individual annuities
- Personal uses
  - Individual retirement plans
  - Tax-deferred growth
  - Retirement income
  - Education funds
- Compatibility and suitability (20-1243, 1243.01–1243.06)

7.0 Federal Tax Considerations for Life Insurance and Annuities 4%

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 plans

- 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 Disability (Accident and Health) Insurance Basics 9%

8.1 Definitions of perils

Accidental injury

Sickness

8.2 Principal types of losses and benefits

Loss of income from disability

Medical expense

Dental expense

Long-term care expense

Prescriptions

8.3 Classes of health insurance policies

Individual versus group

Small group versus large group

Qualified health plan

Marketplace plans

Stand-alone dental plans

Private versus government

Limited versus comprehensive

8.4 Limited policies

Limited perils and amounts

Required notice to insured

Types of limited policies

- Excepted benefits (45 CFR 148.220)
- Accident-only
- Specified (dread) disease
- Hospital indemnity (income)
- Credit disability
- Blanket insurance (teams, passengers, other)
- Prescription drugs
- Vision care

8.5 Common exclusions from coverage

8.6 Producer responsibilities in individual health insurance

Privacy and security (ARS 20-2101 et seq; AND 45 CFR 155.260)

Marketing requirements

- Insurable interest (20-1104. 20-1106, 20-1107, 20-1370)
- Advertising Requirements (R20-6-201, 201.01, 201.02)
- Sales presentations
- Summary of benefits and coverage (45 CFR Part 147)

Life and Disability Insurance Guaranty Fund (20-683)

Field underwriting

Insurer underwriting

- Nature and purpose
- Disclosure of information about individuals
- Application procedures
- Requirements at delivery of policy

Common situations for errors/omissions

8.7 Individual underwriting by the insurer

Underwriting criteria

Guaranteed availability (45 CFR 147.104)

Sources of underwriting information

- Application
- Producer report
- Medical Information Bureau (MIB)
- Medical examinations and lab tests (including HIV consent) (20-448.01; Rule R20-6-1203, 1204)(Bul 2003-5, 9)
- Policy Delivery
- Effective date of coverage
- QHP rating factors (45 CFR 147.102)

Unfair discrimination (20-448)

Genetic testing (20-448(D), (E), 448.02)

Classification of risks

- Preferred
- Standard
- Substandard

Certificate of Authority (20-206(A))

8.8 Considerations in replacing health insurance

Guaranteed renewable (ARS 20-1380; 45 CFR 148.122 AND 146.152)

Termination of coverage (45 CFR 155.430)

Special enrollment period/late enrollment (45 CFR 155.420; ARS 20-2301)

Open enrollment (45 CFR 155.410)

Grace period (ARS 20-1347; 45 CFR 156.270)

Reinstatement (ARS 20-1348; 45 CFR 155.430)

Discontinuation (45 CFR 147.106)

Pre-existing conditions

Benefits, limitations and exclusions

Underwriting requirements

Producer's liability for errors and omissions

Life and disability insurance Guaranty Fund (20-283(A))

9.0 Individual Disability (Accident and Health) Insurance Policy General Provisions 6%

9.1 Uniform required provisions

- Essential health benefits (45 CFR 156)
- Entire contract; changes (20-1345)
- Time limit on certain defenses (20-1346)
- Grace period (20-1347)
- Reinstatement (20-1348)
- Claim procedures (20.1349–53)
- Physical examinations and autopsy (20-1354)
- Legal actions (20-1355)
- Change of beneficiary (20-1356)
- Time of payment claims (20-1352)
- Payment of claims (20-1353)
- Notice of claim
- Proof of Loss (20-1351)
- Physical examinations and autopsy (20-1354)

9.2 Uniform optional provisions

- Change of occupation (20-1358)
- Misstatement of age (20-1359, 1373)
- Other insurance in this insurer (20-1360)
- Insurance with other insurers
  - Expense-incurred basis (20-1361)
  - Other benefits (20-1362)
- Unpaid premium (20-1364)
- Cancellation (20-1365)
- Conformity with state statutes (20-1366)
- Illegal occupation (20-1367)
- Intoxicants and narcotics (20-1368)

9.3 Other general provisions

- Right to examine (free look) (Rule R20-6-501)
- Insuring clause
- Consideration clause
- Renewability clause (20-1380)
  - Noncancelable
  - Guaranteed renewable
  - Conditionally renewable
  - Renewable at option of insurer
  - Nonrenewable (cancelable, term)
- Guaranteed issue (20-1379)

10.0 Disability Income and Related Insurance 4%

10.1 Qualifying for disability benefits

- Inability to perform duties
  - Own occupation
  - Any occupation
- Pure loss of income (income replacement contracts)
- Indemnity
- Presumptive disability
- Requirement to be under physician care

10.2 Individual disability income insurance

- Basic total disability plan
  - Income benefits (monthly indemnity)
  - Elimination and benefit periods
  - Waiver of premium feature
  - Probationary period
- 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
  - Permanent disability benefit
- Other provisions affecting income benefits
  - Cost of living adjustment (COLA) rider
  - Future increase option (FIO) rider
  - Relation of earnings to insurance (20-1363)
- Other cash benefits
  - Accidental death and dismemberment
  - Rehabilitation benefit
  - Medical reimbursement benefit (nondisabling injury)
- Refund provisions
  - Return of premium
  - Cash surrender value
- Exclusions

10.3 Unique aspects of individual disability underwriting

- Occupational considerations
- Benefit limits
- Policy issuance alternatives

10.4 Group disability income insurance

- Group versus individual plans
- Short-term disability (STD)
- Long-term disability (LTD)

10.5 Business disability insurance

- Key employee (partner) disability income
- Business overhead expense policy
- Disability buy-sell policy

10.6 Social Security disability

- Qualification for disability benefits
- Definition of disability
- Waiting period

- Disability income benefits

10.7 Workers compensation

- Eligibility (RL 23-901, 23-901.01)
- Benefits (RL 23-1021)

11.0 Medical Plans 6%

11.1 Medical plan concepts

- Expense reimbursement/indemnity versus prepaid basis
- Specified coverage versus comprehensive coverage
- Minimum essential coverage (45 CFR 156.600, 602, 604; 45 CFR §155.605)
- Schedule of benefits
- In- and out-of-network benefits
- On- and off-marketplace plans
- Grandfathered (45 CFR 147.140) versus transition plan
- Unusual/reasonable/customary charges
- Broad versus narrow provider network
- Insureds versus subscribers/participants
- Prepaid
- Essential health benefits coverage versus excepted benefits
- Dependents
- Healthcare appeal rights
- Role of the federal health insurance marketplace (healthcare.gov)

11.2 Types of providers and plans

- Health care services organizations (HCSOs)-pre-paid health care
  - General characteristics
  - Essential health benefits
  - Basic health care services (AAC R20-6-1904)
  - Preventive care services
  - Primary care physician versus referral (specialty) physician
  - Emergency care
  - Hospital services
  - Other basic services
  - In-network providers
  - Network exception (AAC R20-6-1910)
  - Cost-share
  - Maximum out of pocket (MOOP)
- Preferred provider organizations (PPOs)
  - General characteristics
  - Essential health benefits
  - Reimbursement methodology
  - Cost-share differences in- versus out-of-network services
  - Maximum out of pocket (MOOP)
  - Provider network
  - Types of parties to the provider contract
- Point-of-service (POS) plans-Combination HCSO & PPO policies
  - Nature and purpose
  - In- and Out-of-network provider access
  - Cost-share differences in- versus out-of-network services
  - PCP referral (gatekeeper PPO)
  - Indemnity plan features

