

LIFE-GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts (50 scoreable questions plus 10 pretest questions)

I. TYPES OF POLICIES..... 12

A. Traditional whole life products

1. Ordinary (straight) life
2. Limited-pay and single-premium life
3. Adjustable life

B. Interest/market-sensitive life products

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life
5. Equity-indexed life

C. Term life

1. Types
 - a. Level
 - b. Decreasing
 - c. Return of premium
 - d. Annually renewable
 - e. Increasing term
2. Special features
 - a. Renewable
 - b. Convertible

D. Annuities

1. Single and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Indexed

E. Combination plans and variations

1. Joint life
2. Survivorship life (second to die)

II. POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS

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A. Policy riders

1. Waiver of premium and waiver of premium with disability income
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds (e.g., spouse, children, nonfamily)
7. Long term care
8. Return of premium

B. Policy provisions and options

1. Entire contract
2. Insuring clause
3. Free look
4. Consideration
5. Owner's rights
6. Beneficiary designations

- a. Primary and contingent
- b. Revocable and irrevocable
- c. Changes
- d. Common disaster
- e. Minor beneficiaries

7. Premium Payment

- a. Modes
- b. Grace period
- c. Automatic premium loan
- d. Level or flexible

8. Reinstatement

9. Policy loans, withdrawals, partial surrenders

10. Non-forfeiture options

11. Dividends and dividend options

12. Incontestability

13. Assignments

14. Suicide

15. Misstatement of age and gender

16. Settlement options

17. Accelerated death benefits

C. Policy exclusions

III. COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY 11

A. Completing the application

1. Required signatures
2. Changes in the application
3. Consequences of incomplete applications
4. Warranties and representations
5. Collecting the initial premium and issuing the receipt
6. Replacement
7. Disclosures at point of sale (e.g., HIPAA, HIV consent)
8. USA PATRIOT Act/anti-money laundering

B. Underwriting

1. Insurable interest
2. Medical information and consumer reports
3. Fair Credit Reporting Act
4. Risk classification
5. Stranger-originated life insurance (STOLI)
6. Investor-originated life insurance (IOLI)

C. Delivering the policy

1. When coverage begins
2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client

IV. TAXES, RETIREMENT, AND OTHER INSURANCE CONCEPTS..... 8

A. Third-party ownership

B. Group life insurance

1. Conversion privilege
2. Contributory vs. noncontributory

C. Retirement plans

1. Tax-qualified plans
2. Nonqualified plans

D. Life insurance needs analysis/suitability

- 1. Personal insurance needs
- 2. Business insurance needs
 - a. Key person

E. Social Security benefits and taxes

F. Tax treatment of insurance premiums, proceeds, and dividends

- 1. Individual life
- 2. Group life
- 3. Modified Endowment Contracts (MECs)

Ref: 33-14-102 through 305

- 9. Temporary licenses
Ref: 33-17-216 through 217; ARM 6.6.104

- 10. Eligibility for license
Ref: 33-17-201, 211

- 11. Termination of licenses
Ref: 33-17-1001 through 1004

- 12. Producer appointment/contract cancellation
Ref: 33-17-231 through 232, 236

- 13. Resident producer
Ref: 33-17-201; 33-17-220, 1005; 33-20-1303

LIFE

MONTANA SPECIFIC CONTENT OUTLINE

State, Statutes, Rules and Regulations

(36 scoreable questions plus 7 pretest questions)

I. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY (A&H), PROPERTY AND CASUALTY INSURANCE 25

A. Insurance Commissioner/Department..... 3

- 1. Broad powers and duties
Ref: 33-1-301 through 306; 33-18-1003 through 1005
- 2. Examination of records
Ref: 33-1-311; 401 through 413; 33-17-1101
- 3. Cease and desist orders
Ref: 33-1-313 through 316; 33-1-701 through 711
- 4. Penalties
Ref: 33-1-104, 317

