



New Mexico

Office of Superintendent of Insurance

Licensing Information Handbook

Effective as of April 30, 2019

Register online at
<https://www.prometric.com/new-mexico/insurance>

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Providing License Examinations for the State of New Mexico

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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 Office of Superintendent of Insurance ("OSI"). In addition to the information in this Handbook, you should also review the information on eligibility to hold a license on the OSI website: <https://www.osi.state.nm.us/>

The Handbook **does not** provide instructions pertaining to licensing business entities. For information about licensing a business entity, visit the Producer Licensing Bureau website at <https://www.osi.state.nm.us/>, e-mail the Producer Licensing Bureau at agents.licensing@state.nm.us or call the Producer Licensing Bureau at 505-827-4349

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 you are interested in applying for a nonresident license, you can apply online via NIPR at <http://www.nipr.com/>



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. <https://www.osi.state.nm.us/>
- 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 <https://www.prometric.com/new-mexico/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/>
- 6 If you do NOT pass the exam**, repeat steps 2 through 4. **PLEASE NOTE:** OSI permits a maximum of 4 attempts to pass an exam. If you do not pass an exam after 4 attempts, you must wait six-months 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:

<https://www.prometric.com/new-mexico/insurance>

Direct licensing-related questions to:

Office of Superintendent of Insurance

Phone: 505-827-4349

E-mail: agents.licensing@state.nm.us

Website: <https://www.osi.state.nm.us/>

Direct questions and requests for information about exams to:

Prometric

7941 Corporate Drive

Nottingham, MD 21236

Phone: 800-813-6737

TDD User: 800.790.3926

Website: <https://www.prometric.com/new-mexico/insurance>

New Mexico Licensing Requirements

New Mexico Insurance Code and New Mexico Administrative Code set forth the requirements for licensees, insurers and insurance products in the State of New Mexico. The New Mexico legislature may amend the statutes and the Office of Superintendent 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 NM statutes select "Statutes & Rulemaking" from the "OSI" menu option on the OSI website at www.osi.state.nm.us.
- For NM Administrative Code select "Statutes & Rulemaking" from the "OSI" menu option on the OSI website at www.osi.state.nm.us
- To receive Department regulatory bulletins and press releases, register online at <https://www.osi.state.nm.us/OSISubscription.aspx>.

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 Producer Licensing Bureau website (<https://www.osi.state.nm.us/>).

License Line	Exam Series
Life Insurance Producer	1825
Accident and Health or Sickness Insurance Producer	1826
Life, Accident and Health or Sickness Insurance Producer	1827
Property Insurance Producer	1828
Casualty Insurance Producer	1829
Property, and Casualty Insurance Producer	1831
Title	1833
Bail	1834
Personal Lines Insurance Producer	1838
Public Adjuster	1839
Independent or Staff Adjuster	1840
Vida	1842
Accidente y Salud o Enfermedad	1843
Vida, Accidente y Salud o Enfermedad	1841
Propiedad	1845
Siniestros	1846
Propiedad y Siniestros	1844
Seguros de Títulos	1850
Seguros de Fianza	1851
Lineas Personales	1847
Ajustador Publico	1848

Ajustador de Compania o Independiente	1849
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Consult the Producer page of the OSI Website (<https://www.osi.state.nm.us/>) for detailed application requirements.

Moving to New Mexico

If you hold a resident insurance license in another state and **are relocating to New Mexico**, you can request an exam waiver. To qualify for a license based on the Insurance Exam Waiver, an applicant must meet all of the following requirements:

- Become a resident of New Mexico
- Has held a valid resident license with the equivalent line(s) of authority prior to applying for a New Mexico license
- Submit a written request detailing the state where licensed, what exam was taken and when the licenses was issued
- Submit the license application and pay the appropriate fees within 90 days of becoming a resident of New Mexico
- Submit a copy of the fingerprint receipt. See Fingerprint Requirements

Please note that requirements are subject to change. Please contact OSI directly at 505-827-4349 for specific information that may apply at the time of your relocation.

Nonresident Applicants Fees

If you are seeking a **nonresident license**, please visit the NIPR website at <http://www.nipr.com/> for more information.

The following fees may apply to your license application:

- **Examination fee** charged by Prometric (\$75) for all exams – see the Exam Registration Form.
- **License fee**, paid to OSI with your license application, consisting of one or more of the following:

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.

OSI accepts payment by check or money order. If you apply online using a NIPR website, payment is accepted by credit card or electronic check. Please be aware that pursuant to NMSA 59A-6-1, the Department cannot refund or prorate fees.

Note: New Mexico license fees are subject to updates each biennial birth month. Obtain up-to-date fee information from the Producer Licensing Bureau website at <https://www.osi.state.nm.us/> or by contacting the Producer Licensing Bureau by email at agents.licensing@state.nm.us, or by phone at 505-827-4349

Scheduling Your Exam

Exam Restrictions

Note: You will be eligible to take the exam up to four attempts to pass an exam for a line of authority. After the fourth unsuccessful attempt, you will be placed into a six month waiting period and not be able to retake the exam until the waiting period is over. NMSA 59A-11-6 (E)

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 <https://www.prometric.com/new-mexico/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 forfeiture of your examination fee. If you need to reschedule or confirm your appointment, please go to <https://www.prometric.com/new-mexico/insurance>.

After you cancel your exam, you must initiate a refund by going to <https://fs6.formsite.com/Prometric/form33/index.html> and completing the refund form. Completion of this form does not guarantee a refund.

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

If you change or cancel your appointment without proper notice, you may forfeit your examination fee(s). Refund requests are reviewed on a case by case basis. There will be no refund for appointments that are cancelled less than 48 hours prior to scheduled exam without verification or documentation of illness or emergency.

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. 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 <https://www.prometric.com/new-mexico/insurance> and click on "Check appointment availability" to confirm the address and get directions.

Test Centers most convenient in New Mexico include:

New Mexico Test Centers		
Albuquerque, NM 8801 Jefferson Street Building A Suite 101 Albuquerque, NM 87113	Farmington, NM 4601 College Blvd. Info Tech Bldg Room 7120 Farmington, NM 87402	
Las Cruces, NM 3291 Del Ray Blvd. Suite D Las Cruces, NM 88012	Roswell, NM 52 University Blvd. RM 210 Roswell, NM 88203	
Santa Fe, NM 720 St. Michael's Drive Suite #2A Santa Fe, NM 87505		
Additional Test Centers Near New Mexico		
Odessa, TX 4901 East University Mesa Bldg Room 1154 University of TX Prem Basin Odessa, TX 79762	Lubbock, TX 4601 South Loop 289 Suite 22 Lubbock, TX 79424	El Paso, TX 8550 Boeing Drive Suite 200 El Paso, TX 79925
Colorado Springs, CO 2790 N. Academy Blvd. Suite 317 Colorado Springs, CO 80917	Tempe, AZ 1275 West Washington Street Suite 110 Tempe, AZ 85281	Phoenix, AZ 1951 West Camelback Rd #120 Camel West Plaza Phoenix, AZ 85015

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

OSI 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.

Neither OSI 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.

New Mexico statutes

You can also access New Mexico statutes and insurance regulations at <https://www.osi.state.nm.us/MiscPages/insrulemakingandstatutes.aspx>

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/Consultant Practice Exam in English only
- (HIPA) Health Insurance Producer/Consultant 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 one valid (non-expired) 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 in 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).

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- 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

Your Exam Results

- time spent on the question will not be deducted from your test time

At the end of the exam, you will see a completion notice on screen. A copy of your score report will be emailed to the email address you provided at the time of scheduling. The report indicates the overall score and grade, including the numerical percentage of questions answered correctly and whether you passed or failed. To achieve a passing score on the examination, you must receive a 70% or higher on the examination.

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.

Duplicate score reports, please use our electronic score report portal to download or print duplicate copies of your candidate score report when or as needed. Please visit <https://scorereports.prometric.com>. You will be required to enter the confirmation number of your exam and your last name to complete this task.

Appeals Process

Our goal is to provide a quality exam and a pleasant testing experience for every candidate. If you would like to submit an appeal concerning examination content, registration, scheduling or test administration (testing site procedures, equipment, personnel, etc.), please submit an appeal by visiting <http://www.prometric.com/contactus>.

Once the form has been submitted, you will receive an email response within 20 days indicating whether your appeal has been approved.

Apply for Your License

Once you have passed your license exam, you can apply online at <http://www.nipr.com/>The Section must receive all required application materials, including the correct nonrefundable license fees, **within one year** after you pass the exam.

NOTE: The Producer Licensing Bureau no longer accepts documents by fax.

Submit Your Application

- You must submit **license applications** through the NIPR electronic licensing system (<http://www.nipr.com/>)
- 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)

Business Name

When conducting insurance business, New Mexico law requires that you use your legal business name.

New Mexico Office of the Superintendent 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 reject the application, delaying the licensing decision.

After receiving your application, the Department has up to 10 days to determine whether it contains all required information and is therefore "administratively complete. 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 NMSA § 59A-11-14. 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 OSI issues a New Mexico insurance license to someone who does not already hold a license, the initial license term is between 13-24 months and will expire on the licensee birth month. Future renewals will be a full two-year term expiring on the last day of the licensee birth month.

Maintaining Your License

Insurance professionals are responsible for complying with OSI 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 <http://www.nipr.com/> to report changes of email, address and telephone information at no charge.

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. OSI may or may not remind the licensee of the need to renew a license.

You can use **NIPR** (<http://www.nipr.com/>) to renew your license online,

More detailed information on license renewals can be found on the Department's website at: www.osi.state.nm.us

Insurance Continuing Education

The insurance continuing education requirements that you must satisfy depend upon the type of license you hold, when the license was issued and when the license expires. Specific requirements for each type of license can be found at: www.osi.state.nm.us

Insurance continuing education applies to insurance producers, adjusters, bail bond agents, solicitors and limited surety,

Nonresidents who 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 or if New Mexico is the designated home state.

Individuals who only hold a limited-line do not have an insurance continuing education requirement.

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Long-term care training an accident and health or sickness insurance producer (resident or nonresident) who wants to sell, solicit or negotiate long-term care insurance must complete eight hours of approved long-term care training (LTCT) A resident licensee can apply hours of LTCT toward satisfying New Mexico CE requirement. Nonresidents can satisfy the LTCT requirement if they completed substantially similar courses in another state.

Exam Content Outlines

The following outlines give an overview of the content of each of the New Mexico 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/newmexico/insurance.

New Mexico Examination for Life Insurance Series 18-25

100 questions – 2-hour time limit

Effective April 30, 2019

1.0 Insurance Regulation 10%

1.1 Licensing

- Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)
- Types of licensees (Reg 13.4.2.7, .11)
 - Insurance Producer (59A-12-2)
 - Brokers (59A-12-3)
 - Consultants (59A-11A-1-8)
 - Nonresident (59A-12-25) (59A-11-24)
 - Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)
- Maintenance and duration
 - Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)
 - Address change (59A-12-17) (59A-11-24)
 - Continuing education (59A-12-26; Reg 13.4.7.9, .12)
- Disciplinary actions
 - Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)
 - Cease and desist orders (59A-16-27)

Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

- Superintendent's general duties and powers (59A-2-8-10)
- Company regulation
 - Certificate of authority (59A-5-10)
 - Unfair claim settlement practices (59A-16-20)
 - Complaint record (59A-16-22)
 - Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)
 - Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)
- Insurance Producer regulation
 - Shared commissions (59A-12-24)
 - Fiduciary duties (59A-12-22)
 - Prohibited premiums or charges (59A-16-24)
- Unfair trade practices
 - Misrepresentation (59A-16-4, 23)
 - False advertising (59A-16-4, 5)
 - Twisting (59A-16-6)
 - Defamation (59A-16-10)
 - Unfair discrimination (59A-16-12, 13, 17(D))

Rebating (59A-16-16-18)

Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-28)