11.3 Cost containment in health care delivery

- Cost-saving services
  - Open enrollment period
  - Preventive care
  - Hospital outpatient benefits
  - Alternatives to hospital services
- Utilization management
  - Prospective review
  - Concurrent review

11.4 Arizona eligibility requirements (individual and group)

- Dependent child age limit (20-1342(A)(3))
- Newborn child coverage (20-1342(A)(3))
- Coverage of adopted children (20-1342(A)(3),(11),(12), 1692, 2321)
- Child coverage; non-custodial parents (20-1692.03)
- Physically or mentally handicapped dependent coverage (20-1342.01, 1407)
- Rating criteria health insurance policies (45 CFR 147.102)

11.5 Marketing Considerations

- Advertising (Rule R20-6-201)
- Regulatory jurisdiction/place of delivery
- Disclosure form (20-2323)
- Summary of benefits & coverages

12.0 Group Accident and Health Insurance 6%

12.1 Characteristics of group insurance

- Small group versus large group (ARS 20-2301 et seq; 45 CFR)
- Group contract
- Certificate of coverage (20-1402(A)(2))
- Experience rating versus community rating

12.2 Types of eligible groups (20-1401)

- Employment-related groups
  - Individual employer groups
  - Multiple-Employer Trusts (METs) or Welfare

Arrangements (MEWAs)

Associations (alumni, professional, other)

Customer groups (depositors, creditor-debtor, other)

12.3 Marketing considerations

Advertising (Rule R20-6-201)

Regulatory jurisdiction/place of delivery

Disclosure form (20-2323)

Summary of benefits & coverages

12.4 Large group disability (accident and health) insurance

Insurer underwriting criteria

Characteristics of group

Plan design factors

Eligibility for coverage

Annual open enrollment

Employee eligibility

Dependent eligibility

Coordination of benefits provision (Rule R20-6-214)

Change of insurance companies or loss of coverage

Coinsurance and deductible carryover

No-loss no-gain

Events that terminate coverage

Extension of benefits

Continuation of coverage under COBRA

Conversion (20-1377, 1408)

Reinstatement of coverage for military personnel (20-1408(L))

Special enrollment period (45 CFR 155.420)

Open enrollment

Loss of minimum essential coverage

12.5 Small group disability (accident and health) insurance

Definition of small employer (20-2301(A)(21))

Accountable Health Plan (20-2301(A)(1))

Health benefits plan (20-2301(A)(11))

Small employer (20-2301(A) (11))

Late Enrollee (20-2301(A)(15))

Availability and eligibility (20-2304, 2307, 2308)

Prohibited marketing practices (20-2313)

Renewability (20-2309)

Guaranteed issue (20-2304)

Limitations on exclusion from coverage

Pre-existing conditions (20-2301(A)(20), 2310(B))

Credit for prior coverage (20-2310)

Small business health insurance (20-2341)

Notification of small employer of reduction in premium tax (20-2304(J))

Geographic rating areas and other rating factors (ARS 20-238; 20-2311; 45 CFR 147.102)

12.6 Privacy (20-1379)

Insurance information & privacy protection (ARS 20-2101 et seq)

Customer information security (AAC R20-6-2101 - 2104)

HIPAA privacy protections

Electronic notices (ARS 20-239; ARS 44-7001 - 7052)

Affordable Care Act privacy protections (45 CFR 155.260)

13.0 Dental Insurance 3%

13.1 Types of dental treatment

Diagnostic and preventive

Restorative

Oral surgery

Endodontics

Periodontics

Prosthodontics

Orthodontics

13.2 Indemnity plans/PPO Dental Plans

Stand-Alone Dental Plans (SADP) (45 CFR 155.1065)

Essential pediatric dental benefit

Role of the federal health insurance marketplace on dental insurance

Group versus individual dental insurance

Choice of providers

Scheduled versus nonscheduled plans

Benefit categories

Diagnostic/preventive services

Basic services

Major services

Deductibles and coinsurance

Combination plans

Exclusions

Limitations

Predetermination of benefits

13.3 Prepaid dental plans

Characteristics

Basic services (R20-6-1806)

Exclusions

Limitations

14.0 Insurance for Senior Citizens and Special Needs Individuals 8%

14.1 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
  - Late enrollment penalty
  - Medicare savings programs (QMB, SLMB)
  - Medicare marketing restrictions

14.2 Medicare supplements (Rule R20-6-1101**)**

- Purpose
- Open enrollment
- Rating of supplemental plans
- Standardized Medicare supplement plans
  - Core benefits
  - Additional benefits
- Arizona regulations and required provisions
  - Standards for marketing
  - Advertising
  - Appropriateness of recommended purchase and excessive insurance
  - Guide to health insurance
  - Outline of coverage
  - Right to return
  - Replacement
  - Minimum benefit standards
  - Required disclosure provisions
  - Permitted compensation arrangements
  - Renewability and cancellation
  - Continuation and conversion requirements
  - Notice of change
- Medicare select

14.3 Other options for individuals with Medicare

- Employer group health plans
  - Disabled employees
  - Employees with kidney failure
  - Individuals age 65 and older
- Arizona Health Care Cost Containment System (AHCCCS)
  - Eligibility (RL 36-2901(6), 2901.03, .05)
  - Benefits (RL 36-2907)

14.4 Long-term care (LTC) insurance

- Required communications to LTC applicants
  - Outline of Coverage (ARS 20-1691.06; Rule R20-6-1022)
  - Shopper's Guide (Rule R20-6-1023)
  - Personal Worksheet (Rule R20-6-1018 and Appendix A)
  - Rating Practices (Rule R20-6-1008(B1-6), (E) and (F))
- Eligibility for benefits
- Levels of care
  - Skilled care
  - Intermediate care
  - Custodial care
  - Home health care (Rule R20-6-1004(I))
  - Adult day care
  - Respite care
- Benefit periods (20-1691.03(C))
- Benefit amounts
- Optional benefits
  - Guarantee of insurability
  - Return of premium
- Qualified LTC plans
- Exclusions (Rule R20-6-1004(B)(1)–(4))
- Underwriting considerations
- Arizona regulations and required provisions
  - Long term care partnership program (ADOI Bulletin 2009-05)
  - Standards for marketing (Rule R20-6-1017)
  - Right to return (free look) (20-1691.07)
  - Replacement (Rule R20-6-1004(F), 1010)
  - Prohibited policy provisions (20-1691.05; Rule R20-6-1004(B), 1011)
  - Renewal considerations (Rule R20-6-1004(A))
  - Cancellation (20-1691.03(A))
  - Unintentional lapse (Rule R20-6-1005)
  - Suitability (Rule R20-6-1018)
  - Premium increase (Rule R20-6-1004(G), 1008)
  - Continuation of benefits (Rule R20-6-1004(E))
  - Inflation protection (Rule R20-6-1006)
  - Required disclosure provisions (Rule R20-6-1007)

Pre-existing conditions (20-1691(12), 1691.03(G))

Contestable periods (20-1691.10)

Nonforfeiture (Rule R20-6-1019)

Nonforfeiture Benefit triggers (Rule R20-6-1020)

Producer long term care partnership training (20-1691.12)

15.0 Federal Tax Considerations for Disability (Accident and Health) Insurance 3%

15.1 Personally-owned health insurance

Disability income insurance

Medical expense insurance

Long-term care insurance

15.2 Employer group health insurance

Disability income (STD, LTD)

