

Your Exam Content Outline

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

Wisconsin Casualty: General and State Series 22-07

100 questions (5 pre-test items)
Two-hour time limit
Effective November 16, 2019

1.0 Insurance Regulation 35% (35 Items)

1.1 Licensing

Purpose

Ref: ch. 628

Persons required to be licensed

Ref: s. 618.41, ch. 628, s. 628.02(1), s. 628.02(3), s. 628.02(4), s. 628.02(5), s. 628.03, s. 628.04, s. 628.49, s. Ins 6.58, s. Ins 42.01, s. Ins 42.03, ch.. Ins 47

License Requirements

Ref: ch. 26, s. 601.31, s. 628.03, s. 628.04, s. 628.04(2), s. 628.34, s. 628.51, s. Ins 6.59, s. Ins 6.59(4)(a), s. Ins 6.59(4)(c)

Record keeping, maintenance and duration

Renewal

Continuing education requirements

Reinstatement

Assumed name

Change of address or telephone number

Reporting of actions

Ref: s. 134.97, s.137.20, s. 601.42, s. 628.04, s. 628.08, s. 628.09, s. 628.09(6), s. 628.11, s. Ins 6.57, s. Ins 6.61, s. Ins 6.63(3), s. Ins 28.04(1)(a), s. Ins 28.04(1)(f), s. Ins 28.04(2)(a), s. Ins 28.04(2)(b), s. Ins 28.04, s. Ins 28.06(6)

Disciplinary actions

License termination, suspension, or revocation

Monetary forfeiture (fines)

Ref: s. 628.10(1), s. 628.10(2),

s. 628.10(3), s. 628.345(1)(b), s. 628.345(2), s. 628.345(3)(a), s. 628.345(3)(d),

s. 628.345(3)(e), s. 628.345(3)(f), s. Ins 6.63

1.2 State regulation

Commissioner's general duties and powers

Duties

Hearings

Penalties

Insurance security fund

Ref: ch. 227, s. 227.12, s. 601.41, s. 601.41(4), s. 601.42, s. 601.42(4), s. 601.62, s. 601.62(5), s. 601.64, s. 601.64(2), s. 601.64(3),

s. 601.64(3)(d), s. 601.64(4), s. 601.65, s. 628.10, s. 628.10(2)(b), s. Ins 6.59, ch. 646

Company regulation

Solvency

Responsibilities of the insurer

Rates

Use of Policy forms

Readability

Producer appointments/terminations

Unfair claims, methods, and practices

Notice of right to file complaint

Ref: s. 628.11, s. 628.40, s. 631.20,

s. 631.20(3), s. 631.22, s. 631.28, s. Ins 6.07, s. Ins 6.11, s. Ins 6.11(3), s. Ins 6.55, s. Ins 6.55(4)(b), s. Ins 6.57, s. Ins 6.85

Producer regulation

- Fiduciary and trust account responsibilities
- Place of business/records maintenance
- Compensation of agents
- Controlled business
- Shared commissions
- Proper exchange of business
 - Ref: s. 628.32, s. 628.51, s. 628.61, s. Ins 6.66*

Marketing practices

- Misrepresentation
- False advertising
- Rebating
- Unfair discrimination
- Boycott, coercion or intimidation
- Illegal inducement
 - Ref: ch. 20, s. 628.34, s. 628.34(1) – (14), s. Ins 6.54, s. Ins 6.55, Ins 6.60, s. Ins 6.67, s. Ins 6.68*

Examination of records

- Ref: s. 601.43, s. 601.43(1)(b), s. 601.43(1)(c), s. 601.43(2)(a), s. 601.45, s. 601.49, s. Ins 16.01, s. Ins 26.10, s. Ins 26.10(3), s. Ins 28.10, s. Ins 28.10(3)*

Retention of Electronic Records

- Ref: s. 137.20*

General statutes, rules, and regulations affecting insurance contracts

- Definitions
- Specific knowledge
- Misrepresentation/Warranties
- Knowledge and acts of the agent
- Certificates of Insurance
 - Ref: s. 628.34, ch. 631, s. 631.08, s. 631.09,*
 - s. 631.11, s. 631.28, ch. 632*
- Electronic delivery of notice of documents