1.3 Federal regulation

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

2.0 General Insurance 10% (10 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
 - Reinsurance

2.2 Insurers

- Types of insurers

<p>Stock companies</p> <p>Mutual companies</p> <p>Fraternal benefit societies</p> <p>Risk retention groups</p> <p>Private versus government insurers</p> <p>Authorized versus unauthorized insurers</p> <p>Domestic, foreign and alien insurers</p> <p>Financial status (independent rating service)</p> <p>Marketing (distribution) systems</p> <p>2.3 Insurance Producers and general rules of agency</p> <p>Insurer as principal</p> <p>Insurance Producer/insurer relationship</p> <p>Authority and powers of Insurance Producers</p> <p>Express</p> <p>Implied</p> <p>Apparent</p> <p>Responsibilities to the applicant/insured</p> <p>2.4 Contracts</p> <p>Elements of a legal contract</p> <p>Offer and acceptance</p> <p>Consideration</p> <p>Competent parties</p> <p>Legal purpose</p> <p>Distinct characteristics of an insurance contract</p> <p>Contract of adhesion</p> <p>Personal contract</p> <p>Unilateral contract</p> <p>Conditional contract</p> <p>Legal interpretations affecting contracts</p> <p>Ambiguities in a contract of adhesion</p> <p>Reasonable expectations</p> <p>Indemnity</p> <p>Utmost good faith</p>	<p>Representations/misrepresentations</p> <p>Warranties</p> <p>Concealment</p> <p>Fraud</p> <p>Waiver and estoppel</p> <p>3.0 Life Insurance Basics 21% (21 Items)</p> <p>3.1 Insurable interest (59A-18-4, 5, 7, 8)</p> <p>3.2 Personal uses of life insurance</p> <p>Survivor protection</p> <p>Estate creation</p> <p>Cash accumulation</p> <p>Liquidity</p> <p>Estate conservation</p> <p>3.3 Determining amount of personal life insurance</p> <p>Human life value approach</p> <p>Needs approach</p> <p>Types of information gathered</p> <p>Determining lump-sum needs</p> <p>Planning for income needs</p> <p>3.4 Business uses of life insurance including key person</p> <p>3.5 Classes of life insurance policies</p> <p>Group versus individual</p> <p>Permanent versus term</p> <p>Participating versus nonparticipating</p> <p>Fixed versus variable life insurance and annuities</p> <p>Regulation of variable products (SEC, FINRA and New Mexico) (59A-20-30; Reg 13.9.8.38)</p> <p>3.6 Premiums</p> <p>Factors in premium determination</p> <p>Mortality</p> <p>Interest</p> <p>Expense</p> <p>Premium payment mode</p> <p>3.7 Insurance Producer responsibilities</p>	<p>Solicitation and sales presentations</p> <p>Advertising</p> <p>Prohibited advertising of Life and Health Insurance Guaranty Association (59A-42-13(E))</p> <p>Illustrations (Reg 13.9.14.10-.31)</p> <p>Policy summary (Reg 13.9.5.8, .9)</p> <p>Buyer's guide (Reg 13.9.5.9, .14)</p> <p>Replacement (Reg 13.9.6.5-.15)</p> <p>Use and disclosure of insurance information</p> <p>Field underwriting</p> <p>Notice of information practices</p> <p>Application procedures</p> <p>Delivery</p> <p>Policy review</p> <p>Effective date of coverage</p> <p>Premium collection</p> <p>Statement of good health</p> <p>3.8 Individual underwriting by the insurer</p> <p>Information sources and regulation</p> <p>Application</p> <p>Insurance Producer report</p> <p>Attending physician statement</p> <p>Investigative consumer (inspection) report</p> <p>Medical Information Bureau (MIB)</p> <p>Medical examinations and lab tests</p> <p>Selection criteria and unfair discrimination (59A-16-11)</p> <p>Classification of risks</p> <p>Preferred</p> <p>Standard</p> <p>Substandard</p>
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4.0 Life Insurance Policies 19% (19 Items)

4.1 Term life insurance

- Level term
 - Annual renewable term
 - Level premium term
- Decreasing term

4.2 Whole life insurance

- Limited payment
- Single premium
- Modified premium

4.3 Flexible premium policies

- Adjustable life
- Universal life

4.4 Specialized policies

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

4.5 Group life insurance

- Characteristics of group plans
- Types of plan sponsors (59A-21-4-8)
- Group underwriting requirements
- Conversion to individual policy (59A-21-19-22)
- Continuation of coverage (59A-21-23)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 21% (21 Items)

5.1 Individual standard provisions

- Ownership
- Assignment
- Entire contract (59A-20-6)
- Modifications
- Right to examine (free look)
- Payment of premiums (59A-20-13)
- Grace period (59A-20-4)
- Reinstatement (59A-20-12, 16)

- Incontestability (59A-20-5)
- Misstatement of age (59A-20-7)
- Exclusions (59A-20-25)
- Settlement of death benefit (59A-20-14)
- Prohibited provisions including backdating (59A-20-26)

5.2 Beneficiaries

- Designation options
 - Individuals
 - Classes
 - Estates
 - Minors
 - Trusts

- Succession
- Revocable versus irrevocable
- Common disaster clause
- Spendthrift 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

- Cash surrender value
- Extended term
- Reduced paid-up insurance

5.5 Policy loan and withdrawal options

- 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

5.7 Disability riders

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

5.8 Accelerated (living) benefit provision/rider

- Conditions for payment
- Effect on death benefit

5.9 Riders covering additional insureds

- 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 14% (14 Items)

6.1 Annuity principles and concepts

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

6.2 Immediate versus deferred annuities

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

6.3 Annuity (benefit) payment options

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

6.4 Annuity products

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

6.5 Uses of annuities

Lump-sum settlements
 Qualified retirement plans including group and individual annuities
 Personal uses
 Individual retirement accounts (IRAs)
 Tax-deferred growth
 Retirement income
 Education funds

7.0 Federal Tax Considerations for Life Insurance and Annuities 4% (4 Items)

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 accounts (IRAs)

Traditional IRAs
 Contributions and deductible amounts
 Premature distributions (including taxation issues)
 Annuity phase benefit payments
 Values included in the annuitant's estate
 Amounts received by beneficiary

Roth IRAs

Contributions and limits
 Distributions

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 1% (1 Item)

8.1 General requirements

8.2 Federal tax considerations

Tax advantages for employers and employees
 Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers

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

New Mexico Examination for Accident and Health or Sickness Insurance Producer Series 18-26

100 questions – Two-hour time limit

Effective April 30, 2019

1.0 Insurance Regulation 10% (10 Items)

1.1 Licensing

Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)
 Types of licensees (Reg 13.4.2.7, .11)
 Insurance Producers (59A-12-2)
 Brokers (59A-12-3)
 Consultants (59A-11A-1-8)
 Nonresident (59A-12-25) (59A-11-24)
 Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)
 Maintenance and duration
 Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)
 Address change (59A-12-17) (59A-11-24)
 Continuing education (59A-12-26; Reg 13.4.7.9, .12)
 Disciplinary actions
 Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)
 Cease and desist orders (59A-16-27)
 Penalties and fines (59A-1-18, 59A-11-17, 21)
1.2 State regulation
 Superintendent's general duties and powers (59A-2-8-10)
 Company regulation
 Certificate of authority (59A-5-10)

Unfair claim settlement practices (59A-16-20)

Complaint record (59A-16-22)

Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)

Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)

Insurance Producer regulation

Shared commissions (59A-12-24)

Fiduciary duties (59A-12-22)

Prohibited premiums or charges (59A-16-24)

Unfair trade practices

Misrepresentation (59A-16-4, 23)

False advertising (59A-16-4, 5)

Twisting (59A-16-6)

Defamation (59A-16-10)

Unfair discrimination (59A-16-12, 13, 17(D))

Rebating (59A-16-16-18)

Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-28)

1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 10% (10 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

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Risk retention groups

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers

Financial status (independent rating service)

Marketing (distribution) systems

2.3 Insurance Producers and general rules of agency

Insurer as principal

Insurance Producer/insurer relationship

Authority and powers of Insurance 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

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 Health Insurance Basics 13% (13 Items)

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

3.3 Classes of health insurance policies

Individual versus group

Private versus government

Limited versus comprehensive

3.4 Limited policies

Limited perils and amounts

Required notice to insured

Types of limited policies

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 Insurance Producer responsibilities in individual health insurance

Marketing requirements
 Advertising (Reg 13.10.4.6-.23)
 Prohibited advertising of Life and Health Insurance Guaranty Association (59A-42-13(E))
 Sales presentations
 Field 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
 Sources of underwriting information
 Application
 Insurance Producer report
 Attending physician statement
 Investigative consumer (inspection) report
 Medical Information Bureau (MIB)
 Medical examinations and lab tests (including HIV consent) (RL 24-21-2(c))
 Unfair discrimination (59A-16-11, 12.1, 13.2)

Genetic testing (RL 24-21-3-5)
 Classification of risks
 Preferred
 Standard
 Substandard

3.8 Considerations in replacing health insurance

Pre-existing conditions
 Benefits, limitations and exclusions
 Underwriting requirements
 Insurance Producer liability for errors and omissions

4.0 Individual Health Insurance Policy General Provisions 12% (12 Items)

4.1 Required provisions

Entire contract; changes (59A-22-4)
 Time limit on certain defenses; pre-existing condition exclusions (59A-22-5)
 Grace period (59A-22-6)
 Reinstatement (59A-22-7)
 Claim procedures (59A-22-8-12)
 Physical examinations and autopsy (59A-22-13)
 Legal actions (59A-22-14)
 Change of beneficiary (59A-22-15)

4.2 Optional provisions

Change of occupation (59A-22-17)
 Misstatement of age (59A-22-18)
 Other insurance with same insurer (59A-22-19)
 Other insurance with different insurer
 Expense-incurred benefits (59A-22-20)
 Other benefits (59A-22-21)
 Unpaid premium (59A-22-23)
 Cancellation (59A-22-24)
 Conformity with state statutes (59A-22-25)

4.3 Other general provisions

Insuring clause
 Consideration clause
 Renewability clause
 Noncancelable
 Guaranteed renewable
 Conditionally renewable
 Renewable at option of insurer
 Nonrenewable (cancelable, term)

5.0 Disability Income and Related Insurance 9% (9 Items)

5.1 Qualifying for disability benefits

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

5.2 Individual disability income insurance

Basic total disability plan
 Income benefits (monthly indemnity)
 Elimination and benefit periods
 Waiver of premium feature
 Coordination with social insurance and workers compensation benefits
 Additional monthly benefit (AMB)
 Social insurance supplement (SIS)
 Occupational versus nonoccupational coverage
 At-work benefits
 Partial disability benefit
 Residual disability benefit
 Other provisions affecting income benefits

- Cost of living adjustment (COLA) rider
- Future increase option (FIO) rider
- Loss-of-time benefit adjustment (59A-22-22)
- 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 person disability income
- 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
- Benefits

6.0 Medical Plans 15% (15 Items)

- 6.1 Medical plan concepts**

- Fee-for-service basis versus prepaid basis vs. expense basis
- Expense based basis versus indemnity
- Specified coverages versus comprehensive care
- Benefit schedule versus usual/reasonable/customary charges
- Any provider versus limited choice of providers
- Insureds versus subscribers/participants
- Qualified Health Plans
- EPOs
- HDHPs
- 6.2 Types of providers and plans**
- Limited Benefits Insurance
 - Indemnity plan features
 - Excepted Benefits Plans
 - Hospital Indemnity Insurance
 - Accident only insurance
 - Specified Disease
- Major medical insurance (comprehensive coverage)
 - Characteristics
 - Participating vs Non-Participating providers
 - Deductibles, Copay and Coinsurance
 - Emergency care
 - Preventive Care Services
 - Common limitations
 - Provisions affecting cost to insured
- Qualified Health Plans (QHPs)
 - General characteristics
 - EHBs
 - CSR and APTCs
 - Special Enrollment
- Periods

- Services
 - Preventive Care
- Pocket,
 - Maximum out of
- Period
 - Open Enrollment
- Exclusions
 - Preexisting
 - Health maintenance organizations (HMOs)
 - General characteristics
 - Primary care physician versus referral (specialty) physician
 - Hospital services
 - Other basic services
 - Preferred provider organizations (PPOs)
 - General characteristics
 - Open panel or closed panel
 - Types of parties to the provider contract
 - Point-of-service (POS) plans
 - Nature and purpose
 - PCP referral (gatekeeper PPO)
 - HDHP plans
 - Features and purpose
 - Exclusive Provider Organization Plans
 - Features and purpose
- 6.3 Cost containment in health care delivery**
- Cost-saving services
 - Preventive care
 - Hospital outpatient benefits
 - Alternatives to hospital services
- Utilization management
 - Prospective review
 - Concurrent review
- Grievance procedures
- Network Adequacy
- 6.4 New Mexico eligibility requirements and benefit offers (individual and group)**
- Dependent child age limit (59A-22-2(C))