B. General Definitions (4-5)

- 1. Domestic, foreign, alien
Ref: 33-1-201
- 2. Insurance transactions
Ref: 33-1-201
- 3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104
- 4. Fraternal and their producers
Ref: 33-7-525

C. Licensing Requirements..... (4-5)

- 1. Definitions
Ref: 33-7-105; 33-17-102 through 103, 236; ARM 6.6.101 through 102, 105
- 2. Nonresident/reciprocal producer
Ref: 33-17-401 through 411; 33-17-201 33-20-1303
- 3. Consultant
Ref: 33-17-501 through 513
- 4. Administrator
Ref: 33-17-602 through 618
- 5. Surplus lines producer*
Ref: 33-2-301
- 6. Continuing education
Ref: 33-17-1203 through 1207
- 7. Adjuster*
Ref: 33-17-301; ARM 6.6.1601 through 1616
- 8. Premium financing *

D. Unfair Trade Practices..... (4-5)

Ref: 33-18-end + entries as noted

- 1. False advertising
- 2. Rebating
- 3. Twisting
- 4. Misrepresentation
- 5. Defamation
- 6. Excess fees/charges
Ref: 33-2-306, 33-15-102, 33-18-212
- 7. Unfair discrimination
Ref: 49-2-30-9 ARM 6.6.1201 through 1203
- 8. Unfair claims practices
Ref: 33-1-1205(4); 33-18-201, 232
- 9. Political contributions
Ref: 33-18-305
- 10. Penalties
Ref: 33-18-1004 through 1005

E. Licensee Responsibilities..... 3

- 1. Fiduciary capacity
Ref: 33-17-1102
- 2. Commission sharing
Ref: 33-17-1103
- 3. Place of business/recordkeeping
Ref: 33-17-1101
- 4. Principal producer relationship
Ref: 28-10-101 through 704

F. Rate and Form Regulations 1

Ref: 33-1-501 through 502; 33-16-101 through 103, 201 through 204; ARM 6.6.2102

G. Insurance Guaranty Fund 1

- 1. Life and Health
Ref: 33-10-201 through 205, 224, 227
- 2. Property and Casualty*
Ref: 33-10-101 through 105, 115 through 117

H. Insurance Information & Privacy Protection Act . (0-1)

Ref: 33-19-102 through 409; 103

I. Basic Contract Language (0-1)

Ref: 33-15-101 through 103

J. Insurance Fraud protection Act..... (0-1)

Ref: 33-1-1201 through 1211

*For Property and Casualty only

II. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE INSURANCE AND ANNUITIES ONLY..... 11