Benefits subject to FICA

Medical and dental expense

Long-term care insurance

Accidental death and dismemberment

Section 125 plans

15.3 Medical expense coverage for sole proprietors and partners

15.4 Business disability insurance

Key person disability income

Buy-sell policy

15.5 Health Reimbursement Arrangements (HRAs)

Flexible Spending Accounts (FSAs)

Definition

Eligibility

Contribution limits

Health Savings Accounts (HSAs)

Definition

Eligibility

Contribution limits

Medical Savings Accounts (MSAs)

Definition

Eligibility

Arizona Examination for Property and Casualty Insurance Producer

Series 13-34

150 questions – 2.5 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 5%

1.1 Licensing

License application requirements (20-285)

Number of exam attempts (20-284(H))

Licensing eligibility/lawful presence (41-1080)

Types of licensees

Producers (20-281(5), 286)

Nonresidents (20-281(11))

Adjusters (20-321)

Life Settlement Broker (ARS 20-3202)

Business entities (20-281(1), 285(D, E), 290(B))

Surplus lines brokers (20-407, 411)

Temporary (20-294)

Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01, 2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

Expiration, surrender and renewal (20-289)

Inactive license status during military service (20-289.01)

Change of contact information (20-286(C))

Change of business information (20-286(C))

Report of actions (20-301)

Continuing education (20-2902, 2903)

Disciplinary actions

Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)

Cease and desist order (20-292)

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

Negotiate (20-281(10))

Sell (20-281(14))

Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Identification of Producer (20-229)

Producer regulation

Sharing commissions (20-298)

Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Unfair practices and frauds

Unfair trade practices (20-442)

Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))

False or deceptive advertising (20-444)

- Defamation of insurer (20-445)
- Boycott, coercion or intimidation (20-446)
- False financial statements (20-447)
- Unfair discrimination (20-448)
- Gender discrimination (Rule R20-6-207)
- Rebating (20-449–451)
- Prohibited inducements (20-452)
- Fees (20-465)
- Unfair claims settlement practices (20-461; Rule R20-6-801)
- Claims payment (20-462)
- Insurance fraud (20-463, 466–466.04)

Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)

Fair Credit Reporting Act (15 USC 1681–1681d)

Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)

CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)

Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

2.0 General Insurance 5%

2.1 Concepts

Insurance, definition of (20-103)

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

- Mutual, stock, fraternal (20-702, -703)
- Captive insurance companies (20-1098)
- Stock companies
- Mutual companies
- Fraternal benefit societies
- Reciprocals (20-761,-762)
- Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)
- Lloyd's associations (20-1021)

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers (20-201, 203, 204)

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
- Personal contract
- Aleatory 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 Property and Casualty Insurance Basics 14%

3.1 Principles and concepts

Insurable interest (20-1105)

Underwriting

- Function
- Loss ratio

Rates

- Types
- Loss costs
- Components

Hazards

- Physical

- Moral
- Morale

Negligence
- Elements of a negligent act

Damages
- Compensatory — special versus general
- Punitive

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
- Market value
- Agreed value
- Stated amount

3.2 Policy structure

Standard Provisions (20-1112)

Content of Policy (20-1113)

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

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
- Duty to defend

Third-party provisions
- Standard mortgage clause
- Loss payable clause
- No benefit to the Bailee
- Electronic Communications (20-239; SB 1222)
- Electronic Posting of Policies (20-240)

3.4 Required provisions

Arizona Property and Casualty Insurance Guaranty Fund (20-662)

Certificate of authority (20-217(A))

Cancellation and nonrenewal
- Personal (20-1651–1656)
- Commercial (20-1671–1679)

Binders (20-1120)

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

4.0 Dwelling ('02) Policy 9%

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 — Arizona (DP 01 02)

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
- HO-8

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 — Arizona (HO 01 02)
- 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 13%

6.1 Laws

- Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)
  - Required limits of liability (20-266, RL 28-4009)
  - Required proof of insurance (RL 28-4133)
- Arizona Automobile Insurance Plan (RL 28-4008)
- Premium payments and administrative fees (20-267)
- Uninsured/underinsured motorist (20-259.01)
  - Definitions
  - Bodily injury
  - UM/UIM rejection
  - Required limits
- Personal auto cancellation/nonrenewal
  - Grounds (20-1631)
  - Notice (20-1632)
  - Grace period (20-1632.01)
  - Notice of eligibility in assigned risk plan (20-1632)
- Subrogated claim (20-268)

6.2 Personal ('05) auto policy

- Definitions
- Liability coverage
  - Bodily injury and property damage
  - Supplementary payments
  - Exclusions
- Medical payments coverage
- Uninsured/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 (PP 00 01)
- Selected endorsements
  - Amendment of policy provisions — Arizona (PP 01 67)
  - Full Safety Glass Coverage-Arizona (PP 03 48)
  - Towing and labor costs (PP 03 03)
  - Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)
  - Limited Mexico coverage (PP 03 21)
  - Joint ownership coverage (PP 03 34)
  - Uninsured motorists coverage — Arizona (PP 04 77; Regulatory Bulletin 2003-10, 2003-03)
  - Underinsured motorists coverage — Arizona (PP 04 89; Regulatory Bulletin 2003-10, 2003-03)
  - Miscellaneous type vehicle — Arizona (PP 13 69, PP 13 70, PP 13 71, PP 13 72)

6.3 Commercial auto ('10)

- Commercial auto coverage forms
  - Business auto
  - Garage
  - 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)

7.0 Commercial Package Policy (CPP) 17%

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
- Exclusions
- Supplementary payments
- Who is an insured
- Limits of insurance
- Conditions
- Definitions

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

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

- Ordinance or law (CP 04 05)
- Spoilage (CP 04 40)
- Peak season (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 (Rule R20-6-602)

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

- 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 and advertising injury liability
  - Coverage J — Medical payments
- Livestock coverage form
- Cause of loss (basic, broad and special)
- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

8.0 Businessowners ('10) Policy 6%

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

- Coverage
- Exclusions
- Limits of insurance
- 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

- Arizona changes (BP 01 38)
- 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)

9.0 Workers Compensation Insurance 8%

9.1 Workers compensation laws

- Types of laws
  - Monopolistic versus competitive
  - Compulsory versus elective
- Arizona Workers Compensation Law
  - Exclusive remedy (RL 23-1022)
  - Employment covered (required, voluntary, elective) (RL 23-901(6), 902)
  - Covered injuries (RL 23-901(13), 901.04)
  - Occupational disease (RL 23-901.01)
  - Benefits provided (RL 23-1021, 1044(A,B), 1045(A,B,C), 1046, 1062)
  - Subsequent injury fund (RL 23-1065)
- Federal workers compensation laws
  - Federal Employers Liability Act (FELA) (45 USC 51–60)
  - U.S. Longshore and 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
- Part Six — Conditions
- Voluntary compensation endorsement

9.3 Premium computation

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

9.4 Other sources of coverage

- Assigned risk plan (RL 23-1091)
- Self-insured employers and employer groups (RR R20-5-201–208)

10.0 Other Coverages and Options 8%

10.1 Umbrella/excess liability policies

- Personal (DL 98 01)
- Commercial (CU 00 01)

10.2 Specialty liability insurance

- 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 Aviation insurance

- Aircraft hull
- Aircraft liability

10.6 National Flood Insurance Program

- "Write your own" versus government
- Eligibility
- Coverage
- Limits
- Deductibles