Continued coverage of handicapped children (59A-22-33)

Newborn child coverage (59A-22-34)

Adopted child coverage (59A-22-34.1)

Child enrollment; noncustodial parents (59A-22-34.2)

Home health care coverage (59A-22-36)

Managed Health Care Rule (Reg 13.10.13.8-.12)

Mental health parity (59A-23E-18)

Women's health care benefits

Patient Protection Act (59A-57-3)

6.5 HIPAA (Health Insurance Portability and Accountability Act) requirements

Eligibility

Guaranteed issue

Pre-existing conditions

Creditable coverage

Renewability

6.6 Medical savings accounts (MSAs), Flexible savings accounts (FSAs), Health savings accounts (HSAs), Health reimbursement accounts (HRAs)

Definition

Eligibility

Contribution limits

7.0 Group Health Insurance 13% (13 Items)

7.1 Characteristics of group insurance

Group contract

Certificate of coverage

Experience rating versus community rating

7.2 Types of eligible groups

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

Regulatory jurisdiction/place of delivery

7.4 Employer group health insurance

Insurer underwriting criteria

Characteristics of group

Plan design factors

Persistency factors

Administrative capability

Eligibility for insurance

Annual open enrollment

Employee eligibility

Dependent eligibility

Coordination of benefits provision

Subrogation

Change of insurance companies or loss of coverage

Coinsurance and deductible carryover

No-loss no-gain

Events that terminate coverage

Extension of benefits (Reg 13.10.5.10)

Continuation of coverage under COBRA and New Mexico specific rules (59A-18-16)

Conversion privilege (59A-18-16)

7.5 Small employer medical plans

Definition of small employer (59A-23C-3(N))

Rate and renewability (59A-23C-6)

Pre-existing condition exclusion (59A-23C-7.1)

8.0 Dental Insurance 3% (3 Items)

8.1 Types of dental treatment

Diagnostic and preventive

Restorative

Oral surgery

Endodontics

Periodontics

Prosthodontics

Orthodontics

8.2 Dental plan types

Indemnity plan features

Indemnity vs. expense based plans

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 Employer group dental expense

Integrated deductibles versus stand-alone plans

Minimizing adverse selection

9.0 Insurance for Senior Citizens and Special Needs Individuals 12% (12 Items)

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
9.2 Medicare supplements
 (Reg 13.10.8.6-.78)
 Purpose
 Open enrollment
 Standardized Medicare supplement plans
 Core benefits
 Additional benefits
 New Mexico regulations and required provisions
 Advertising
 Standards for marketing
 Permitted compensation arrangements
 Suitability for recommended purchase
 Required disclosure provisions
 Outline of coverage (59A-24A-9)
 Right to return (free look) (59A-24A-10)
 Replacement
 Benefit standards
 Pre-existing conditions (59A-24A-4(B))
 Guaranteed issue
 Prohibited provisions (59A-24A-4)
 Medicare SELECT (Reg 13.10.8.26)

9.3 Other options for individuals with Medicare
 Employer group health plans
 Disabled employees
 Employees with kidney failure
 Individuals age 65 and older
 Medicaid
 Eligibility
 Benefits
9.4 Long-term care (LTC) insurance
 Eligibility for benefits
 Levels of care
 Skilled care
 Intermediate care
 Custodial care
 Home health care
 Adult day care
 Respite care
 Benefit periods
 Benefit amounts
 Optional benefits
 Guarantee of insurability
 Return of premium
 Qualified LTC plans
 Exclusions
 Underwriting considerations
 New Mexico regulations and required provisions
 Advertising (59A-23A-11; Reg 13.10.15.36)
 Standards for marketing (Reg 13.10.15.36, .49-.53)
 Prohibited marketing practices (Reg 13.10.15.38)
 Suitability of recommended purchase (Reg 13.10.15.40, .52)
 Required disclosure provisions (Reg

13.10.15.19, .50-.53)
 Outline of coverage (Reg 13.10.15.45, .46)
 Shoppers guide (Reg 13.10.15.47)
 Right to return (free look) (59A-23A-6(E))
 Replacement (Reg 13.10.15.25, .42)
 Policy standards (59A-23A-6)
 Benefit triggers (Reg 13.10.15.44)
 Pre-existing conditions (59A-23A-7)
 Inflation protection (Reg 13.10.15.24)
 Nonforfeiture benefit offer (Reg 13.10.15.43)
 Unintentional lapse (Reg 13.10.15.17)
 Penalties (Reg 13.10.15.48)
9.5 New Mexico Medical Insurance Pool and Health Insurance Alliance (59A-54; Reg 13.10.10.1-.24; Bul 2008-006)
 Eligibility
 Coverages and limits
 Exclusions
 Deductibles and coinsurance

10.0 Federal Tax Considerations for Health Insurance 3% (3 Items)

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

10.3 Medical expense coverage for sole proprietors and partners

10.4 Business disability insurance

Key person disability income

Buy-sell policy

10.5 Medical savings accounts (MSAs), Flexible spending accounts (FSAs), Health savings accounts (HSAs), Health reimbursement accounts (HRAs)

**New Mexico Examination for Life, Accident and Health or Sickness Insurance
Producer
Series 18-27**

150 questions – 2.5-hour time limit

Effective April 30, 2019

1.0 Insurance Regulation 5% (8 Items)

1.1 Licensing

Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)

Types of licensees (Reg 13.4.2.7, .11)

Insurance Producers (59A-12-2)

Brokers (59A-12-3)

Consultants (59A-11A-1-8)

Nonresident (59A-12-25) (59A-11-24)

Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)

Maintenance and duration

Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)

Address change (59A-12-17) (59A-11-24)

Continuing education (59A-12-26; Reg 13.4.7.9, .12)

Disciplinary actions

Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)

Cease and desist orders (59A-16-27)

Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8-10)

Company regulation

Certificate of authority (59A-5-10)

Unfair claim settlement practices (59A-16-20)

Complaint record (59A-16-22)

Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)

Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)

Insurance Producer regulation

Shared commissions (59A-12-24)

Fiduciary duties (59A-12-22)

Prohibited premiums or charges (59A-16-24)

Unfair trade practices

Misrepresentation (59A-16-4, 23)

False advertising (59A-16-4, 5)

Twisting (59A-16-6)

Defamation (59A-16-10)

Unfair discrimination (59A-16-12, 13, 17(D))

Rebating (59A-16-16-18)

Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 5% (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

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Risk retention groups

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers

Financial status (independent rating service)

Marketing (distribution) systems

2.3 Insurance Producers and general rules of agency

- Insurer as principal
- Insurance Producer/insurer relationship
- Authority and powers of Insurance 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
 - 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 10% (15 Items)

3.1 Insurable interest (59A-18-4, 5, 7, 8)

3.2 Personal uses of life insurance

- Survivor protection
- Estate creation
- Cash accumulation

- Liquidity
- Estate conservation

3.3 Determining amount of personal life insurance

- Human life value approach
- Needs approach
 - Types of information gathered
 - Determining lump-sum needs
 - Planning for income needs

3.4 Business uses of life insurance including key person

3.5 Classes of life insurance policies

- Group versus individual
- Permanent versus term
- Participating versus nonparticipating
- Fixed versus variable life insurance and annuities
- Regulation of variable products (SEC, FINRA and New Mexico) (59A-20-30; Reg 13.9.8.38)

3.6 Premiums

- Factors in premium determination
 - Mortality
 - Interest
 - Expense
- Premium payment mode

3.7 Insurance Producer responsibilities

- Solicitation and sales presentations
 - Advertising
 - Prohibited advertising of Life and Health Insurance Guaranty Association (59A-42-13(E))
 - Illustrations (Reg 13.9.14.10-.31)
 - Policy summary (Reg 13.9.5.8, .9)
 - Buyer's guide (Reg 13.9.5.9, .14)
 - Replacement (Reg 13.9.6.5-.15)

- Use and disclosure of insurance information

Field underwriting

- Notice of information practices

Application procedures

Delivery

- Policy review
- Effective date of coverage
- Premium collection
- Statement of good health

3.8 Individual underwriting by the insurer

- Information sources and regulation
 - Application
 - Insurance Producer report
 - Attending physician statement
 - Investigative consumer (inspection) report
 - Medical Information Bureau (MIB)
 - Medical examinations and lab tests
- Selection criteria and unfair discrimination (59A-16-11)
- Classification of risks
 - Preferred
 - Standard
 - Substandard

4.0 Life Insurance Policies 11% (16 Items)

4.1 Term life insurance

- Level term
 - Annual renewable term
 - Level premium term
- Decreasing term

4.2 Whole life insurance

- Limited payment
- Single premium
- Modified premium

4.3 Flexible premium policies

- Adjustable life
- Universal life
- 4.4 Specialized policies**
 - Joint life (first-to-die)
 - Survivorship life (second-to-die)
 - Juvenile life
- 4.5 Group life insurance**
 - Characteristics of group plans
 - Types of plan sponsors (59A-21-4-8)
 - Group underwriting requirements
 - Conversion to individual policy (59A-21-19-22)
 - Continuation of coverage (59A-21-23)
- 4.6 Credit life insurance (individual versus group)**
- 5.0 Life Insurance Policy Provisions, Options and Riders 12% (18 Items)**
- 5.1 Individual standard provisions**
 - Ownership
 - Assignment
 - Entire contract (59A-20-6)
 - Modifications
 - Right to examine (free look)
 - Payment of premiums (59A-20-13)
 - Grace period (59A-20-4)
 - Reinstatement (59A-20-12, 16)
 - Incontestability (59A-20-5)
 - Misstatement of age (59A-20-7)
 - Exclusions (59A-20-25)
 - Settlement of death benefit (59A-20-14)
 - Prohibited provisions including backdating (59A-20-26)
- 5.2 Beneficiaries**
 - Designation options
 - Individuals
 - Classes

- Estates
- Minors
- Trusts
- Succession
- Revocable versus irrevocable
- Common disaster clause
- Spendthrift 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**
 - Cash surrender value
 - Extended term
 - Reduced paid-up insurance
- 5.5 Policy loan and withdrawal options**
 - 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
- 5.7 Disability riders**
 - Waiver of premium
 - Disability income benefit
 - Payor benefit life/disability (juvenile insurance)
- 5.8 Accelerated (living) benefit provision/rider**
 - Conditions for payment
 - Effect on death benefit
- 5.9 Riders covering additional insureds**
 - 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 8% (11 Items)**
- 6.1 Annuity principles and concepts**
 - Accumulation period versus annuity period
 - Owner, annuitant and beneficiary
 - Insurance aspects of annuities
- 6.2 Immediate versus deferred annuities**
 - Single premium immediate annuities (SPIAs)
 - Deferred annuities
 - Premium payment options
 - Nonforfeiture
 - Surrender charges
 - Death benefits
- 6.3 Annuity (benefit) payment options**
 - Life contingency options
 - Pure life versus life with guaranteed minimum
 - Single life versus multiple life
 - Annuities certain (types)
- 6.4 Annuity products**
 - Fixed annuities
 - General account assets
 - Interest rate guarantees (minimum versus current)
 - Level benefit payment amount
 - Equity indexed annuities
- 6.5 Uses of annuities**
 - Lump-sum settlements
 - Qualified retirement plans including group and individual annuities

Personal uses
 Individual retirement accounts (IRAs)
 Tax-deferred growth
 Retirement income
 Education funds

7.0 Federal Tax Considerations for Life Insurance and Annuities 3% (4 Items)

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 accounts (IRAs)

Traditional IRAs
 Contributions and deductible amounts
 Premature distributions (including taxation issues)
 Annuity phase benefit payments

Values included in the annuitant's estate

Amounts received by beneficiary

Roth IRAs

Contributions and limits

Distributions

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 1% (1 Items)

8.1 General requirements

8.2 Federal tax considerations

Tax advantages for employers and employees

Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers

Simplified employee pensions (SEPs)

Self-employed plans (HR 10 or Keogh plans)

Profit-sharing and 401(k) plans

SIMPLE plans

403(b) tax-sheltered annuities (TSAs)