A. Replacement/Disclosure Requirements..... 4

- 1. Purpose, definitions, exceptions

Ref: ARM 6.6.202, 203, 205, 206, 209, 303, 304

2. Duties of producers
Ref: ARM 6.6.206, .305

3. Duties of insurers
Ref: ARM 6.6.306 through 309

B. Individual Life: Required/Standard provisions ... 3

1. Life insurance policies
Ref: 33-15-415, 501 through 504; 33-20-101 through 142; 33-20-201 through 33-20-213

2. Annuities
Ref: 33-20-301 through 307

3. Exempt contracts
Ref: 33-20-103

C. Credit Life 1
Ref: 33-18-501; 33-20-1105; 33-21-102 through 207; ARM 6.6.1101

D. Group Life..... 3

1. Eligible groups
Ref: 33-20-1001 through 1002

2. Conversion/continuation rights
Ref: 33-20-1111(1-4), 1209 through 1212

3. Standard/required provisions and coverages
Ref: 33-20-1001; 33-20-1201 through 1209, 1211

E. Viaticals (0-1)
Ref: 33-20-1302

F. Long Term Care (LTC)

1. Individual LTC contracts

2. Group/voluntary LTC contracts

G. Limited Benefit Plans

1. Cancer (or specified diseases) plans

2. Critical illness plans

3. Worksite (employer-sponsored) plans

4. Hospital indemnity plans

5. Dental

6. Vision

II. POLICY PROVISIONS, CLAUSES, AND RIDERS..... 20

A. Mandatory provisions

1. Entire contract

2. Time limit on certain defenses (incontestable)

3. Grace period

4. Reinstatement

5. Notice of claim

6. Claim forms

7. Proof of loss

8. Time of payment of claims

9. Payment of claims

10. Physical examination and autopsy

11. Legal actions

12. Change of beneficiary

13. Misstatement of age

B. Optional provisions

C. Other provisions and clauses

1. Insuring clause

2. Free look

3. Consideration clause

4. Probationary period

5. Elimination period

6. Waiver of premium

7. Exclusions

8. Preexisting conditions

9. Recurrent disability

10. Coinsurance

11. Deductibles

12. Eligible expenses

13. Copayments

14. Pre-authorizations and prior approval requirements

15. Usual, reasonable, and customary (URC) charges

16. Lifetime, annual, or per cause maximum benefit limits

D. Riders

1. Impairment/exclusions

2. Guaranteed insurability

3. Multiple indemnity (double, triple)

E. Rights of renewability

1. Noncancelable

2. Cancelable

3. Guaranteed renewable

4. Conditionally renewable

5. Optionally renewable

6. Period of time for renewal

III. SOCIAL INSURANCE 3

A. Medicare

1. Primary, secondary payor

**ACCIDENT & HEALTH
GENERAL KNOWLEDGE CONTENT OUTLINE
Product Knowledge, Terms, and Concepts
(50 scoreable questions plus 10 pretest questions)**

I. TYPES OF POLICIES..... 14

A. Disability income

1. Individual disability income policy

2. Business overhead expense policy

3. Business disability buyout policy

4. Group disability income policy

5. Key employee/partner policies

B. Accidental death and dismemberment

C. Medical expense insurance

1. Basic hospital, medical, and surgical policies

2. Major medical policies

3. Health Maintenance Organizations (HMOs)

4. Preferred Provider Organizations (PPOs)

5. Point of Service (POS) plans

6. Flexible Spending Accounts (FSAs)

7. Health Reimbursement Accounts (HRAs)

8. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)

9. Stop loss

D. Medicare supplement policies

E. Group insurance

1. Group conversion

2. Differences between individual and group contracts

3. General concepts

4. COBRA

5. HIPAA

2. Medicare Parts A, B, C, D

B. Medicaid

C. Social Security benefits

IV. OTHER INSURANCE CONCEPTS..... 4

A. Total, partial, and residual disability

B. Owner's rights

C. Dependent children benefits

D. Primary and contingent beneficiaries

E. Modes of premium payments (annual, semiannual, etc.)

F. Nonduplication and coordination of benefits (e.g., primary vs. excess)

G. Occupational vs. non-occupational

H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)

I. Managed care

J. Workers Compensation

K. Subrogation

V. FIELD UNDERWRITING PROCEDURES..... 9

A. Completing application and obtaining necessary signatures

B. Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)