10.7 Other policies

- Boatowners
- Difference in conditions

Arizona Examination for Bail Bond Agent

Series 13-35

60 questions – 1 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 25%

1.1 Licensing (Rule R20-6-601(C))

- License application requirements (20-285)
- Persons to be licensed (20-340, 340.01)
- Surety bond required (20-340.02)
- Maintenance and duration of license
  - Expiration, surrender and renewal (20-289)
  - Change of personal/business information (20-286(C))
  - Report of actions (20-301)
- Disciplinary actions
  - Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)
  - Cease and desist order (20-292)

1.2 Agent regulation

- Director's general duties and powers (20-142, 340.05)
- Bail recovery agent (20-340, 340.04, RL 13-3885(C–G))
- Place of business (20-340.01(E))
- Business hours (20-340.01(H), R20-6-601(D)(8))
- Employees (Rule R20-6-601(D)(2, 3); RL 13-3885(D); 20-340.03(A)(9), (B))
- Records maintenance (20-340.01(D–H); Rule R20-6-601(D)(8))
- Prohibited conduct (20-340.03; Rule R20-6-601(D))
  - Solicitation where prisoners are confined
  - Failure to act as fiduciary
  - Nondisclosure of fees or charges
  - Practice of law
  - Referral of attorney
  - Signing bond in blank
  - Entry into an occupied residential structure (RL 13-3885(B)(1))
  - Apprehension or arrest of Bailee (RL 13-3885(B)(2))
  - Uniform/badge identification (RL 13-3885(B)(3))
  - Permitting others to apprehend or arrest (RL 13-3885(B)(4))
- Charges, refunds and rebates (20-340.03(D); Rule R20-6-601(E))

2.0 The Legal Framework 30%

2.1 Authority

- Express
- Implied
- Apparent

2.2 Contracts

- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
  - Legal purpose
- Classifications of contracts
  - Formal and informal
  - Unilateral and bilateral
  - Executory and executed contracts
  - Express and implied
- Concealment
- Fraud

2.3 Court jurisdictions

- Original jurisdiction
  - Territorial
  - Subject-matter
  - Personal
- Appellate jurisdiction

2.4 Terminology

- Acquit
- Adjudicate
- Capital offense
- Collateral
- Conviction
- Custody
- Defendant

Disposition

Exoneration

Extradition

Felony

Forfeiture

Fugitive

Hearing

Incarceration

Indictment

Misdemeanor

Recognizance

Revoke

Supervening indictment

Suspend

Warrant

Writ

3.0 Bail Bond Principles and Practices 45%

3.1 Parties to a surety bond

Principal

Indemnitor for principal

Indemnity agreement

Obligee

Surety

3.2 Duties of bail bond agent

Approval

Premium receipt (20-340.01(G)

Power of attorney

Collateral and trust obligations (Rule R20-6-601(E)(4))

3.3 Types of bonds

Personal surety bond

Corporate surety bond

Criminal defendant bonds

Bail

Appeal

Supersedeas

Habeas corpus

Extradition

Property bond

Nonsurety/cash

Ten percent surety

3.4 Bonding procedure

Application for bond (Surety/defendant contract)

Collateral security

Surety contract

Posting the bond

Informational notice

3.5 Court procedures

Court appearances

Initial appearance

Trial

Appeal

Conditions of release

Prior to trial

Pending appeal

Failure to appear

Revocation of bail

3.6 Release of surety

Exoneration of bond

Return of collateral (20-340.03(A)(6); Rule R20-6-601(E)(4))

3.7 Surrender of principal (defendant)

Return of premium (Rule R20-6-601(E)(5))

3.8 Bond forfeiture

Motion

Notice to defendant and sureties

Judgment

Dispersal of funds

Time limit for appeals

Arrest after forfeiture

Arizona Examination for Property and Casualty Insurance Adjuster

Series 13-36

150 questions – 2.5 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 6%

1.1 Licensing requirements (20-321, 321.01)

Assumed name (20-297)

Qualifications

License application requirements

Licensing exceptions

1.2 Maintenance and duration

Expiration, surrender and renewal (20-289, 321.02)

Inactive status during military service (20-289.01)

Report of actions (20-301, 321.02)

1.3 Disciplinary actions

Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296, 321.02)

Cease and desist orders (20-292, 321.02)

1.4 Claim settlement laws and regulations (20-461, 462; Rule R20-6-801; RR R20-5-163)

2.0 Insurance Basics 21%

2.1 Contract basics

Elements of a legal contract

Offer and acceptance

Consideration

Competent parties

Legal purpose

Distinct characteristics of an insurance contract

Contract of adhesion

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

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
- 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
  - 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
- Policy limits
- 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 Required provisions

- Cancellation and nonrenewal
  - Personal (20-1651–1656)
  - Commercial (20-1671–1679)
- Fraud; liability for reporting (20-463)
- Federal Terrorism Insurance Program (15 USC 6701; Public Law 107–297, 109–144, 110–160)

3.0 Adjusting Losses 30%

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 5%

4.1 Characteristics and purpose

4.2 Coverage forms — Insured perils

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 — Arizona (DP 01 02)

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 10%

5.1 Coverage forms

HO-2 through HO-6

HO-8

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 Insured perils

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — Arizona (HO 01 02)

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 12%

6.1 Laws

Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)

- Required limits of liability (20-266, RL 28-4009)
- Required proof of insurance (RL 28-4133)

Arizona Automobile Insurance Plan (RL 28-4008)

Uninsured/underinsured motorist (20-259.01)

- Definitions
- Bodily injury
- UM/UIM rejection
- Required limits

Personal auto cancellation/nonrenewal

- Grounds (20-1631)
- Notice (20-1632)
- Grace period (20-1632.01)
- Notice of eligibility in assigned risk plan (20-1632)

Subrogated claim (20-268)

6.2 Personal ('05) auto policy

Definitions

Liability coverage

- Bodily injury and property damage
- Supplementary payments
- Exclusions

Medical payments coverage

Uninsured 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 — Arizona (PP 01 67)
  - Towing and labor costs (PP 03 03)
  - Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)
  - Limited Mexico coverage (PP 03 21)
  - Joint ownership coverage (PP 03 34)
  - Uninsured motorists coverage — Arizona (PP 04 77)
  - Underinsured motorists coverage — Arizona (PP 04 89)
  - Miscellaneous type vehicle — Arizona (PP 13 69, PP 13 70, PP 13 71, PP 13 72)

6.3 Commercial auto ('10)

- Commercial auto coverage forms
  - Business auto
  - Garage
  - 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)
- Commercial automobile policy liability
  - Bodily injury and property damage
  - Supplemental payments
  - Persons insured
  - Exclusions

7.0 Commercial Package Policy (CPP) 7%

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
  - Exclusions
  - Supplementary payments
  - Who is an insured
  - Limits of insurance
  - Conditions
  - Definitions
- 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

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
  - Ordinance or law (CP 04 05)

- Spoilage (CP 04 40)
- Peak season (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 (Rule R20-6-602)
- 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
  - 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 and advertising injury liability
  - Coverage J — Medical payments
- Livestock coverage form
- Cause of loss (basic, broad and special)
  - Exclusions
  - Additional coverages
  - Limits of insurance
  - Conditions
  - Definitions

8.0 Businessowners ('10) Policy 7%

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

- Coverage
- Exclusions
- Limits of insurance
- 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

- Arizona changes (BP 01 38)
- 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)