9.0 Health Insurance Basics 7% (11 Items)

9.1 Definitions of perils

Accidental injury

Sickness

9.2 Principal types of losses and benefits

Loss of income from disability

Medical expense

Dental expense

Long-term care expense

9.3 Classes of health insurance policies

Individual versus group

Private versus government

Limited versus comprehensive

9.4 Limited policies

Limited perils and amounts

Required notice to insured

Types of limited policies

Accident-only

Specified (dread) disease

Hospital indemnity (income)

Credit disability

Blanket insurance (teams, passengers, other)

Prescription drugs

Vision care

9.5 Common exclusions from coverage

9.6 Insurance Producer responsibilities in individual health insurance

Marketing requirements

Advertising (Reg 13.10.4.6-.23)

Prohibited advertising of Life and Health Insurance Guaranty Association (59A-42-13(E))

Sales presentations

Field underwriting

Nature and purpose

Disclosure of information about individuals

Application procedures

Requirements at delivery of policy

Common situations for errors/omissions

9.7 Individual underwriting by the insurer

Underwriting criteria

Sources of underwriting information

Application

Insurance Producer report

Attending physician statement

Investigative consumer (inspection) report

Medical Information Bureau (MIB)

Medical examinations and lab tests (including HIV consent) (RL 24-21-2(c))

Unfair discrimination (59A-16-11, 12.1, 13.2)

Genetic testing (RL 24-21-3-5)

Classification of risks

- Preferred
- Standard
- Substandard

9.8 Considerations in replacing health insurance

Pre-existing conditions

Benefits, limitations and exclusions

Underwriting requirements

Insurance Producer liability for errors and omissions

10.0 Individual Health Insurance Policy General Provisions 7% (11 Items)

10.1 Required provisions

Entire contract; changes (59A-22-4)

Time limit on certain defenses; pre-existing condition exclusions (59A-22-5)

Grace period (59A-22-6)

Reinstatement (59A-22-7)

Claim procedures (59A-22-8-12)

Physical examinations and autopsy (59A-22-13)

Legal actions (59A-22-14)

Change of beneficiary (59A-22-15)

10.2 Optional provisions

Change of occupation (59A-22-17)

Misstatement of age (59A-22-18)

Other insurance with same insurer (59A-22-19)

Other insurance with different insurer

Expense-incurred benefits (59A-22-20)

Other benefits (59A-22-21)

Unpaid premium (59A-22-23)

Cancellation (59A-22-24)

Conformity with state statutes (59A-22-25)

10.3 Other general provisions

Insuring clause

Consideration clause

Renewability clause

- Noncancelable
- Guaranteed renewable
- Conditionally renewable
- Renewable at option of insurer
- Nonrenewable (cancelable, term)

11.0 Disability Income and Related Insurance 5% (8 Items)

11.1 Qualifying for disability benefits

Inability to perform duties

- Own occupation
- Any occupation

Pure loss of income (income replacement contracts)

Presumptive disability

Requirement to be under physician care

11.2 Individual disability income insurance

Basic total disability plan

- Income benefits (monthly indemnity)
- Elimination and benefit periods
- Waiver of premium feature

Coordination with social insurance and workers compensation benefits

- Additional monthly benefit (AMB)
- Social insurance supplement (SIS)

Occupational versus nonoccupational coverage

At-work benefits

- Partial disability benefit
- Residual disability benefit

Other provisions affecting income benefits

- Cost of living adjustment (COLA) rider
- Future increase option (FIO) rider
- Loss-of-time benefit adjustment (59A-22-22)

Other cash benefits

- Accidental death and dismemberment
- Rehabilitation benefit
- Medical reimbursement benefit (nondisabling injury)

Refund provisions

- Return of premium
- Cash surrender value

Exclusions

11.3 Unique aspects of individual disability underwriting

Occupational considerations

Benefit limits

Policy issuance alternatives

11.4 Group disability income insurance

Group versus individual plans

Short-term disability (STD)

Long-term disability (LTD)

11.5 Business disability insurance

Key person disability income

Disability buy-sell policy

11.6 Social Security disability

Qualification for disability benefits

Definition of disability

Waiting period
 Disability income benefits
11.7 Workers compensation
 Eligibility
 Benefits

12.0 Medical Plans 9% (14 Items)

12.1 Medical plan concepts
 Fee-for-service basis versus prepaid basis vs. expense basis
 Expense based basis versus indemnity
 Specified coverages versus comprehensive care
 Benefit schedule versus usual/reasonable/customary charges
 Any provider versus limited choice of providers
 Insureds versus subscribers/participants
 Qualified Health Plans
 EPOs
 HDHPs

12.2 Types of providers and plans
 Limited Benefits Insurance
 Indemnity plan features
 Excepted Benefits Plans
 Hospital Indemnity Insurance
 Accident only insurance
 Specified Disease
 Major medical insurance (Comprehensive Insurance)
 Characteristics
 Participating vs Non-Participating providers
 Deductibles, Copay and Coinsurance
 Emergency care
 Preventive Care Services
 Common limitations
 Provisions affecting cost to insured

Qualified Health Plans (QHPs)
 General characteristics
 EHBs
 CSR and APTCs
 Special Enrollment Periods
 Preventive Care Services
 Maximum out of Pocket,
 Open Enrollment Period
 Preexisting Exclusions
 Health maintenance organizations (HMOs)
 General characteristics
 Primary care physician versus referral (specialty) physician
 Emergency care
 Hospital services
 Other basic services
 Preferred provider organizations (PPOs)
 General characteristics
 Open panel or closed panel
 Types of parties to the provider contract
 Point-of-service (POS) plans
 Nature and purpose
 PCP referral (gatekeeper PPO)
 HDHP plans
 Features and purpose
 Exclusive Provider Organization Plans
 Features and purpose
 Indemnity plan features
12.3 Cost containment in health care delivery
 Cost-saving services
 Preventive care
 Hospital outpatient benefits
 Alternatives to hospital services
 Utilization management
 Prospective review
 Concurrent review
 Grievance procedures

Network Adequacy
12.4 New Mexico eligibility requirements and benefit offers (individual and group)
 Dependent child age limit (59A-22-2(C))
 Continued coverage of handicapped children (59A-22-33)
 Newborn child coverage (59A-22-34)
 Adopted child coverage (59A-22-34.1)
 Child enrollment; noncustodial parents (59A-22-34.2)
 Home health care coverage (59A-22-36)
 Managed Health Care Rule (Reg 13.10.13.8-.12)
 Mental health parity (59A-23E-18)
 Women's health care benefits
 Patient Protection Act (59A-57-3)

12.5 HIPAA (Health Insurance Portability and Accountability Act) requirements
 Eligibility
 Guaranteed issue
 Pre-existing conditions
 Creditable coverage
 Renewability
12.6 Medical savings accounts (MSAs), Flexible savings accounts (FSAs), Health savings accounts (HSAs), Health reimbursement accounts (HRAs)
 Definition
 Eligibility
 Contribution limits

13.0 Group Health Insurance 6% (9 Items)

13.1 Characteristics of group insurance
 Group contract
 Certificate of coverage
 Experience rating versus community rating

13.2 Types of eligible groups

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

13.3 Marketing considerations

- Advertising
- Regulatory jurisdiction/place of delivery

13.4 Employer group health insurance

- Insurer underwriting criteria
 - Characteristics of group
 - Plan design factors
 - Persistency factors
 - Administrative capability
- Eligibility for insurance
 - Annual open enrollment
 - Employee eligibility
 - Dependent eligibility
- Coordination of benefits provision
- Subrogation
- Change of insurance companies or loss of coverage
- Coinsurance and deductible carryover
- No-loss no-gain
- Events that terminate coverage
- Extension of benefits (Reg 13.10.5.10)
- Continuation of coverage under COBRA and New Mexico specific rules (59A-18-16)

Conversion privilege (59A-18-16)

13.5 Small employer medical plans

- Definition of small employer (59A-23C-3(N))
- Rate and renewability (59A-23C-6)
- Pre-existing condition exclusion (59A-23C-7.1)

14.0 Dental Insurance 2% (3 Items)

14.1 Types of dental treatment

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

14.2 Dental plan types

Indemnity plan features

Indemnity vs. expense based plans

- 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

14.3 Employer group dental expense

- Integrated deductibles versus stand-alone plans
- Minimizing adverse selection

15.0 Insurance for Senior Citizens and Special Needs Individuals 6% (9 Items)

15.1 Medicare

Nature, financing and administration

Part A — Hospital insurance

- Individual eligibility requirements
- Enrollment
- Coverages and cost-sharing amounts

Part B — Medical insurance

- Individual eligibility requirements
- Enrollment
- Coverages and cost-sharing amounts
- Exclusions
- Claims terminology and other key terms

Part C — Medicare Advantage

Part D — Prescription Drug Insurance

15.2 Medicare supplements (Reg 13.10.8.6-.78)

- Purpose
- Open enrollment
- Standardized Medicare supplement plans
 - Core benefits
 - Additional benefits
- New Mexico regulations and required provisions
 - Advertising
 - Standards for marketing
 - Permitted compensation arrangements
 - Suitability for recommended purchase
 - Required disclosure provisions
 - Outline of coverage (59A-24A-9)
 - Right to return (free look) (59A-24A-10)
 - Replacement
 - Benefit standards
 - Pre-existing conditions (59A-24A-4(B))
 - Guaranteed issue

Prohibited provisions (59A-24A-4)

Medicare SELECT (Reg 13.10.8.26)

15.3 Other options for individuals with Medicare

Employer group health plans

Disabled employees

Employees with kidney failure

Individuals age 65 and older

Medicaid

Eligibility

Benefits

15.4 Long-term care (LTC) insurance

Eligibility for benefits

Levels of care

Skilled care

Intermediate care

Custodial care

Home health care

Adult day care

Respite care

Benefit periods

Benefit amounts

Optional benefits

Guarantee of insurability

Return of premium

Qualified LTC plans

Exclusions

Underwriting considerations

New Mexico regulations and required provisions

Advertising (59A-23A-11; Reg 13.10.15.36)

Standards for marketing (Reg 13.10.15.36, .49-.53)

Prohibited marketing practices (Reg 13.10.15.38)

Suitability of recommended

purchase (Reg 13.10.15.40, .52)

Required disclosure provisions (Reg 13.10.15.19, .50-.53)

Outline of coverage (Reg 13.10.15.45, .46)

Shoppers guide (Reg 13.10.15.47)

Right to return (free look) (59A-23A-6(E))

Replacement (Reg 13.10.15.25, .42)

Policy standards (59A-23A-6)

Benefit triggers (Reg 13.10.15.44)

Pre-existing conditions (59A-23A-7)

Inflation protection (Reg 13.10.15.24)

Nonforfeiture benefit offer (Reg 13.10.15.43)

Unintentional lapse (Reg 13.10.15.17)

Penalties (Reg 13.10.15.48)

15.5 New Mexico Medical Insurance Pool and Health Insurance Alliance (59A-54; Reg 13.10.10.1-.24; Bul 2008-006)

Eligibility

Coverages and limits

Exclusions

Deductibles and coinsurance

16.0 Federal Tax Considerations for Health Insurance 3% (4 Items)

16.1 Personally-owned health insurance

Disability income insurance

Medical expense insurance

Long-term care insurance

16.2 Employer group health insurance

Disability income (STD, LTD)

Medical and dental expense

Long-term care insurance

Accidental death and dismemberment

16.3 Medical expense coverage for sole proprietors and partners

16.4 Business disability insurance

Key person disability income

Buy-sell policy

16.5 Medical savings accounts (MSAs), Flexible spending accounts (FSAs), Health savings accounts (HSAs), Health reimbursement accounts (HRAs)

New Mexico Examination for Property Insurance Producer Series 18-28

100 questions – Two-hour time limit

1.0 Insurance Regulation 6% (6 Items)

1.1 Licensing

Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)

Types of licensees (Reg 13.4.2.7, .11)

Insurance Producers (59A-12-2)

Brokers (59A-12-3)

Consultants (59A-11A-1-8)

Nonresident (59A-12-25) (59A-11-24)

Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)

Maintenance and duration

Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)

Address change (59A-12-17) (59A-11-24)

Continuing education (59A-12-26; Reg 13.4.7.9, .12)