C. Initial premium payment and receipt and consequences of the receipt (e.g., medical examination, etc.)

D. Submitting application (and initial premium if collected) to company for underwriting

E. Ensuring delivery of policy and related documents to client

F. Explaining policy and its provisions, riders, exclusions, and ratings to clients

G. Replacement

H. Contract law

1. Elements of a contract

2. Insurable interest

3. Warranties and representations

4. Unique aspects of the health contract

a. Conditional

b. Unilateral

c. Adhesion

Ref: 33-1-311; 401 through 413; 33-17-1101

3. Cease and desist orders
Ref: 33-1-313 through 316; 33-1-701 through 711

4. Penalties
Ref: 33-1-104, 317

B. General Definitions..... (4-5)

1. Domestic, foreign, alien
Ref: 33-1-201

2. Insurance transactions
Ref: 33-1-201

3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104

4. Fraternal and their producers
Ref: 33-7-525

C. Licensing Requirements (4-5)

1. Definitions
Ref: 33-7-105; 33-17-102 through 103, 236; ARM 6.6.101 through 102, 105

2. Nonresident/reciprocal producer
Ref: 33-17-401 through 411; 33-17-201; 33-20-1303

3. Consultant
Ref: 33-17-501 through 513

4. Administrator
Ref: 33-17-602 through 618

5. Surplus lines producer*
Ref: 33-2-301

6. Continuing education
Ref: 33-17-1203 through 1207

7. Adjuster*
Ref: 33-17-301; ARM 6.6.1601 through 1616

8. Premium financing *
Ref: 33-14-102 through 305

9. Temporary licenses
Ref: 33-17-216 through 217; ARM 6.6.104

10. Eligibility for license
Ref: 33-17-201, 211

11. Termination of licenses
Ref: 33-17-1001 through 1004

12. Producer appointment/contract cancellation
Ref: 33-17-231 through 232, 236

13. Resident producer
Ref: 33-17-201; 33-17-220, 1005; 33-20-1303

D. Unfair Trade Practices..... (4-5)

Ref: 33-18-end + entries as noted

1. False advertising

2. Rebating

3. Twisting

4. Misrepresentation

5. Defamation

6. Excess fees/charges
Ref: 33-2-306, 33-15-102, 33-18-212

7. Unfair discrimination
Ref: 49-2-309
ARM 6.6.1201 through 1203

8. Unfair claims practices

**ACCIDENT & HEALTH
MONTANA SPECIFIC CONTENT OUTLINE**

State Statutes, Rules and Regulations

(42 scoreable questions plus 8 pretest questions)

I. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY (A&H), PROPERTY AND CASUALTY INSURANCE 25

A. Insurance Commissioner/Department..... 3

1. Broad powers and duties
Ref: 33-1-301 through 306; 33-18-1003 through 1005

2. Examination of records

	<i>Ref: 33-1-1205(4); 33-18-201, 232</i>		<i>Ref: 33-15-308</i>
9. Political contributions	<i>Ref: 33-18-305</i>	12. Continuity of coverage	<i>Ref: 33-22-307</i>
10. Penalties	<i>Ref: 33-18-1004 through 1005</i>	13. Disclosure standards	<i>Ref: 33-22-244</i>
E. Licensee Responsibilities	3	B. Medicare Supplements	2
1. Fiduciary capacity	<i>Ref: 33-17-1102</i>	1. Policy provisions	<i>Ref: 33-22-904; ARM 6.6.503 through 507</i>
2. Commission sharing	<i>Ref: 33-17-1103</i>	2. Disclosure requirements	<i>Ref: 33-22-908; ARM 6.6.509</i>
3. Place of business/recordkeeping	<i>Ref: 33-17-1101</i>	3. Replacement regulations	<i>Ref: ARM 6.6.510</i>
4. Principal producer relationship	<i>Ref: 28-10-101 through 704</i>	4. Elder Abuse Prevention Act	<i>Ref: MCA 53.5.501 through 525</i>
F. Rate and Form Regulations	1	C. Group Disability	2
<i>Ref: 33-1-501 through 502; 33-16-101 through 103, 201 through 204; ARM 6.6.2102</i>		1. Required coverages and provisions	<i>Ref: 33-22-501 through 513</i>
G. Insurance Guaranty Fund	1	2. Coordination of benefits (COB)	<i>Ref: ARM 6.6.2401 through 2405</i>
1. Life and Health	<i>Ref: 33-10-201 through 205, 224, 227</i>	3. Tax Credits	<i>Ref: 33-22-2001 through 2009</i>
2. Property and Casualty*	<i>Ref: 33-10-101 through 105, 115 through 117</i>	D. Health Maintenance Organizations (HMO)	1
H. Insurance Information & Privacy Protection Act. (0-1)	<i>Ref: 33-19-102 through 409; 103</i>	<i>Ref: 33-31-101 through 102, 301 through 303; ARM 6.6.2501 through 2509</i>	
I. Basic Contract Language	(0-1)	E. Health Service Corporations	1
<i>Ref: 33-15-101 through 103</i>		<i>Ref: 33-30-101, 311 through 313, 1001 through 1101</i>	
J. Insurance Fraud protection Act	(0-1)	F. Special Policies	1
<i>Ref: 33-1-1201 through 1211</i>		1. Credit Disability	<i>Ref: 33-21-102 through 207; ARM 6.6.1101 through 1111</i>
*For Property and Casualty only		2. Blanket Disability	<i>Ref: 33-22-601 through 604</i>
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2. Handicapped dependents	<i>Ref: 33-22-304</i>	<i>Ref: 33-22-111</i>	
3. Continuation of benefits	<i>Ref: 33-22-507 through 510; ARM 6.6.2104</i>	I. Coverage for Insureds in Special Circumstances	1
4. Maternity	<i>Ref: 49-2-309 MCA (Human Rights Div.), ARM 6.6.2104</i>	1. Residents of state institutions	<i>Ref: 33-22-112</i>
5. Home health care	<i>Ref: 33-22-1001 through 1003</i>	2. Public assistance recipients	<i>Ref: 33-22-113</i>
6. Mental illness, alcoholism, and drug abuse treatment	<i>Ref: 33-22-701 through 706</i>	J. Comprehensive Health Association Plan	2
7. Optional provisions	<i>Ref: 33-22-221 through 232</i>	<i>Ref: 33-22-1501, 1503, 1512, 1515 through 1516, 1521</i>	
8. Cancellation/nonrenewal	<i>Ref: 33-22-121, 247, 524</i>		
9. Pre-existing conditions	<i>Ref: 33-22-110</i>		
a. Long-term care	<i>Ref: 3322-1108(2)</i>		
10. Riders	<i>Ref: 33-22-109</i>		
11. Explanation of charges			