9.0 Other Coverages and Options 2%

9.1 Umbrella/excess liability policies

- Personal (DL 98 01)
- Commercial (CU 00 01)

9.2 Specialty liability insurance

Professional liability

Errors and omissions

Directors and officers liability

Fiduciary liability

Liquor liability

Employment practices liability

9.3 Surplus lines

Definitions and markets

9.4 Aviation insurance

Aircraft hull

Aircraft liability

9.5 National Flood Insurance Program

"Write your own" versus government

Eligibility

Coverage

Limits

Deductibles

9.6 Other policies

Boatowners

Difference in conditions

Arizona Examination for Surplus Lines Insurance Broker

Series 13-41

60 questions - 1 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 15%

1.1 Licensing

Assumed name (20-297)

Who needs a license 20-411.02

Who may be licensed (20-411)

Individuals

Business entities

Licensing requirements (20-411)

Maintenance and duration

Expiration, surrender and renewal (20-289) (B)(1),(E),(411(F))

Change of personal/business information (20-286(C)(1))

Report of actions (20-301)

Disciplinary actions

Denial, suspension, revocation or refusal to renew (20-295, 296, 418)

1.2 Authority of surplus lines broker

Binding

Underwriting

Claims

Commissions (20-298, 412)

Service fees (20-410(C))

Mexican insurance surplus lines broker limited authority (20-411.01, 422)

1.3 General prohibitions

Unfair practices and frauds

Misrepresentation (20-443, 443.01, 447)

False or deceptive advertising (20-444),(20-446)

Unfair discrimination (20-448), (20-445)

Rebating (20-451)

Prohibited inducements (20-451),(20-452)

Unfair claim settlement practices (20-461)

1.4 General requirements

Recognized surplus lines (20-409)

Diligent effort (20-401(4), 407)

Validity of contracts (20-402, 410(A))

Exemptions from surplus lines provisions (20-420)

Home state (20-401 (6)

Multistate risk (20-401 (7)

Single state risk (20-401 (10)

Notice to insured (20-410(B))

Unauthorized insurer

Arizona insurance guaranty fund

2.0 Markets 50%

2.1 United States nonadmitted market

Nonadmitted insurers

Insurance exchanges

2.2 Alien nonadmitted market

London market

Lloyd's of London

Other London companies

Other alien markets

United States trust funds

2.3 Alternative markets

Foreign risk retention groups

Industrial insureds

2.4 Qualified unauthorized insurers (20-413)

Requirements

List of unauthorized insurers

Withdrawal of certificate

Service of process (20-419)

3.0 Records and Tax 35%

3.1 Record of coverage (20-414)

3.2 Report of broker (20-408)

Timeliness (20-408(A), (E))

Contents (20-408(A))

Surplus Lines Association (20-408(C))

Stamping fee (20-167(I), 20-408(D))

3.3 Statement of transactions (20-415)

3.4 Surplus lines tax (20-416.01)

Amount

Collection

Remittance

Tax report

Civil penalty

Arizona Examination for Property Insurance Producer

Series 13-42

100 questions – 2 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 5%

1.1 Licensing

License application requirements (20-285)

Number of exam attempts (20-284(H))

Licensing eligibility/lawful presence (41-1080)

Types of licensees

Producers (20-281(5), 286)

Nonresidents (20-281(11))

Adjusters (20-321)

Life Settlement Broker (ARS 20-3202)

Business entities (20-281(1), 285(D, E), 290(B))

Surplus lines brokers (20-407, 411)

Temporary (20-294)

Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01, 2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

Expiration, surrender and renewal (20-289)

Inactive license status during military service (20-289.01)

Change of personal contact information (20-286(C))

Change of business information (20-286(C))

Report of actions (20-301)

Continuing education (20-2902, 2903)

Disciplinary actions

Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)

Cease and desist order (20-292)

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

Negotiate (20-281(10))

Sell (20-281(14))

Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Identification of Producer (20-229)

Producer regulation

Sharing commissions (20-298)

Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Unfair practices and frauds

Unfair trade practices (20-442)

Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))

False or deceptive advertising (20-444)

Defamation of insurer (20-445)

Boycott, coercion or intimidation (20-446)

False financial statements (20-447)

Unfair discrimination (20-448)

Gender discrimination (Rule R20-6-207)

Rebating (20-449–451)

Prohibited inducements (20-452)

Fees (20-465)

Unfair claims settlement practices (20-461; Rule R20-6-801)

Claims payment (20-462)

Insurance fraud (20-463, 466–466.04)

Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)

Fair Credit Reporting Act (15 USC 1681–1681d)

Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)

CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)

Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

2.0 General Insurance 7%

2.1 Concepts

Insurance, definition of (20-103)

- 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
  - Mutual, stock, fraternal (20-702, -703)
  - Captive insurance companies (20-1098)
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Reciprocals (20-761,-762)
  - Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)
  - Lloyd's associations (20-1021)
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers (20-201, 203, 204)
- 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
  - Personal contract
  - Aleatory 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 Property Insurance Basics 17%

3.1 Principles and concepts

- Insurable interest (20-1105)
- 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
  - Market value
  - Agreed value
  - Stated amount

3.2 Policy structure

- Standard Provisions (20-1112)
- Content of Policy (20-1113)
- 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 the Bailee

Electronic Communications (20-239)

Electronic Posting of Policies (20-240)

3.4 Required provisions

Arizona Property and Casualty Insurance Guaranty Fund (20-662)

Certificate of authority (20-217(A))

Cancellation and nonrenewal

Personal (20-1651–1656)

Commercial (20-1671–1679)

Binders (20-1120)

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

4.0 Dwelling ('02) Policy 10%

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 — Arizona (DP 01 02)

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 16%

5.1 Coverage forms

HO-2 through HO-6

HO-8

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 Perils insured against

5.5 Exclusions

5.6 Conditions

5.7 Selected endorsements

Special provisions — Arizona (HO 01 02)

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)

6.0 Auto Insurance 15%

6.1 Laws

Personal auto cancellation/nonrenewal

Grounds (20-1631)

Notice (20-1632)

Grace period (20-1632.01)

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

Selected endorsements

Amendment of policy provisions — Arizona (PP 01 67)

Towing and labor costs (PP 03 03)

Joint ownership coverage (PP 03 34)

Miscellaneous type vehicle — Arizona (PP 13 69, PP 13 70, PP 13 71, PP 13 72)

6.3 Commercial auto ('10)

Commercial auto coverage forms

Business auto

Garage

Business auto physical damage

- Truckers
- Motor carrier
- Coverage form sections
- Covered autos
- Physical damage coverage
- Exclusions
- Conditions
- Definitions
- Selected endorsements
- Lessor — additional insured and loss payee (CA 20 01)
- Mobile equipment (CA 20 15)
- Individual named insured (CA 99 17)

7.0 Commercial Package Policy (CPP) 16%

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
- 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 (CP 12 30)
- Value reporting form (CP 13 10)

7.3 Commercial inland marine

- Nationwide marine definition (Rule R20-6-602)
- 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
- 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 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
- Livestock coverage form
- Cause of loss (basic, broad and special)
- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

8.0 Businessowners ('10) Policy — Property 8%

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

- Coverage
- Exclusions
- Limits of insurance
- Deductibles
- Loss conditions
- General conditions
- Optional coverages
- Definitions

8.3 Businessowners Section III — Common Policy Conditions

8.4 Selected endorsements

- Arizona changes (BP 01 38)
- 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 6%