Disciplinary actions
 Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)
 Cease and desist orders (59A-16-27)
 Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8-10)
 Company regulation
 Certificate of authority (59A-5-10)
 Unfair claim settlement practices (59A-16-20)
 Complaint record (59A-16-22)
 Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)
 Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)
 Insurance Producer regulation
 Shared commissions (59A-12-24)
 Fiduciary duties (59A-12-22)
 Prohibited premiums or charges (59A-16-24)
 Unfair trade practices
 Misrepresentation (59A-16-4, 23)
 False advertising (59A-16-4, 5)
 Twisting (59A-16-6)
 Defamation (59A-16-10)
 Unfair discrimination (59A-16-12, 13, 17(D))
 Rebating (59A-16-16-18)
 Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)
 Insurance Fraud Act (59A-16C-1-16)
 Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

1.3 Federal regulation

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

2.0 General Insurance 13% (13 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
 Reinsurance

2.2 Insurers

Types of insurers
 Stock companies
 Mutual companies
 Fraternal benefit societies
 Risk retention groups
 Private versus government insurers
 Authorized versus unauthorized insurers
 Domestic, foreign and alien insurers
 Financial status (independent rating service)
 Marketing (distribution) systems

2.3 Insurance Producers and general rules of agency

Insurer as principal
 Insurance Producer/insurer relationship
 Authority and powers of Insurance 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
 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 18% (18 Items)

3.1 Principles and concepts

Insurable interest
 Underwriting
 Function
 Loss ratio
 Rates
 Types

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
- Valued policy

3.2 Policy structure

Declarations

Definitions

Insuring agreement or clause

Additional/supplementary coverage

Conditions

Exclusions

Endorsements

3.3 Common policy provisions

Insureds — named, first named, additional

Policy period

Policy territory

Cancellation and nonrenewal

Deductibles

Other insurance

- Nonconcurrency
- Primary and excess
- Pro rata

Policy limits

Restoration/nonreduction of limits

Coinsurance

Vacancy or unoccupancy

Named insured provisions

- Duties after loss
- Abandonment

Insurer provisions

- Liberalization
- Subrogation
- Salvage
- Claim settlement options

Third-party provisions

- Standard mortgage clause
- Loss payable clause

3.4 New Mexico laws, regulations and required provisions

New Mexico Property and Casualty Insurance Guaranty Fund (59A-43-1-18)

Cancellation and nonrenewal (59A-18-29; Reg 13.8.4.8, .9)

Binders (59A-18-22)

Arbitration (RL 44-7A-7)

Loss payment (59A-16-21)

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

4.0 Dwelling Policy 7% (7 Items)

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against

Basic

Broad

Special

4.3 Property coverages

Coverage A — Dwelling

Coverage B — Other structures

Coverage C — Personal property

Coverage D — Fair rental value

Coverage E — Additional living expense

Other coverages

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements

Special provisions — New Mexico (DP 01 30)

Automatic increase in insurance (DP 04 11)

Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners Policy 22% (22 Items)

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 — New Mexico (HO 01 30)

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 Commercial Package Policy (CPP) 18% (18 Items)

6.1 Components of a commercial policy

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

6.2 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 limit of insurance (CP 12 30)
 - Value reporting form (CP 13 10)

6.3 Commercial inland marine

- Nationwide marine definition
- Commercial inland marine conditions form
- Inland marine coverage forms
 - Accounts receivable
 - Bailee's customer
 - Commercial articles
 - Contractors equipment floater
 - Electronic data processing

- Equipment dealers
- Installation floater
- Jewelers block
- Signs
- Valuable papers and records

Transportation coverages

- Common carrier cargo liability
- Motor truck cargo forms
- Transit coverage forms

6.4 Equipment breakdown ('08)

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

6.5 Farm coverage

- Farm property coverages ('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
- Mobile agricultural machinery and equipment coverage form
- Causes of loss (basic, broad and special)
- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

7.0 Businessowners Policy — Property 10% (10 Items)

- 7.1 Characteristics and purpose**
- 7.2 Businessowners Section I — Property**
 - Coverage
 - Exclusions
 - Limits of insurance
 - Deductibles
 - Loss conditions
 - General conditions
 - Optional coverages
 - Definitions
- 7.3 Businessowners Section III — Common Policy Conditions**
- 7.4 Selected endorsements**
 - Protective safeguards (BP 04 30)

8.0 Other Coverages and Options 6% (6 Items)

- 8.1 National Flood Insurance Program**
 - "Write your own" versus government
 - Eligibility
 - Coverage
 - Limits
 - Deductibles
- 8.2 Other policies**
 - Boatowners
 - Difference in conditions
- 8.3 FAIR plan act** (59A-29-1-7, 9; Reg 13.13.3.1-.11)

New Mexico Examination for Casualty Insurance Series 18-29

100 questions – Two-hour time limit
Effective April 30, 2019

1.0 Insurance Regulation 4% (4 Items)

- 1.1 Licensing**
 - Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)

Types of licensees (Reg 13.4.2.7, .11)

- Insurance Producers (59A-12-2)
- Brokers (59A-12-3)
- Consultants (59A-11A-1-8)
- Nonresident (59A-12-25) (59A-11-24)
- Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)

Maintenance and duration

- Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)
- Address change (59A-12-17) (59A-11-24)
- Continuing education (59A-12-26; Reg 13.4.7.9, .12)

Disciplinary actions

- Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18, 19)
- Cease and desist orders (59A-16-27)
- Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8-10)

Company regulation

- Certificate of authority (59A-5-10)
- Unfair claim settlement practices (59A-16-20)
- Complaint record (59A-16-22)
- Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)
- Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)

Insurance Producer regulation

Shared commissions (59A-12-24)

Fiduciary duties (59A-12-22)

Prohibited premiums or charges (59A-16-24)

Unfair trade practices

- Misrepresentation (59A-16-4, 23)
- False advertising (59A-16-4, 5)
- Twisting (59A-16-6)
- Defamation (59A-16-10)
- Unfair discrimination (59A-16-12, 13, 17(D))
- Rebating (59A-16-16-18)
- Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

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

Reinsurance

2.2 Insurers

Types of insurers

- Stock companies
- Mutual companies
- Fraternal benefit societies
- Risk retention groups

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers

Financial status (independent rating service)

Marketing (distribution) systems

2.3 Insurance Producers and general rules of agency

Insurer as principal

Insurance Producer/insurer relationship

Authority and powers of Insurance 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
- 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% (15 Items)**

3.1 Principles and concepts

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

3.2 Policy structure

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

3.3 Common policy provisions

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

3.4 New Mexico laws, regulations and required provisions

New Mexico Property and Casualty Insurance Guaranty Fund (59A-43-1-18)
 Cancellation and nonrenewal (59A-18-29; Reg 13.8.4.8, .9)
 Binders (59A-18-22)
 Arbitration (RL 44-7A-7)
 Loss payment (59A-16-21)
 Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

**4.0 Homeowners Policy 16%
 (16 Items)**

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 — New Mexico (HO 01 30)
 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 18% (18 Items)

5.1 Laws

New Mexico Mandatory Financial Responsibility Act and required limits of liability (RL 66-5-201-239)
 New Mexico Motor Vehicle Assigned Risks Law (59A-32-1-13)
 Uninsured/underinsured motorist (RL 66-5-301; Reg 13.12.3.1-.17)
 Definitions
 Bodily injury
 Property damage
 Stacked and non-stacked
 UM/UIM rejection
 Required limits

Cancellation/nonrenewal (59A-17-7.1; 59A-18-29; Reg 13.8.4.8, .9)

Grounds

Notice

Aftermarket crash parts (RR 12.2.6.12)

5.2 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 expenses

Exclusions

Duties after an accident or loss

General provisions

Selected endorsements

Towing and labor costs (PP 03 03)

Limited Mexico coverage (PP 03 21)

Joint ownership coverage (PP 03 34)

5.3 Commercial auto ('10)

Commercial auto coverage forms

Business auto

Business auto physical damage

Garage

Coverage form sections

Covered autos

Liability coverage

Garagekeepers coverage

Physical damage coverage

Exclusions

Conditions

Definitions

Selected endorsements

Lessor — additional insured and loss payee (CA 20 01)

Mobile equipment (CA 20 15)

Auto medical payments coverage (CA 99 03)

Drive other car coverage (CA 99 10)

Individual named insured (CA 99 17)

6.0 Commercial Package Policy (CPP) 15% (15 Items)

6.1 Components of a commercial policy

Common policy declarations

Common policy conditions

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

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 coverages

Extortion — commercial entities

Guests' property

6.4 Farm coverage

Farm liability coverages ('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 Policy – Liability 10% (10 Items)

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

8.0 Workers Compensation Insurance 6% (6 Items)

- 8.1 Workers compensation laws**
 - Types of laws
 - Monopolistic versus competitive
 - Compulsory versus elective
 - New Mexico Workers Compensation Act
 - Exclusive remedy (RL 52-1-6)
 - Covered injuries (RL 52-1-11, 12, 19, 28)
 - Occupational disease (RL 52-3-33)
 - Benefits provided (RL 52-1-20, 25, 25.1, 26, 26.1, 40-44, 46, 49)
 - Federal workers compensation laws
 - Federal Employers Liability Act (FELA) (45 USC 51-60)
 - US 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 coverages

- Assigned risk pool law (59A-33-1-15)
- Self-insured employers and employer groups (RL 52-1-4(A); 52-5-4.1; 52-6-1-25)

9.0 Other Coverages and Options 8% (8 Items)

- 9.1 Umbrella/excess liability policies**
 - Personal (DL 98 01)
 - Commercial (CU 00 01)
- 9.2 Specialty liability insurance**
 - Professional liability
 - Errors and omissions
 - Director 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 Boatowners

New Mexico Examination for Property and Casualty Insurance Series 18-31

150 questions – 2.5-hour time limit
Effective April 30, 2019

1.0 Insurance Regulation 3% (5 Items)

1.1 Licensing

- Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)
- Types of licensees (Reg 13.4.2.7, .11)
 - Insurance Producers (59A-12-2)
 - Brokers (59A-12-3)
 - Consultants (59A-11A-1-8)
 - Nonresident (59A-12-25) (59A-11-24)
 - Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)
- Maintenance and duration
 - Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)
 - Address change (59A-12-17) (59A-11-24)
 - Continuing education (59A-12-26; Reg 13.4.7.9, .12)
- Disciplinary actions
 - Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18, 19)
 - Cease and desist orders (59A-16-27)
 - Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8-10)

Company regulation

Certificate of authority (59A-5-10)

Unfair claim settlement practices (59A-16-20)

Complaint record (59A-16-22)

Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)

Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)

Insurance Producer regulation

Shared commissions (59A-12-24)

Fiduciary duties (59A-12-22)

Prohibited premiums or charges (59A-16-24)

Unfair trade practices

Misrepresentation (59A-16-4, 23)

False advertising (59A-16-4, 5)

Twisting (59A-16-6)

Defamation (59A-16-10)

Unfair discrimination (59A-16-12, 13, 17(D))

Rebating (59A-16-18)

Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 7% (11 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

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Risk retention groups

Private versus government insurers

Authorized versus unauthorized insurers

Domestic, foreign and alien insurers

Financial status (independent rating service)

Marketing (distribution) systems

2.3 Insurance Producers and general rules of agency

Insurer as principal

Insurance Producer/insurer relationship

Authority and powers of Insurance 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

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 13% (19 Items)

3.1 Principles and concepts

Insurable interest

Underwriting

Function

Loss ratio

Rates

Types

Components

Hazards

Physical

Moral

Morale

Negligence

Elements of a negligent act

Defenses against negligence

Damages

 Compensatory — special versus general

 Punitive

Absolute liability

Strict liability

Vicarious liability

Causes of loss (perils)

Named perils versus special (open) perils

Direct loss

Consequential or indirect loss

Blanket versus specific insurance

Basic types of construction

Loss valuation

 Actual cash value

 Replacement cost

 Market value

 Agreed value

 Stated amount

 Valued policy

3.2 Policy structure

Declarations

Definitions

Insuring agreement or clause

Additional/supplementary coverage

Conditions

Exclusions

Endorsements

3.3 Common policy provisions

Insureds — named, first named, additional

Policy period

Policy territory

Cancellation and nonrenewal

Deductibles

Other insurance

 Nonconcurrency

 Primary and excess

Pro rata

Contribution by equal shares

Limits of liability

 Per occurrence (accident)