**PROPERTY
GENERAL KNOWLEDGE CONTENT OUTLINE
Product Knowledge, Terms, and Concepts
(50 scoreable questions plus 10 pretest questions)**

I. TYPES OF POLICIES	25
A. Homeowners	
1. HO-2	
2. HO-3	
3. HO-4	
4. HO-5	
5. HO-6	
6. HO-8	

- B. Dwelling policies**
 - 1. DP-1
 - 2. DP-2
 - 3. DP-3
 - C. Commercial lines**
 - 1. Commercial Package Policy (CPP)
 - 2. Commercial property
 - a. Commercial building and business personal property form
 - b. Causes of loss forms
 - c. Business income
 - d. Extra expense
 - 3. Business Owners Policy (BOP)
 - 4. Builders Risk
 - D. Inland marine**
 - 1. Personal Articles floaters
 - 2. Commercial Property floaters
 - 3. Nationwide Definition
 - E. National Flood Insurance Program**
 - F. Others**
 - 1. Earthquake
 - 2. Mobile Homes
 - 3. Watercraft
 - 4. Farm Owners
 - 5. Crop/hail
 - 6. Windstorm
- II. INSURANCE TERMS AND RELATED CONCEPTS..... 14**
- A. Insurance**
 - 1. Law of Large Numbers
 - B. Insurable interest**
 - C. Risk**
 - 1. Pure vs. Speculative Risk
 - D. Hazard**
 - 1. Moral
 - 2. Morale
 - 3. Physical
 - E. Peril**
 - F. Loss**
 - 1. Direct
 - 2. Indirect
 - G. Loss Valuation**
 - 1. Actual cash value
 - 2. Replacement cost
 - 3. Market value
 - 4. Stated value
 - 5. Salvage value
 - H. Proximate cause**
 - I. Deductible**
 - J. Indemnity**
 - K. Limits of liability**
 - L. Coinsurance/Insurance to value**
 - M. Occurrence**
 - N. Cancellation**
 - O. Nonrenewal**
 - P. Vacancy and unoccupancy**
 - Q. Liability**
 - 1. Absolute
 - 2. Strict