9.1 Aviation insurance

- Aircraft hull

9.2 National Flood Insurance Program

"Write your own" versus government

Eligibility

Coverage

Limits

Deductibles

9.3 Other policies

Boatowners

Difference in conditions

Arizona Examination for Casualty Insurance Producer

Series 13-43

100 questions - 2 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 5%

1.1 Licensing

License application requirements (20-285)

Number of Exam Attempts 20-284(H)

Licensing eligibility/lawful presence (41-1080)

Types of licensees

Producers (20-281(5), 286)

Nonresidents (20-281(11))

Adjusters (20-321)

Life Settlement Broker (ARS 20-3202)

Business entities (20-281(1), 285(D, E), 290(B))

Surplus lines brokers (20-407, 411)

Temporary (20-294)

Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01, 2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

Expiration, surrender and renewal (20-289)

Inactive license status during military service (20-289.01)

Change of contact information (20-286(C))

Change of business information (20-286(C))

Report of actions (20-301)

Continuing education (20-2902, 2903)

Disciplinary actions

Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)

Cease and desist order (20-292)

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

Negotiate (20-281(10))

Sell (20-281(14))

Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Identification of Producer (20-229)

Producer regulation

Sharing commissions (20-298)

Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Unfair practices and frauds

Unfair trade practices (20-442)

Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))

False or deceptive advertising (20-444)

Defamation of insurer (20-445)

Boycott, coercion or intimidation (20-446)

False financial statements (20-447)

Unfair discrimination (20-448)

Gender discrimination (Rule R20-6-207)

Rebating (20-449–451)

Prohibited inducements (20-452)

Fees (20-465)

Unfair claims settlement practices (20-461; Rule R20-6-801)

Claims payment (20-462)

Insurance fraud (20-463, 466–466.04)

Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)

Fair Credit Reporting Act (15 USC 1681–1681d)

Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)

CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)

Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

2.0 General Insurance 9%

2.1 Concepts

- Insurance, defintion of (20-103)
- 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
  - Mutual, stock, fraternal (20-702, -703)
  - Captive insurance companies (20-1098)
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Reciprocals (20-761,-762)
  - Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)
  - Lloyd's associations (20-1021)
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers (20-201, 203, 204)
- 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
  - Personal contract
  - Aleatory 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 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
- Damages
  - Compensatory — special versus general
  - Punitive
- Strict liability
- Vicarious liability

3.2 Policy structure

- Standard Provisions (20-1112)
- Content of Policy (20-1113)
- 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 Required provisions

Arizona Property and Casualty Insurance Guaranty Fund (20-662)

Certificate of authority (20-217(A))

Cancellation and nonrenewal

- Personal (20-1651–1656)
- Commercial (20-1671–1679)

Binders (20-1120)

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

4.0 Homeowners ('11) Policy 15%

4.1 Coverage forms

HO-2 through HO-6

HO-8

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 — Arizona (HO 01 02)

Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)

Permitted incidental occupancies (HO 04 42)

Home day care (HO 04 97)

Business pursuits (HO 24 71)

Watercraft (HO 24 75)

Personal injury (HO 24 82)

5.0 Auto Insurance 19%

5.1 Laws

Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)

- Required limits of liability (20-266, RL 28-4009)
- Required proof of insurance (RL 28-4133)

Arizona Automobile Insurance Plan (RL 28-4008)

Premium payments and administrative fees (20-267)

Uninsured/underinsured motorist (20-259.01)

- Definitions
- Bodily injury
- UM/UIM rejection
- Required limits

Personal auto cancellation/nonrenewal

- Grounds (20-1631)
- Notice (20-1632)
- Grace period (20-1632.01)
- Notice of eligibility in assigned risk plan (20-1632)

Subrogated claim (20-268)

5.2 Personal ('05) auto policy

Definitions

Liability coverage

- Bodily injury and property damage
- Supplementary payments
- Exclusions

Medical payments coverage

Uninsured/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 (PP 00 01)

Selected endorsements

- Amendment of policy provisions — Arizona (PP 01 67)
- Full Safety Glass Coverage-Arizona (PP 03 48)
- Towing and labor costs (PP 03 03)
- Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)
- Limited Mexico coverage (PP 03 21)
- Joint ownership coverage (PP 03 34)
- Uninsured motorists coverage — Arizona (PP 04 77; Regulatory Bulletin 2003-10, 2003-03)
- Underinsured motorists coverage — Arizona (PP 04 89; Regulatory Bulletin 2003-10, 2003-03)
- Miscellaneous type vehicle — Arizona

(PP 13 69, PP 13 70, PP 13 71, PP 13 72)

5.3 Commercial auto ('10)

Commercial auto coverage forms

Business auto

Garage

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)

6.0 Commercial Package Policy (CPP) 15%

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

Exclusions

Supplementary payments

Who is an insured

Limits of insurance

Conditions

Definitions

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

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 the premises

Computer fraud

Funds transfer fraud

Money orders and counterfeit money

Other crime coverage

Extortion — commercial entities (CR 04 03)

6.4 Farm coverage

Farm liability coverage form ('06)

Coverage H — Bodily injury and property damage liability

Coverage I — Personal and advertising injury liability

Coverage J — Medical payments

Exclusions

Additional coverages

Limits of insurance

Conditions

Definitions

7.0 Businessowners ('10) Policy — Liability 6%

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

7.4 Selected endorsements

Arizona changes (BP 01 38)

Hired auto and non-owned auto liability (BP 04 04)

8.0 Workers Compensation Insurance 10%

8.1 Workers compensation laws

Types of laws

Monopolistic versus competitive

Compulsory versus elective

Arizona Workers Compensation Law

Exclusive remedy (RL 23-1022)

Employment covered (required, voluntary, elective) (RL 23-901(6), 902)

Covered injuries (RL 23-901(13), 901.04)

Occupational disease (RL 23-901.01)

Benefits provided (RL 23-1021, 1044(A,B), 1045(A,B,C), 1046, 1062)

Subsequent injury fund (RL 23-1065)

Federal workers compensation laws

Federal Employers Liability Act (FELA) (45 USC 51–60)

U.S. Longshore and 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 coverage

Assigned risk plan (RL 23-1091)

Self-insured employers and employer groups (RR R20-5-201–208)

9.0 Other Coverages and Options 6%

9.1 Umbrella/excess liability policies

Personal (DL 98 01)

Commercial (CU 00 01)

9.2 Specialty liability insurance

Professional liability

Errors and omissions

Directors and officers liability

Fiduciary liability

Liquor liability

Employment practices liability

9.3 Surplus lines

Definitions and markets

Licensing requirements

9.4 Surety bonds

Principal, obligee, surety

Contract bonds

License and permit bonds

Judicial bonds

9.5 Aviation insurance

Aircraft liability

9.6 Other policies

Boatowners

Arizona Examination for Personal Lines Insurance Producer

Series 13-44

100 questions - 2 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 10%

1.1 Licensing

License application requirements (20-285)

Number of Exam Attempts 20-284(H)

Licensing eligibility/lawful presence (41-1080)

Types of licensees

Producers (20-281(5), 286)

Nonresidents (20-281(11))

Adjusters (20-321)

Life Settlement Broker (ARS 20-3202)

Business entities (20-281(1), 285(D, E), 290(B))

Surplus lines brokers (20-407, 411)

Temporary (20-294)

Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01, 2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

Expiration, surrender and renewal (20-289)

Inactive license status during military service (20-289.01)

Change of personal contact information (20-286(C))

Change of business information (20-286(C))