 Per person

 Aggregate — general versus products — completed operations

 Split

 Combined single

Restoration/nonreduction of limits

Coinsurance

Vacancy or unoccupancy

Named insured provisions

 Duties after loss

 Assignment

 Abandonment

Insurer provisions

 Liberalization

 Subrogation

 Salvage

 Claim settlement options

 Duty to defend

Third-party provisions

 Standard mortgage clause

 Loss payable clause

3.4 New Mexico laws, regulations and required provisions

New Mexico Property and Casualty Insurance Guaranty Fund (59A-43-1-18)

Cancellation and nonrenewal (59A-18-29; Reg 13.8.4.8, .9)

Binders (59A-18-22)

Arbitration (RL 44-7A-7)

Loss payment (59A-16-21)

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

4.0 Dwelling Policy 5% (7 Items)

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against

Basic

Broad

Special

4.3 Property coverages

Coverage A — Dwelling

Coverage B — Other structures

Coverage C — Personal property

Coverage D — Fair rental value

Coverage E — Additional living expense

Other coverages

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements

Special provisions — New Mexico (DP 01 30)

Automatic increase in insurance (DP 04 11)

Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners Policy 17% (26 Items)

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 — New Mexico (HO 01 30)

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 17% (26 Items)

6.1 Laws

New Mexico Mandatory Financial Responsibility Act and required limits of liability (RL 66-5-201-239)

New Mexico Motor Vehicle Assigned Risks Law (59A-32-1-13)

Uninsured/underinsured motorist (RL 66-5-301; Reg 13.12.3.1-.17)

Definitions

Bodily injury

Property damage

Stacked and non-stacked

UM/UIM rejection

Required limits

Cancellation/nonrenewal (59A-17-7.1; 59A-18-29; Reg 13.8.4.8, .9)

Grounds

Notice

Aftermarket crash parts (RR 12.2.6.12)

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 expenses

Exclusions

Duties after an accident or loss

General provisions

Selected endorsements

Towing and labor costs (PP 03 03)

Limited Mexico coverage (PP 03 21)

Joint ownership coverage (PP 03 34)

6.3 Commercial auto ('10)

Commercial auto coverage forms

Business auto

Business auto physical damage

Garage

Coverage form sections

Covered autos

Liability coverage

Garagekeepers coverage

Physical damage coverage

Exclusions

Conditions

Definitions

Selected endorsements

Lessor — additional insured and loss payee (CA 20 01)

Mobile equipment (CA 20 15)

Auto medical payments coverage (CA 99 03)

Drive other car coverage (CA 99 10)

Individual named insured (CA 99 17)

7.0 Commercial Package Policy (CPP) 16% (24 Items)

7.1 Components of a commercial policy

Common policy declarations

Common policy conditions

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

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 limit of insurance (CP 12 30)
 - Value reporting form (CP 13 10)
- 7.4 Commercial crime ('06)**
- General definitions
 - Burglary
 - Theft
 - Robbery
- Crime coverage forms
 - Commercial crime coverage forms (discovery/loss sustained)
 - Government crime coverage forms (discovery/loss sustained)
- Coverages
 - Employee theft
 - Forgery or alteration

- Inside the premises — theft of money and securities
- Inside the premises — robbery or safe burglary of other property
- Outside the premises
 - Computer fraud
 - Funds transfer fraud
 - Money orders and counterfeit money
- Other crime coverages
 - Extortion — commercial entities
 - Guests' property
- 7.5 Commercial inland marine**
- Nationwide marine definition
- Commercial inland marine conditions form
- Inland marine coverage forms
 - Accounts receivable
 - Bailee's customer
 - Commercial articles
 - Contractors equipment floater
 - Electronic data processing
 - Equipment dealers
 - Installation floater
 - Jewelers block
 - Signs
 - Valuable papers and records
- Transportation coverages
 - Common carrier cargo liability
 - Motor truck cargo forms
 - Transit coverage forms
- 7.6 Equipment breakdown ('08)**
- Equipment breakdown protection coverage form (EB 00 20)
- Selected endorsement
 - Actual cash value (EB 99 59)

- 7.7 Farm coverage**
- Farm property coverages ('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 coverages ('06)
 - Coverage H — Bodily injury and property damage liability
 - Coverage I — Personal and advertising injury liability
 - Coverage J — Medical payments
- Livestock coverage form
- Mobile agricultural machinery and equipment coverage form
- Causes of loss (basic, broad and special)
- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

8.0 Businessowners Policy 9% (13 Items)

- 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

Hired auto and non-owned auto liability (BP 04 04)
 Protective safeguards (BP 04 30)

9.0 Workers Compensation Insurance 6% (9 Items)

9.1 Workers compensation laws

Types of laws
 Monopolistic versus competitive
 Compulsory versus elective
 New Mexico Workers Compensation Act
 Exclusive remedy (RL 52-1-6)
 Covered injuries (RL 52-1-11, 12, 19, 28)
 Occupational disease (RL 52-3-33)
 Benefits provided (RL 52-1-20, 25, 25.1, 26, 26.1, 40-44, 46, 49)

Federal workers compensation laws
 Federal Employers Liability Act (FELA) (45 USC 51-60)
 US 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 coverages

Assigned risk pool law (59A-33-1-15)
 Self-insured employers and employer groups (RL 52-1-4(A); 52-5-4.1; 52-6-1-25)

10.0 Other Coverages and Options 7% (10 Items)

10.1 Umbrella/excess liability policies

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

10.2 Specialty liability insurance

Professional liability
 Errors and omissions
 Director 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 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

10.6 Other policies

Boatowners
 Difference in conditions

10.7 FAIR plan act (59A-29-1-7, 9; Reg 13.13.3.1-.11)

New Mexico Examination for Title Insurance Series 18-33
50 questions – One-hour time limit
Effective April 30, 2019

1.0 Insurance Regulation 12% (6 Items)

1.1 Licensing

Requirements for licensure (59A-12-6, 12, 13)
 Maintenance and duration
 Expiration and renewal (59A-11-10, 11; Reg 13.4.2.13; Reg 13.4.2.27; Reg 13..4.2.28)
 Continuing education (59A-12-26; Reg 13.4.7.9, .12)
 Disciplinary actions
 Suspension, revocation or refusal to renew (59A-11-8, 10, 14-16, 18)
 Cease and desist orders (59A-16-27)
 Penalties and fines (59A-1-18; 59A-11-17, 21; 59A-16-29)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8; 59A-30-4)
 Insurer regulation

Rates (59A-30-6, 15; Reg 13.14.9.8-.11)

Forms (59A-30-5, 15); Reg 13.14.18.1-13

Examination of title required (59A-30-11)

Insurance Producer regulation

Gross negligence of Insurance Producer (Reg 13.14.3.8(A))

Disregard of written instructions (Reg 13.14.3.8(B))

Unfair trade practices and frauds (Reg 13.14.3.8(C))

Misrepresentation (59A-16-4, 23)

Illegal inducements (59A-12-11)

Charges to be made for all services (Reg 13.14.3.13)

Failure to act as fiduciary (59A-12-22; Reg 13.14.4.8)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

Reporting requirements, examination of books and records (59A-4-3, 4; Reg 13.14.16.8; Reg 13.14.17.8)

1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 4% (2 Items)

2.1 Insurance Producers and general rules of agency

Insurer as principal

Insurance Producer/insurer relationship

Authority and powers of Insurance Producers

Express

Implied

Apparent

Responsibilities to the applicant/insured

2.2 Contracts

Elements of a legal contract

Offer and acceptance

Consideration

Competent parties

Legal purpose

3.0 Real Property 20% (10 Items)

3.1 Concepts, principles and practices

Definition of real property

Types of real property

Title to real property

Marketable title

3.2 Acquisition and transfer of real property

Conveyances

Encumbrances

Adverse possession

Condemnation

Escheats

Abandonment

Judicial sales

Decedent's estates

Intestate

Testate

Trusts

Types of joint ownership

Tenants in common

Joint tenancy

Community property

Acknowledgments

Legal capacity of parties

Individuals

Corporations

General partnerships

Limited partnerships

Fictitious names

Trust agreements

Limited Liability Company (LLC)

3.3 Legal descriptions

Types of legal descriptions

Types of measurements used

Language of legal descriptions

3.4 Escrow principles

Escrow terminology

Fiduciary responsibilities of escrow Insurance Producers

3.5 Recording

Requirements to record

Presumptions

4.0 Title Insurance 36% (18 Items)

4.1 Title insurance principles

Risks covered by title insurance

Risk of error in public records

Hidden off-record title risks

Risk of omission and commission by Insurance Producer

Entities that can be insured; need for insurance

Individual

Commercial

Interests that can be insured

Fee simple estate

Estate in common

Leasehold estate

Life estate

Easements

Title insurance forms

Promulgated forms (Reg 13.14.8.10; 13.14.18.8)

Commitments

Owner's policy

Loan policy

Leasehold policies

Replacement policy

Title insurance policy structure and provisions

Insuring provisions

Schedule A

Schedule B — exceptions from coverage

Exclusions from coverage
 Conditions and stipulations
 Endorsements
 Title Insurance General Rate Provisions
 Inclusive
 Payments of premium to others
 Rebates and unauthorized discounts
 Reissue Owner's or leasehold rates
 Refinance
 Endorsements

4.2 Title searching techniques

Hard copy index
 Computer index
 Chain sheet

5.0 Title Exceptions and Procedures for Clearing Title 28% (14 Items)

5.1 Principles and concepts

General exceptions
 Voluntary and involuntary liens
 Federal liens
 Mortgage
 Deed of trust
 Judgments
 Taxes and assessments
 Recent surveys
 Condominiums
 Water rights
 Mineral rights
 Equitable interests
 Executions
 Covenants
 Conditions
 Restrictions
 Access

5.2 Special problem areas and concerns

Acknowledgments
 Mechanic's lien
 Bankruptcy

Probate
 Good faith
 Foreclosure
 Claims against the title
 Lis pendens
 Tribal Land Access

5.3 Principles of clearing title

Releases
 Assignments
 Subordinations
 Affidavits
 Quiet Title

5.4 Settlement or closing procedures

Real Estate Settlement Procedures Act (RESPA) Sections 8 & 9
 Insured closing protection
 Available funds
 Interest bearing trust account
 Requirements
 Books & Records
 Accounting Procedures
 Agreed-Upon Procedures Review
 Escrow Compliance

New Mexico Examination for Bail Bonds Series 18-34

50 questions – One-hour time limit

Effective April 30, 2019

1.0 Insurance Regulation 16% (8 Items)

1.1 Licensing

Superintendent's general duties and powers (59A-2-8)
 Process (59A-51-5; Reg 13.20.2.8, .9)
 Persons to be licensed (59A-51-2, 3)
 Types of licensees
 Bail bondsman (59A-51-2(A))

Limited surety Producer (59A-51-2(C))
 Property bondsman (59A-51-2(D))
 Requirements (59A-51-4, 4.1)
 Surety bond (59A-51-8)
 Solicitor appointment (59A-51-5(C), 12)
 Maintenance and duration
 Expiration and renewal (59A-11-10, 11; 59A-51-10)
 Termination of business (59A-51-11(B))
 Address change (59A-12-17) (59A-11-24)
 Continuing education (59A-12-26; Reg 13.4.7.9, .12)
 Disciplinary actions
 Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)
 Cease and desist order (59A-16-27)
 Penalty for violations (59A-51-16, 17, 18)

1.2 Bondsman regulation

Place of business (59A-51-13; Reg 13.20.2.18)
 Operate under one name (59A-51-13)
 Record maintenance and examination (Reg 13.20.2.22)
 Financial statement (59A-51-10(B))
 List of forfeitures (Reg 13.20.2.22)
 Prohibited conduct
 Practice of law (59A-51-13(A)(5))
 Referral to attorney (59A-51-13(A)(1))
 Signing bond in blank (59A-51-13(D))
 Unfair and prohibited practices
 Twisting (59A-16-6)

Falsification, omission of records; misleading financial statements (59A-16-8)

Unfair discrimination, rebates; other coverages (59A-16-12, 13, 17)

Monopolistic practices (59A-16-19)

False applications, claims, proofs of loss (59A-16-23)

Knowledge of insurer of prohibited acts (59A-16-25)

Penalties (59A-16-29)

Misrepresentation (59A-16-4; 59A-51-14(A)(2))