- 3. Vicarious
 - R. Negligence**
 - S. Binder**
 - T. Endorsements**
 - U. Medical Payments**
 - V. Blanket vs. Specific**
 - W. Burglary, Robbery, Theft, and Mysterious Disappearance**
- III. POLICY PROVISIONS AND CONTRACT LAW..... 11**
- A. Declarations**
 - B. Insuring agreement**
 - C. Conditions**
 - D. Exclusions**
 - E. Definition of the insured**
 - F. Duties of the insured**
 - G. Obligations of the insurance company**
 - H. Mortgagee rights**
 - I. Proof of loss**
 - J. Notice of claim**
 - K. Appraisal**
 - L. Other Insurance Provision**
 - M. Assignment**
 - N. Subrogation**
 - O. Elements of a contract**
 - P. Warranties, representations, and concealment**
 - Q. Sources of underwriting information**
 - R. Fair Credit Reporting Act**
 - S. Privacy Protection (Gramm Leach Bliley)**
 - T. Policy Application**
 - U. Terrorism Risk Insurance Act (TRIA)**

**PROPERTY
MONTANA SPECIFIC CONTENT OUTLINE**

State Statutes, Rules and Regulations

(32 scoreable questions plus 7 pretest questions)

- I. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY (A&H), PROPERTY AND CASUALTY INSURANCE..... 25**
- A. Insurance Commissioner/Department 3**
 - 1. Broad powers and duties
Ref: 33-1-301 through 306; 33-18-1003 through 1005
 - 2. Examination of records
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 - 3. Cease and desist orders
Ref: 33-1-313 through 316; 33-1-701 through 711
 - 4. Penalties
Ref: 33-1-104, 317
- B. General Definitions..... (4-5)**
 - 1. Domestic, foreign, alien
Ref: 33-1-201
 - 2. Insurance transactions
Ref: 33-1-201
 - 3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104

4. Fraternal and their producers <i>Ref: 33-7-525</i>		F. Rate and Form Regulations 1 <i>Ref: 33-1-501 through 502; 33-16-101 through 103, 201 through 204; ARM 6.6.2102</i>
C. Licensing Requirements (4-5)		G. Insurance Guaranty Fund 1
1. Definitions <i>Ref: 33-7-105; 33-17-102 through 103, 236; ARM 6.6.101 through 102, 105</i>		1. Life and Health <i>Ref: 33-10-201 through 205, 224, 227</i>
2. Nonresident/reciprocal producer <i>Ref: 33-17-401 through 411; 33-17-201; 33-20-1303</i>		2. Property and Casualty* <i>Ref: 33-10-101 through 105, 115 through 117</i>
3. Consultant <i>Ref: 33-17-501 through 513</i>		H. Insurance Information & Privacy Protection Act .(0-1) <i>Ref: 33-19-102 through 409</i>
4. Administrator <i>Ref: 33-17-602 through 618</i>		I. Basic Contract Language (0-1) <i>Ref: 33-15-101 through 103</i>
5. Surplus lines producer* <i>Ref: 33-2-301</i>		J. Insurance Fraud protection Act (0-1) <i>Ref: 33-1-1201 through 1211</i>
6. Continuing education <i>Ref: 33-17-1203 through 1207</i>		*For Property and Casualty only
7. Adjuster* <i>Ref: 33-17-301; ARM 6.6.1601 through 1616</i>		II. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO PROPERTY AND CASUALTY INSURANCE ONLY(2-3)
8. Premium financing * <i>Ref: 33-14-102 through 305</i>		A. Cancellation/Nonrenewal (1-2) <i>Ref: 33-15-1101 through 1107, 1111, 1121; 33-23-401</i>
9. Temporary licenses <i>Ref: 33-17-216 through 217; ARM 6.6.104</i>		B. Surplus Lines Insurance (1-2) <i>Ref: 33-2-301 through 306, 308, 310 through 311, 313, 317</i>
10. Eligibility for license <i>Ref: 33-17-201, 211</i>		C. Montana Use of Credit Information in Personal Insurance (0-1) <i>Ref: 33-18-601 through 611</i>
11. Termination of licenses <i>Ref: 33-17-1001 through 1004</i>		III. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY (4-5)
12. Producer appointment/contract cancellation <i>Ref: 33-17-231 through 232, 236</i>		A. Property Insurance (0-1)
13. Resident producer <i>Ref: 33-17-201; 33-17-220, 1005</i>		1. Defined <i>Ref: 33-1-210</i>
D. Unfair Trade Practices (4-5) <i>Ref: 33-18-end + entries as noted</i>		2. Specific valuation <i>Ref: 33-24-101 through 103</i>
1. False advertising		3. Valued Policy Law <i>Ref: 33-24-102 through 103</i>
2. Rebating		B. Inland/Ocean Marine Insurance (0-1)
3. Twisting		1. Defined <i>Ref: 33-1-209, 221 through 229</i>
4. Misrepresentation		2. Exceptions <i>Ref: 33-1-229</i>
5. Defamation		C. Daycare/Homeowners (0-1) <i>Ref: 33-15-1111; 1103</i>
6. Excess fees/charges <i>Ref: 33-2-306, 33-15-102, 33-18-212</i>		D. Crop-Hail Insurance (0-1) <i>Ref: 80-2-201 through 205; ARM 6.6.1501 through 1505, .1507</i>
7. Unfair discrimination <i>Ref: 49-2-309</i>		
<i>ARM 6.6.1201 through 1203</i>		
8. Unfair claims practices <i>Ref: 33-1-1205(4); 33-18-201, 232</i>		
9. Political contributions <i>Ref: 33-18-305</i>		
10. Penalties <i>Ref: 33-18-1004 through 1005</i>		
E. Licensee Responsibilities 3		
1. Fiduciary capacity <i>Ref: 33-17-1102</i>		
2. Commission sharing <i>Ref: 33-17-1103</i>		
3. Place of business/recordkeeping <i>Ref: 33-17-1101</i>		
4. Principal producer relationship <i>Ref: 28-10-101 through 704</i>		