Report of actions (20-301)

Continuing education (20-2902, 2903)

Disciplinary actions

- Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)
- Cease and desist order (20-292)

1.2 State regulation

- Acts constituting insurance transaction (20-106, 282, 401.01)
  - Negotiate (20-281(10))
  - Sell (20-281(14))
  - Solicit (20-281(15))
- Payment of premiums (20-191)
- Certificate of authority (20-217(A))
- Identification of Producer (20-229)
- Producer regulation
  - Sharing commissions (20-298)
  - Place of business and records (20-157, 290; AZ Const Art 14 s 16)
- Unfair practices and frauds
  - Unfair trade practices (20-442)
  - Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))
  - False or deceptive advertising (20-444)
  - Defamation of insurer (20-445)
  - Boycott, coercion or intimidation (20-446)
  - False financial statements (20-447)
  - Unfair discrimination (20-448)
  - Gender discrimination (Rule R20-6-207)
  - Rebating (20-449–451)
  - Prohibited inducements (20-452)
  - Fees (20-465)
  - Unfair claims settlement practices (20-461; Rule R20-6-801)
  - Claims payment (20-462)
  - Insurance fraud (20-463, 466–466.04)
- Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

- Fair Credit Reporting Act (15 USC 1681–1681d)
- Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)
- Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)
- CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)
- Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)
- Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

2.0 General Insurance 10%

2.1 Concepts

- Insurance, definition of (20-103)
- 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
  - Mutual, stock, fraternal (20-702, -703)
  - Captive insurance companies
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Reciprocals (20-761,-762)
  - Risk retention groups (20-2401(10), 15 USC SS 3901, 3902)
  - Lloyd's associations (20-1021)
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers (20-201, 203, 204)
- 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
  - Personal contract

- Aleatory 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 Property and Casualty Insurance Basics 17%

3.1 Principles and concepts

Insurable interest (20-1105)

Underwriting

- Function
- Loss ratio

Rates

- Types
- Loss costs
- Components

Hazards

- Physical
- Moral
- Morale

Negligence

- Elements of a negligent act

Damages

- Compensatory — special versus general
- Punitive

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
- Market value
- Agreed value
- Stated amount

3.2 Policy structure

Standard Provisions (20-1112)

Content of Policy (20-1113)

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
- Split
- Combined single

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
- Duty to defend

Third-party provisions

- Standard mortgage clause
- Loss payable clause
- No benefit to the Bailee

Electronic Communications (20-239)

- Electronic Posting of Policies (20-240)

3.4 Required provisions

Arizona Property and Casualty Insurance Guaranty Fund (20-662)

Certificate of authority (20-217(A))

Cancellation and nonrenewal (20-1651–1656)

Binders (20-1120)

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

4.0 Dwelling ('02) Policy 11%

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 — Arizona (DP 01 02)
- 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 23%

5.1 Coverage forms

- HO-2 through HO-6
- HO-8

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 — Arizona (HO 01 02)
- 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 23%

6.1 Laws

- Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)
  - Required limits of liability (20-266, RL 28-4009)
  - Required proof of insurance (RL 28-4133)
- Arizona Automobile Insurance Plan (RL 28-4008)
- Premium payments and administrative fees (20-267)
- Uninsured/underinsured motorist (20-259.01)
  - Definitions
  - Bodily injury
  - UM/UIM rejection
  - Required limits
- Personal auto cancellation/nonrenewal
  - Grounds (20-1631)
  - Notice (20-1632)
  - Grace period (20-1632.01)
  - Notice of eligibility in assigned risk plan (20-1632)
- Subrogated claim (20-268)

6.2 Personal ('05) auto policy

- Definitions
- Liability coverage
  - Bodily injury and property damage
  - Supplementary payments
  - Exclusions
- Medical payments coverage
- Uninsured/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 (PP 00 01)
- Selected endorsements
  - Amendment of policy provisions — Arizona (PP 01 67)
  - Full Safety Glass Coverage-Arizona (PP 03 48)
  - Towing and labor costs (PP 03 03)
  - Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)
  - Limited Mexico coverage (PP 03 21)
  - Joint ownership coverage (PP 03 34)
  - Uninsured motorists coverage — Arizona (PP 04 77; Regulatory Bulletin 2003-10, 2003-03)

Underinsured motorists coverage — Arizona (PP 04 89; Regulatory Bulletin 2003-10, 2003-03)

Miscellaneous type vehicle — Arizona (PP 13 69, PP 13 70, PP 13 71, PP 13 72)

7.0 Other Coverages and Options 6%

7.1 Umbrella/excess liability policies

Personal (DL 98 01)

7.2 National Flood Insurance Program

"Write your own" versus government

Eligibility

Coverage

Limits

Deductibles

7.3 Other policies

Boatowners

Arizona Producer's Crop Insurance

Series 13-46

60 questions – 1 hour time limit

Effective August 3, 2020

1.0 Insurance Regulation 10%

1.1 Licensing

Requirements (20-285)

Types of licensees

Producers (20-281(5), 286)

Nonresident producers (20-281(11))

Adjusters (20-321)

Business entities (20-281(1), 285(D, E), 290(B))

Temporary (20-294)

Lines of producer license authority (20-286, (A), 321 331, 332, 411, 411.01, 1580, 1693.01, 2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

Expiration, surrender and renewal (20-289)

Inactive license status during military service (20-289.01)

Change of name, address, telephone number (20-286(C))

Reporting of actions (20-301)

Continuing education (20-2902, 2903)

Disciplinary actions

Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)

Cease and desist order (20-292)

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

Negotiate (20-281(10))

Sell (20-281(14))

Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Signature on insurance policy (20-229)

Producer regulation

Sharing commissions (20-298)

Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Certificate of authority (20-217(A))

Unfair trade practices (20-442)

Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))

False or deceptive advertising (20-444)

Defamation of insurer (20-445)

Boycott, coercion or intimidation (20-446)

Unfair discrimination (20-448)

Gender discrimination (Rule R20-6-207)

Rebating (20-449–451)

Prohibited inducements (20-452)

Fees (20-465)

Insurance fraud (20-463, 466–466.04)

Privacy of Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)

Other federal regulations (e.g. Do Not Call List) https://www.donotcall.gov/

2.0 General Insurance 10%

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
- Indemnity/pay on behalf of

2.2 Insurers

- Types of insurers
  - Captive insurers
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Reciprocals
  - Risk retention groups
  - Lloyd's associations
  - Self-insurers
  - Surplus lines
  - Risk purchasing groups
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers
- Marketing (distribution) systems
- Financial solvency status (independent rating services)
  - A.M. Best, Standard and Poor's, NAIC

2.3 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

2.4 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
  - Aleatory 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 Crop-Hail Insurance 28%

3.1 Eligibility

- Insureds
- Insurable crops

3.2 Application

- Binder
- Declarations section
- Required signatures
- Required information
- Provision for company rejection

3.3 Term of coverage

- Effective date
- Inception of coverage
- Expiration
- Cancellation

3.4 Perils insured against

3.5 Exclusions

3.6 Limits of coverage

- Insurable value
- Percentage plan
- Deductibles
- Reduction of insurance

3.7 Other provisions

- Replanting clause
- Acreage variation
- Transit extension
- Fire department service charge
- Pro rata liability clause
- Fire and lightning coverage
- Catastrophe loss award
- Assignment
- Subrogation