False advertising (59A-16-5)

Defamation (59A-16-10)

Boycott, coercion or intimidation (59A-16-19)

Charges and refunds (59A-51-13)

Extra territorial fees (59A-51-13)

Compensation (Reg 13.20.2.18)

Other provisions applicable (59A-51-19)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

2.0 The Legal Framework 39% (20 Items)

2.1 Court jurisdictions

Original jurisdiction

 Territorial

 Judicial

 Personal

Appellate jurisdiction

2.2 Definitions (31-1-2)

Acquit

Adjudicate

Capital offense

Conviction

Custody

Defendant

Disposition

Extradition

Felony

Fugitive

Hearing

Incarceration

Indictment

Misdemeanor

Recognizance

Revoke

Suspend

Warrant

Writ

2.3 Parties to a surety bond

Principal

 Indemnitor for principal

 Indemnity agreement

Obligee

Surety

3.0 Bail Bond Principles and Practices (Supreme Court Rules and Criminal Forms, Article 3 - Bail, Article 4 - Provisions) 45% (22 Items)

3.1 Duties of bail agent

Approval (Reg 13.20.2.23)

Premium receipt (Reg 13.20.2.18)

Power of attorney

Collateral and trust obligations (Reg 13.20.2.21)

3.2 Procedure

Application for bond (Surety/defendant contract)

Collateral security

Surety contract

Posting the bond

Informational notice

3.3 Court procedures

Court appearances

 Arraignment

 Trial

 Appeal

Conditions of bail

Prior to trial

Pending appeal

Failure to appear (31-3-2)

Revocation of bail

3.4 Release provisions (Article 4)

Cash only bond

Personal surety bond

Corporate surety bond

Personal recognizance

3.5 Surrender of principal (defendant) (31-3-3)

Discharge of bond

Return of premium

Return of collateral

3.6 Bond forfeiture

Motion

Notice to defendant and sureties (31-3-2)

Judgment

Dispersal of funds

Arrest after forfeiture

New Mexico Examination for Crop Insurance Series 18-35

50 questions – 1-hour time limit

Effective April 30, 2019

1.0 Insurance Regulation 10% (5 Items)

1.1 Licensing

Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)

Types of licensees (Reg 13.4.2.7, .11)

 Insurance Producers (59A-12-2)

 Brokers (59A-12-3)

 Consultants (59A-11A-1-8)

 Nonresident (59A-12-25) (59A-11-24)

 Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)

Maintenance and duration

 Expiration and renewal (59A-11-

10, 11; Reg 13.4.2.17, .18)
 Address change (59A-12-17) (59A-11-24)
 Continuing education (59A-12-26; Reg 13.4.7.9, .12)
 Disciplinary actions
 Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)
 Cease and desist orders (59A-16-27)
 Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8-10)
 Company regulation
 Certificate of authority (59A-5-10)
 Unfair claim settlement practices (59A-16-20)
 Complaint record (59A-16-22)
 Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)
 Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)
 Insurance Producer regulation
 Shared commissions (59A-12-24)
 Fiduciary duties (59A-12-22)
 Prohibited premiums or charges (59A-16-24)
 Controlled business (59A-12-8, 9)
 Unfair trade practices
 Misrepresentation (59A-16-4, 23)
 False advertising (59A-16-4, 5)
 Twisting (59A-16-6)

Defamation (59A-16-10)
 Unfair discrimination (59A-16-12, 13, 17(D))
 Rebating (59A-16-16-18)
 Boycott, coercion, or intimidation (59A-16-19)
 Examination of books and records (59A-4-3, 4)
 Insurance Fraud Act (59A-16C-1-16)
 Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

1.3 Federal regulation

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

2.0 General Insurance 10% (5 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
 Reinsurance

2.2 Insurers

Types of insurers
 Stock companies
 Mutual companies
 Fraternal benefit societies
 Risk retention groups
 Private versus government insurers

Authorized versus unauthorized insurers
 Domestic, foreign and alien insurers
 Financial status (independent rating service)
 Marketing (distribution) systems

2.3 Insurance Producers and general rules of agency

Insurer as principal
 Insurance Producer/insurer relationship
 Authority and powers of Insurance 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
 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 Insurance 34% (17 Items)

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 coverage
- Catastrophe loss award
- Assignment
- Subrogation

3.8 Claim settlement practices

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

3.9 Mandatory endorsements

- NCIS - 445 Tomatoes, Vegetable and Vine Crops

NCIS - 577 Tree Fruits, Grapes, Bush Fruits and Berries

4.0 Federal Multi-Peril Crop Insurance Programs 46% (23 Items)

4.1 Basic crop insurance

- 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
- Duties after loss
 - Insured
 - Insurer

4.4 Additional programs

- Crop Revenue Coverage (CRC)
- Income Protection (IP)
- Revenue Assurance (RA)
- Group Risk Plan (GRP)

New Mexico Examination for Personal Lines Insurance Series 18-38

**100 questions - 2-hour time limit
Effective April 30, 2019**

1.0 Insurance Regulation 20% (20 Items)

1.1 Licensing

- Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)
- Types of licensees (Reg 13.4.2.7, .11)
 - Insurance Producers (59A-12-2)
 - Brokers (59A-12-3)
 - Consultants (59A-11A-1-8)
 - Nonresident (59A-12-25)
 - Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)
- Maintenance and duration
 - Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)
 - Address change (59A-12-17) (59A-11-24)
 - Continuing education (59A-12-26; Reg 13.4.7.9, .12)
- Disciplinary actions
 - Suspension, revocation, or refusal to renew (59A-11-8, 10, 14-16, 18)

Cease and desist orders (59A-16-27)

Penalties and fines (59A-1-18, 59A-11-17, 21)

1.2 State regulation

Superintendent's general duties and powers (59A-2-8-10)

Company regulation

Certificate of authority (59A-5-10)

Unfair claim settlement practices (59A-16-20)

Complaint record (59A-16-22)

Appointment of Insurance Producer (59A-11-12; Reg 13.4.2.17)

Termination of Insurance Producer appointment (59A-11-13; Reg 13.4.2.29)

Insurance Producer regulation

Shared commissions (59A-12-24)

Fiduciary duties (59A-12-22)

Prohibited premiums or charges (59A-16-24)

Unfair trade practices

Misrepresentation (59A-16-4, 23)

False advertising (59A-16-4, 5)

Twisting (59A-16-6)

Defamation (59A-16-10)

Unfair discrimination (59A-16-12, 13, 17(D))

Rebating (59A-16-16-18)

Boycott, coercion, or intimidation (59A-16-19)

Examination of books and records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer information privacy (59A-2-9.3; Reg 13.1.3.1-.28)

1.3 Federal regulation

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

Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 10% (10 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

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Lloyd's associations

Risk retention groups

Private versus government insurers

Admitted versus nonadmitted insurers

Domestic, foreign and alien insurers

Financial status (independent rating services)

Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal

Producer/insurer relationship

Authority and powers of producers

Express

Implied

Apparent

2.4 Contracts

Elements of a legal contract

Offer and acceptance

Consideration

Competent parties

Legal purpose

Distinct characteristics of an insurance contract

Contract of adhesion

Aleatory contract

Personal contract

Unilateral contract

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 23% (23 Items)

3.1 Principles and concepts

Insurable interest

Underwriting

Function

Loss ratio

Rates

Types

Loss costs

Components

Hazards

Physical	Policy period	Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)
Moral	Policy territory	
Morale	Cancellation and nonrenewal	
Negligence	Deductibles	4.0 Dwelling Policy 6% (6 Items)
Elements of a negligent act	Other insurance	4.1 Characteristics and purpose
Defenses against negligence	Nonconcurrency	4.2 Coverage forms — Perils insured against
Damages	Primary and excess	Basic
Compensatory — special versus general	Pro rata	Broad
Punitive	Limits of liability	Special
Absolute liability	Per occurrence (accident)	4.3 Property coverages
Strict liability	Per person	Coverage A — Dwelling
Vicarious liability	Split	Coverage B — Other structures
Causes of loss (perils)	Combined single	Coverage C — Personal property
Named perils versus special (open) perils	Restoration/nonreduction of limits	Coverage D — Fair rental value
Direct loss	Coinurance	Coverage E — Additional living expense
Consequential or indirect loss	Vacancy or unoccupancy	Other coverages
Blanket versus specific insurance	Named insured provisions	4.4 General exclusions
Basic types of construction	Duties after loss	4.5 Conditions
Loss valuation	Assignment	4.6 Selected endorsements
Actual cash value	Abandonment	Special provisions — New Mexico (DP 01 30)
Replacement cost	Insurer provisions	Automatic increase in insurance (DP 04 11)
Functional replacement cost	Liberalization	Dwelling under construction (DP 11 43)
Market value	Subrogation	4.7 Personal liability supplement
Agreed value	Salvage	5.0 Homeowners Policy 16% (16 Items)
Stated amount	Claim settlement options	5.1 Coverage forms
Valued policy	Duty to defend	HO-2 through HO-6
3.2 Policy structure	Third-party provisions	5.2 Definitions
Declarations	Standard mortgage clause	5.3 Section I — Property coverages
Definitions	Loss payable clause	Coverage A — Dwelling
Insuring agreement or clause	3.4 New Mexico laws, regulations and required provisions	Coverage B — Other structures
Additional/supplementary coverage	New Mexico Property and Casualty Insurance Guaranty Fund (59A-43-1-18)	Coverage C — Personal property
Conditions	Cancellation and nonrenewal (59A-18-29; Reg 13.8.4.8, .9)	Coverage D — Loss of use
Exclusions	Binders (59A-18-22)	Additional coverages
Endorsements	Arbitration (RL 44-7A-7)	5.4 Section II — Liability coverages
3.3 Common policy provisions	Loss payment (59A-16-21)	
Insureds — named, first named, additional		

Coverage E — Personal liability

Coverage F — Medical payments to others

Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — New Mexico (HO 01 30)

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 22% (22 Items)

6.1 Laws

New Mexico Mandatory Financial Responsibility Act and required limits of liability (RL 66-5-201-239)

New Mexico Motor Vehicle Assigned Risks Law (59A-32-1-13)

Uninsured/underinsured motorist (RL 66-5-301; Reg 13.12.3.1-.17)

Definitions

Bodily injury

Property damage

Stacked and non-stacked

UM/UIM rejection

Required limits

Cancellation/nonrenewal (59A-17-7.1; 59A-18-29; Reg 13.8.4.8, .9)

Grounds

Notice

Aftermarket crash parts (RR 12.2.6.12)

6.2 Personal ('05) 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

Towing and labor costs (PP 03 03)

Limited Mexico coverage (PP 03 21)

Joint ownership coverage (PP 03 34)

7.0 Other Coverages and Options 3% (3 Items)

7.1 Personal umbrella policy

7.2 National Flood Insurance Program

"Write your own" versus government

Eligibility

Coverage

Limits

Deductibles

7.3 Other policies

Boatowners

New Mexico Examination for Public Adjuster Series 18-39

50 questions - 1-hour time limit

Effective April 30, 2019

1.0 Insurance Regulation 12% (6 Items)

1.1 Licensing requirements

Qualifications (59A-11, 59A-12)

Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)

Fees

1.2 Maintenance and duration (NMSA 59A-11)

Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)

Contract requirements

Records

Name and Address change (59A-12-17) (59A-11-24)

Reporting of actions

Emergency Adjusters (NMSA 59A-13-6)

1.3 Disciplinary actions

Cease and desist orders (59A-16-27)

Penalties and fines (59A-1-18, 59A-11-17, 21)

Suspension, revocation, or refusal to issue or renew (59A-11-8, 10, 14-16, 18)

1.4 Claim settlement laws and regulations (59A-16-20)

1.5 Unfair and Prohibited Insurance Trade Practices

2.0 Insurance Basics 22% (11 Items)

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
 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

2.2 Insurance principles and concepts

Insurable interest
 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
 Broad Evidence Rule
 Replacement cost
 Market value
 Agreed value
 Stated amount
 Valued policy

2.3 Policy structure

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

2.4 Common policy provisions

Insureds — named, first named, additional
 Policy period
 Policy territory
 Cancellation and nonrenewal
 Deductibles
 Other insurance
 Nonconcurrency
 Primary and excess
 Pro rata
 Policy limits
 Restoration/nonreduction of limits
 Coinsurance
 Vacancy or unoccupancy
 Assignment
 Liberalization
 Third-party provisions
 Standard mortgage clause
 Loss payable clause
 No benefit to Bailee