Ref: s. 610.60

Regulation of specific clauses in insurance contracts

- Cancellation
- Renewal/Nonrenewal
- Notice of proof of loss
- Payment of claims
 - Ref: s. 102.31(2)(a), s. 102.31(2)(b)(1), s. 102.315(10)(a)(4), s. 102.315(10)(a)3,*
 - s. 102.315(10)(b)3, s. 628.46, s. 631.36,*
 - s. 631.43, s. 631.48, s. 631.81, s. 632.36(1–2), s. Ins 18.10, s. Ins 21.01(4)(a–c),*
 - s. Ins 21.01(5), s. Ins 21.01(6),*
 - s. Ins 21.01(10), s. Ins 21.01(11), s. Ins 6.11,*
 - s. Ins 6.77*
- Privacy of Consumer Information
 - Ref: s. 134.97, s. 134.98, s. 610.70, s. Ins 25*

1.3 Federal regulation

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

1.4 Wisconsin statutes, rules, and regulations common to casualty insurance

- General rate standards
 - Ref: s. 625.11, s. 625.13, 625.22, s. 626.13,*
 - s. 631.20, s. Ins 3.49(3), s. Ins 4.08, s. 4.10(7)(g), s. Ins 6.78*
- Prohibited classification of risks
 - Ref: s. 628.34, s. Ins 6.54*
- Surplus lines
 - Definition
 - Responsibilities of agents and brokers
 - Ref: s. 618.41, s. 618.42, s. 618.43, s. 628.02, s. 628.04(2), s. Ins 6.17, s. Ins 6.18,*

s. Ins 6.19, s. Ins 6.66

Oral contracts

Ref: s. 631.05

1.5. Wisconsin statutes, rules, and regulations pertinent to casualty insurance

Automobile liability

Financial responsibility defined

Persons required to show proof

Required coverages and prohibited exclusions

Cancellation or nonrenewal

Responsibility for minors operating motor vehicles

Wisconsin Automobile Insurance Plan (WAIP)

Ref: s. 343.15, s. 344.01, s. 344.01(2)(d),

s. 344.29, s. 344.30, s. 344.31, s. 344.33,

s. 344.34, s. 344.62, s. 619.01, s. 632.22,

s. 632.26(1), s. 632.32, s. 632.34, s. 632.36,

s. 632.365, s. 632.37, s. 632.38, s. 895.04(4), s. Ins 3.49, s. Ins 6.77, s. Ins 21.01(7) – (10)

Workers' compensation

Purpose

Definitions

Approval of rates and rating plans

The Wisconsin Workers' Compensation Insurance Pool (WWCIP)

Ref: ch. 102, s. 102.04, s. 102.07, s. 102.075, s. 102.076, s. 102.12, s. 102.28, s. 102.29,

s. 102.30, s. 625.11, ch. 626, s. 626.13,

s. Ins 6.78, ch. Ins 21

2.0 General Insurance 8% (8 Items)

2.1 Concepts

Risk management key terms

Risk

Exposure

Hazard

Peril

Loss

Methods of handling risk

Avoidance

Retention

Sharing

Reduction

Transfer

Elements of insurable risks

Adverse selection

Law of large numbers

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Reciprocal

Lloyd's associations

Risk retention groups

Private versus government insurers

Admitted versus nonadmitted insurers

Domestic, foreign and alien insurers

Financial status (independent rating services)

Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal

Producer/insurer relationship

Authority and powers of producer

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
 - Aleatory contract
 - 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

- Punitive
- Absolute liability
- Strict liability
- Vicarious liability

3.2 Policy structure

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

3.3 Common policy provisions

- Insureds — named, first named and additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
 - Nonconcurrency
 - Primary and excess
- Limits of liability
 - Per occurrence (accident)
 - Per person
 - Aggregate—general versus products—completed operations
 - Split
 - Combined single
 - Policy limits
- Named insured provisions
 - Duties after loss
 - Assignment
- Insurer provisions
 - Liberalization
 - Subrogation
 - Duty to defend