3.8 Claim settlement practices

- Notice of loss
- Insured's duties after loss
- Appraisal/arbitration

4.0 Federal Multi-Peril Crop Insurance Programs 52%

4.1 Basic/catastrophic crop insurance (CAT)

- Eligibility
  - Insureds
  - Insurable crops
- Actuarial document books
- Yield guarantee
  - Actual production history (APH)
  - Assigned yield
  - Transitional yield
- Coverage level
- Market price percentage
- Covered causes of loss
- Application
- Basic unit
- Administrative fee
- Production records
- Acreage reporting
- Late planting agreement option
- Disqualification of producer
- Life of policy
  - Continuous
  - Cancellation
  - Termination

4.2 Multiple peril policy options

Levels of coverage

Price election

Optional units

High-risk land exclusion

Hail/fire exclusion

Replant payments

Late planting coverage

Prevented planting coverage

Transfer of coverage

Assignment of indemnity

Subrogation

4.3 Other provisions

Individual crop

Small grain

Coarse grain

Priorities of conflicts between provisions

Duties after loss

Insured

Insurer

4.4 Revenue Protection Plan

Base price

Units

Harvest price

Guaranteed revenue

Rebating

PROMETRIC

Exam Registration Form

Arizona Insurance Examinations

To conveniently register online, please go to http://www.prometric.com/arizona/insurance

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

Last Name	First Name	Middle Name	
Residence Address (Your address of legal residence is required)			
City	State	ZIP Code	Daytime Phone Number (including area code) ( )
Employer (insurance company, if known)			Evening Phone Number (including area code) ( )
E-mail address (applications without an email address may experience delays)			Fax Number (including area code) ( )
Name of Your Pre-licensing Education Course Provider			Pre-licensing Course Completion Date

Series	Exam Title	Exam Fee	Total
13-31	Insurance Producer – Life	$38	$
13-32	Insurance Producer – Accident and Health	$38	$
13-33	Insurance Producer – Life, Accident and Health	$49	$
13-34	Insurance Producer- Property and Casualty	$49	$
13-35	Bail Bond Agent	$35	$
13-36	Adjuster	$49	$
13-41	Surplus Lines Insurance Broker	$35	$
13-42	Insurance Producer- Property (commercial and noncommercial)	$38	$
13-43	Insurance Producer- Casualty (commercial and noncommercial)	$38	$
13-44	Insurance Producer- Personal Lines (noncommercial property and casualty)	$38	$
13-46	Insurance Producer- Crop	$35	$
	Fingerprint Processing Fee (We recommend you do not schedule your fingerprint appointment until you have passed your licensing exam. You will not be fingerprinted if you do not pass your exam, as all fees are non-refundable).	**$20**	
		Total Fee	**$**

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.

Please allow 7-10 business days for receipt and processing of your application. **An authorized Prometric Client Service Representative will contact you by phone to obtain your social security number to complete the registration process.** Once you have registered for your exam, you can schedule your exam appointment online or by phone.

Registration fees are not refundable. Fees may be paid by cashier's check, company check, money order, MasterCard , Visa or American Express. Make company checks, cashier's checks and money orders payable to Prometric. Please put your phone number on the check. **Personal checks and cash are not accepted.** To pay by **credit card** (when registering by mail or fax), please complete the Credit Card Payment Form on the next page and fax to 800.347.9242, or send this completed form along with the appropriate fee to:

Prometric
ATTN: AZ Insurance Exam Registration
7941 Corporate Drive Nottingham, MD 21236

Credit Card Payment Form

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

Card Type (Check One)

☐ MasterCard ☐ Visa ☐ American Express

Card Number	Expiration Date
Amount $ ___ ___ ___ . ___ ___	
Name of Cardholder (Print)	
Signature of Cardholder	

Licensing Section
Arizona Department of Insurance
100 North 15th Avenue, Suite 261, Phoenix, Arizona 85007-2630
Phone: (602) 364-4457 | Toll-free: (877) 660-0964
Web: https://insurance.az.gov | E-mail: Licensing@azinsurance.gov

Arizona Department of Insurance
FINGERPRINT VERIFICATION FORM (FORM L-FPV)

READ ALL INSTRUCTIONS. If you do not carefully follow these procedures, the Arizona Department of Insurance ("ADOI") will reject the fingerprint card.

1. Please fill out or ensure that the applicant has filled out all required boxes on the fingerprint card (Form FD-258) prior to taking the fingerprints.

2. Request a valid, unexpired, government-issued photo ID from the applicant and compare the physical descriptors on the ID to the applicant and to the information on the fingerprint card.

3. Complete the following information:

Applicant's Last Name	Applicant's First Name	Applicant's Middle Name
PRINTED Name of Fingerprint Technician	Fingerprint Technician's Business/Entity/Organization Name:	
Fingerprint Technician's Signature X _____		Phone No.
Type of Photo Identification Checked (select only one) ☐ Driver License or MVD-issued Identification ☐ US Passport or US Passport Card ☐ Other (specify) _____		

4. Once the fingerprints have been applied to the card, you must:
   - Place the fingerprint card and this form into an envelope and seal it. Any envelope that fits the card is acceptable;
   - Print your name across the edge of the sealed area of the envelope.
   - **DO NOT GIVE THE APPLICANT THE FINGERPRINT CARD WITHOUT FIRST SEALING IT INSIDE THE ENVELOPE.**

5. Tell the applicant NOT to open or fold the fingerprint card envelope, which would cause the card to be rejected.

QUESTIONS?



Regarding a fingerprint card for an insurance professional license applicant (producer, adjuster, bail bond agent etc.),
contact the Insurance Licensing Section: licensing@azinsurance.gov or (602) 364-4457

Regarding a fingerprint card for an Arizona domiciled insurance company representative,
contact the Financial Affairs Division: amccormack@azinsurance.gov or (602) 364-3245

Form L-FPV (Rev. 20200127)

Licensing Section
Arizona Department of Insurance
100 North 15th Avenue, Suite 261, Phoenix, Arizona 85007-2630
Phone: (602) 364-4457 | Toll-free: (877) 660-0964
Web: https://insurance.az.gov | E-mail: Licensing@azinsurance.gov

FORM L-152: LICENSING ELIGIBILITY REQUIREMENT

Last	First	Middle
Business Address (as shown on license or application):		
City, State and ZIP code		

Complete this form and staple a photocopy showing both sides (if needed) of your identification to the back. Only provide **one** of the following forms of identification (mark an "X" next to the one you are submitting):

- ☐ 1. An Arizona driver license issued after 1996 or an Arizona non-operating identification license.
- ☐ 2. A driver license issued by a state that verifies lawful presence in the United States. (Licenses from IL, NM, UT, and WA are not acceptable)
- ☐ 3. A birth certificate or delayed birth certificate issued by any state, territory or possession of the United States.
- ☐ 4. A United States certificate of birth abroad.
- ☐ 5. A United States passport.
- ☐ 6. A foreign passport with a United States visa.
- ☐ 7. An I-94 form with a photograph.
- ☐ 8. A United States citizenship and immigration services employment authorization document or refugee travel document.
- ☐ 9. A United States certificate of naturalization.
- ☐ 10. A United States certificate of citizenship.
- ☐ 11. A tribal certificate of Indian blood.
- ☐ 12. A tribal or bureau of Indian affairs affidavit of birth.

By my signature below, I hereby certify, under penalty of perjury that the copy of the document I am providing is a true and accurate copy of the original document and that I am legally authorized to be present in the United States.

FULL SIGNATURE OF LICENSEE _____ DATE _____

L-152 Revised January 2020