2.5 New Mexico laws, regulations and required provisions

New Mexico Property and Casualty Insurance Guaranty Fund (59A-43-1-18)
 Cancellation and nonrenewal (59A-18-29; Reg 13.8.4.8, .9)
 Binders (59A-18-22)
 Arbitration (RL 44-7A-7)
 Loss payment (59A-16-21)
 Federal Terrorism Insurance Program (15 USC

6701; Public Law 107-297, 109-144, 110-160)

3.0 Adjusting Losses 23% (12 Items)

3.1 Role of the adjuster

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

3.2 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

3.3 Claims adjustment procedures
 Subrogation procedures
 Alternative dispute resolution
 Appraisal
 Arbitration
 Competitive estimates
 Mediation
 Negotiation

4.0 Dwelling Policy 10% (5 Items)

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against

Basic
 Broad
 Special

4.3 Property coverages

- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Fair rental value
- Coverage E — Additional living expense
- Other coverages

4.4 General exclusions
4.5 Conditions
4.6 Selected endorsements

- Special provisions — New Mexico (HO 01 30)
- Automatic increase in insurance (DP 04 11)
- Dwelling under construction (DP 11 43)

5.0 Homeowners Policy 17% (8 Items)

- 5.1 Coverage forms**
HO-2 through HO-6
- 5.2 Definitions**
- 5.3 Section I — Property coverages**
 - Coverage A — Dwelling
 - Coverage B — Other structures
 - Coverage C — Personal property
 - Coverage D — Loss of use
 - Additional coverages
- 5.4 Perils insured against**
- 5.5 Exclusions**
- 5.6 Conditions**
- 5.7 Selected endorsements**
 - Special provisions — New Mexico (HO 01 30)
 - 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 Commercial Package Policy (CPP) 8% (4 Items)

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

6.2 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 coverage (CP 04 05)
 - Spoilage coverage (CP 04 40)
 - Peak season limit of insurance (CP 12 30)
 - Value reporting form (CP 13 10)

6.3 Commercial inland marine

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

7.0 Businessowners Policy 8% (4 Items)

- 7.1 Characteristics and purpose**
- 7.2 Businessowners Section I — Property**
 - Coverage
 - Exclusions
 - Limits of insurance
 - Deductibles
 - Loss conditions
 - General conditions
 - Optional coverages
 - Definitions
- 7.3 Businessowners Section III — Common Policy Conditions**
- 7.4 Selected endorsements**
 - Protective safeguards (BP 04 30)
 - Hired auto and non-owned auto liability (BP 04 04)

New Mexico Examination for Independent / Staff Adjuster Series 18-40

50 questions – 1-hour time limit
Effective April 30, 2019

1.0 Insurance Regulation 5% (2 Items)

1.1 Licensing requirements

- Qualifications (59A-11, 59A-12)
- Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)
- Licensing exemptions

1.2 Maintenance and duration

- Expiration and renewal (59A-11-10, 11; Reg 13.4.2.17, .18)
- Records
- Continuing education requirements (59A-12-26; Reg 13.4.7.9, .12)

1.3 Disciplinary actions

- Cease and desist orders (59A-16-27)
- Penalties and fines (59A-1-18, 59A-11-17, 21)
- Suspension, revocation, or refusal to issue or renew (59A-11-8, 10, 14-16, 18)

1.4 Claim settlement laws and regulations

1.5 Federal regulation

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

1.6 Records Retention

2.0 Insurance Basics 20% (10 Items)

2.1 Contracts

- Elements of a legal contract
 - Offer and acceptance
 - Consideration
 - Competent parties
 - Legal purpose
- Legal interpretations affecting contracts
 - Ambiguities in a contract of adhesion
 - Reasonable expectations
 - Indemnity
 - Utmost good faith

- Representations/misrepresentations
- Warranties
- Concealment
- Fraud
- Waiver and estoppel

2.2 Insurance principles and concepts

- Insurable interest
- Hazards
 - Physical
 - Moral
 - Morale
- Negligence
 - Elements of a negligent act
 - Defenses against negligence
- Damages
 - Compensatory — special versus general
 - Punitive
- Absolute liability
- Strict liability
- Vicarious liability
- Causes of loss (perils)
- Named peril versus special (open) perils
- Direct loss
- Consequential or indirect loss
- Blanket versus specific insurance
- Basic types of construction
- Loss valuation
 - Actual cash value
 - Replacement cost
 - Functional replacement cost
 - Market value
 - Agreed value
 - Stated amount

2.3 Policy structure

- Declarations
- Definitions
- Insuring agreement or clause

- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

2.4 Common policy provisions

- Insureds — named, first named, additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
 - Nonconcurrency
 - Primary and excess
 - Pro rata
 - Contribution by equal shares
- Limits of liability
 - Per occurrence (accident)
 - Per person
 - Aggregate — general versus products — completed operations
 - Split
 - Combined single
- Restoration/nonreduction of limits
- Coinsurance
- Vacancy or unoccupancy
- Assignment
- Insurer provisions
 - Liberalization
 - Duty to defend
- Third-party provisions
 - Standard mortgage clause
 - Loss payable clause
 - No benefit to the Bailee

2.5 New Mexico laws, regulations and required provisions

- New Mexico Property and Casualty Insurance

Guaranty Fund (59A-43-1-18)
 Cancellation and nonrenewal (59A-18-29; Reg 13.8.4.8, .9)
 Concealment, misrepresentation or fraud
 Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

3.0 Adjusting Losses 20% (10 Items)

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 Policy 5% (3 Items)

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

4.7 Personal liability supplement

5.0 Homeowners Policy 12% (6 Items)

5.1 Coverage forms

HO-2 through HO-6

5.2 Definitions

5.3 Section I – Property coverages

Coverage A – Dwelling
 Coverage B – Other structures
 Coverage C – Personal property
 Coverage D – Loss of use
 Additional coverages

5.4 Section II – Liability coverages

Coverage E – Personal liability
 Coverage F – Medical payments to others
 Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions – (HO 01 28)
 Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 Permitted incidental occupancies (HO 04 42)
 Earthquake (HO 04 54)
 Scheduled personal property (HO 04 61)
 Personal property replacement cost (HO 04 90)
 Home day care (HO 04 97)
 Business pursuits (HO 24 71)

Watercraft (HO 24 75)
 Personal injury (HO 24 82)

6.0 Auto Insurance 15% (8 Items)

6.1 Laws

New Mexico Motor Vehicle Financial Responsibility Law
 Required limits of liability (RL 259:61, 264:20)
 New Mexico Motor Vehicle Insurance Plan (Reg 1405)
 New Mexico Commercial Auto Insurance Plan
 Uninsured/underinsured motorist (RL 264:15)
 Definitions
 Bodily injury
 Required limits
 Cancellation/nonrenewal (417-A)
 Grounds
 Notice
 Notice of eligibility in New Mexico Motor Vehicle Insurance Plan (417-A:5(V))
 Residency statement (417-A:3-b)
 Medical costs coverage (RL 264:16)
 After-market parts regulation (407-D)
6.2 Personal ('05) auto policy
 Definitions
 Liability coverage
 Bodily injury and property damage
 Supplementary payments
 Exclusions
 Medical payments
 Uninsured motorist / underinsured motorist coverage
 Coverage for damage to your auto
 Collision
 Other than collision

Deductibles
 Transportation expense
 Exclusions
 Duties after an accident or loss
 General provisions
 Selected endorsements
 Amendment of policy provisions — (PP 01 76)
 Towing and labor costs (PP 03 03)
 Extended non-owned coverage — vehicles furnished or available for regular use (PP 03 06)
 Miscellaneous type vehicle — (PP 13 32)
 Joint ownership coverage — (PP 13 34)

6.3 Commercial auto ('10)

Commercial auto coverage forms
 Business auto
 Garage
 Business auto physical damage
 Coverage form sections
 Covered autos
 Liability coverage
 Garagekeepers coverage
 Physical damage coverage
 Exclusions
 Conditions
 Definitions
 Selected endorsements
 Lessor — additional insured and loss payee (CA 20 01)
 Mobile equipment (CA 20 15)
 Auto medical payments coverage (CA 99 03)
 Drive other car coverage (CA 99 10)

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

7.0 Commercial Package Policy (CPP) 5% (3 Items)

7.1 Components of a commercial policy

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

7.2 Commercial general liability ('07)

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

Pollution liability coverage form (CG 00 39)

Pollution liability limited coverage form (CG 00 40)

Pollution liability coverage extension endorsement (CG 04 22)

7.3 Commercial property ('07)

Commercial property conditions form

Coverage forms

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

Causes of loss forms

- Basic
- Broad
- Special

Selected endorsements coverage

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

7.4 Commercial crime ('06)

General definitions

- Burglary
- Theft
- Robbery

Crime coverage forms

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

(discovery/loss sustained)

Coverages

- Employee theft
- Forgery or alteration
- Inside the premises — theft of money and securities
- Inside the premises — robbery or safe burglary of other property
- Outside the premises
- Computer fraud
- Funds transfer fraud
- Money orders and counterfeit money
- Other crime coverage
- Extortion — commercial entities (CR 04 03)

7.5 Commercial inland marine

Nationwide marine definition

Commercial inland marine conditions form

Inland marine coverage forms

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

Transportation coverages

- Common carrier cargo liability
- Motor truck cargo forms
- Transit coverage forms

7.6 Equipment breakdown ('11)

Equipment breakdown protection coverage form (EB 00 20)

Selected endorsement

- Actual cash value (EB 99 59)

7.7 Farm coverage

Farm property coverage form ('03)

- Coverage A — Dwellings
- Coverage B — Other private structures
- Coverage C — Household personal property
- Coverage D — Loss of use
- Coverage E — Scheduled farm personal property
- Coverage F — Unscheduled farm personal property
- Coverage G — Other farm structures

Farm liability coverage form ('06)

- Coverage H — Bodily injury and property damage liability
- Coverage I — Personal advertising injury liability
- Coverage J — Medical payments

Livestock coverage form

Mobile agriculture machinery and equipment coverage form

Causes of loss (basic, broad and special)

Exclusions

Additional coverages

Limits of insurance

Conditions

Definitions

8.0 Businessowners Policy 5% (2 Items)

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

Coverage

- Exclusions
- Limits
- Deductibles
- Loss conditions
- General conditions
- Optional coverages
- Definitions
- 8.3 Businessowners Section II – Liability**
- Coverages
- Exclusions
- Who is an insured
- Limits of insurance
- General conditions
- Definitions
- 8.4 Businessowners Section III – Common Policy Conditions**
- 8.5 Selected endorsements**
- Hired auto and non-owned auto liability (BP 04 04)
- Protective safeguards (BP 04 30)
- Utility services — direct damage (BP 04 56)
- Utility services — time element (BP 04 57)
- 9.0 Other Coverages and Options 3% (1 Item)**
- 9.1 Umbrella/Excess Liability Policies**
- Personal
- Commercial
- Boatowners
- 9.2 Ocean Marine Insurance**
- Major Coverages
- Cargo Insurance
- Freight Insurance
- 9.3 Protection and Indemnity**
- 9.4 Businessowners Section III – Common Policy Conditions**
- 10.0 Workers' Compensation Insurance 10% (5 Items)**
- 10.1 Workers compensation laws**
- Types of laws
- Monopolistic versus competitive

- Compulsory versus elective
- New Mexico Workers Compensation Act
- Exclusive remedy (RL 52-1-6)
- Covered injuries (RL 52-1-11, 12, 19, 28)
- Occupational disease (RL 52-3-33)
- Benefits provided (RL 52-1-20, 25, 25.1, 26, 26.1, 40-44, 46, 49)
- Federal workers compensation laws
- Federal Employers Liability Act (FELA) (45 USC 51-60)
- US Longshore and Harbor Workers Compensation Act (33 USC 904)
- The Jones Act (46 USC 688)
- 10.2 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
- 10.3 Premium computation**
- Job classification — payroll and rates
- Experience modification factor
- Premium discounts
- 10.4 Other sources of coverages**
- Assigned risk pool law (59A-33-1-15)
- Self-insured employers and employer groups (RL 52-1-4(A); 52-5-4.1; 52-6-1-25)

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