3.0 Casualty Insurance Basics 13% (13 Items)

3.1 Principles and concepts

- Insurable interest
- Underwriting
 - Function
 - Loss ratio
- Rates
 - Types
 - Loss costs
 - Components
- Hazards
 - Physical
 - Moral
 - Morale
- Negligence
 - Elements of a negligent act
 - Defenses against negligence
- Damages
 - Compensatory — special versus general

4.0 Auto Insurance 14% (14 Items)

4.1 Personal auto policy

- Definitions
- Liability coverage
 - Bodily injury and property damage
 - Supplementary payments
 - Exclusions
- Medical payments coverage
- Uninsured motorists coverage
- Coverage for damage to your auto
 - Collision
 - Other than collision
 - Deductibles
 - Transportation expenses
 - Exclusions
- Duties after an accident or loss
- General provisions
- Selected endorsements
 - Amendment of policy provisions
 - Towing and labor costs
 - Extended non-owned coverage — vehicles furnished or available for regular use
 - Miscellaneous type vehicle
 - Joint ownership coverage

4.2 Commercial auto

- Commercial auto coverage forms (casualty only)
 - Business auto
 - Garage
 - Business auto physical damage
 - Truckers
 - Motor carrier
- Coverage form sections
 - Covered autos
 - Liability coverage
 - Garagekeepers coverage
 - Trailer interchange coverage
 - Exclusions
 - Conditions
 - Definitions
- Selected endorsements

- Lessor — additional insured and loss payee
- Mobile equipment
- Auto medical payments coverage
- Drive other car coverage
- Individual named insured
- Commercial carrier regulations
 - The Motor Carrier Act of 1980
 - Endorsement for motor carrier policies of insurance for public liability

5.0 Commercial Package Policy (CPP) 10% (10 Items)

5.1 Components of a commercial policy

- Common policy declarations
- Common policy conditions
- Interline endorsements
- One or more coverage parts

5.2 Commercial general liability

- Commercial general liability coverage forms
 - Bodily injury and property damage liability
 - Personal and advertising injury liability
 - Medical payments
 - Supplementary payments
 - Who is an insured
 - Limits of insurance
 - Conditions
 - Definitions
 - Exclusions
- Occurrence versus claims-made
- Claims-made features
 - Trigger
 - Retroactive date
 - Extended reporting periods — basic versus supplemental
 - Claim information
- Premises and operations
- Products and completed operations
- Insured contract

Pollution liability coverage form

5.3 Commercial crime

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 coverages

Extortion — commercial entities

Guests' property

5.4 Farm coverage

Farm liability coverage form

Coverage H — Bodily injury and property damage liability

Coverage I — Personal and advertising injury liability

Coverage J — Medical payments

Definitions

Conditions

Exclusions

Limits

Additional coverages

6.0 Businessowners Policy 10% (10 Items)

6.1 Characteristics and purpose

6.2 Businessowners Section II — Liability

Coverages

Exclusions

Who is an insured

Limits of insurance

General conditions

Definitions

6.3 Businessowners Section III — Common Policy Conditions

6.4 Selected endorsement

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

7.0 Workers Compensation Insurance 5% (5 Items)

7.1 Workers compensation laws

Type of law

Monopolistic versus competitive

Compulsory versus elective

State Workers' Compensation Law

Exclusive remedy

Employment covered (required, voluntary)

Covered injuries

Occupational disease

Benefits provided

Uninsured Employers' Fund

7.2 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

Selected endorsements

Voluntary compensation

Anniversary rating date

Other states

Sole proprietors, partners, officers and others coverage

7.3 Premium computations

- Job classification
- Rates
- Payroll
- Adjustment upon audit
- Experience modification factor
- Premium discounts

7.4 Rating organization

8.0 Other Coverages and Options 5% (5 Items)

8.1 Umbrella/excess liability policies

- Personal
- Commercial

8.2 Specialty liability insurance

- Errors and omissions
- Professional liability
- Directors and officers liability
- Fiduciary liability
- Liquor liability
- Employment practices liability

8.3 Surplus lines

- Definitions and markets
- Licensing requirements

8.4 Surety bonds

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

8.5 Other policies

- Boatowners