**CASUALTY
GENERAL KNOWLEDGE CONTENT OUTLINE**

Product Knowledge, Terms, and Concepts
(50 scoreable questions plus 10 pretest questions)

I. TYPES OF POLICIES, BONDS, AND RELATED TERMS 23

- A. Commercial general liability**
1. Exposures
 - a. Premises and Operations

- b. Products and Completed Operations
- 2. Coverage
 - a. Coverage A: Bodily Injury and Property Damage Liability
 - (1) Occurrence
 - (2) Claims made
 - (a) Extended Reporting Periods: Basic and Supplemental
 - (b) Retroactive Date
 - b. Coverage B: Personal Injury and Advertising Injury
 - c. Coverage C: Medical Payments
 - d. Supplemental Payments
 - e. Who is an insured
 - f. Limits
 - g. Damage to Property of Others
 - (1) Per occurrence
 - (2) Annual Aggregate

B. Automobile: personal auto and business auto

- 1. Liability
 - a. Bodily Injury
 - b. Property Damage
 - c. Split Limits
 - d. Combined Single Limit
- 2. Medical Payments
- 3. Physical Damage (collision; other than collision; specified perils)
- 4. Uninsured motorists
- 5. Underinsured motorists
- 6. Who is an insured
- 7. Types of Auto
 - a. Owned
 - b. Non-owned
 - c. Hired
 - d. Temporary Substitute
 - e. Newly Acquired Autos
 - f. Transportation Expense and Rental Reimbursement Expense
- 8. Garage Coverage Form, including Garagekeepers Insurance
- 9. Exclusions
- 10. Individual Insured and Drive Other Car (DOC)

C. Workers Compensation Insurance, Employers Liability Insurance, and Related Issues

(This section does not deal with specifics of state law, which are addressed elsewhere in this outline.)

- 1. Standard policy concepts
 - a. Who is an employee/employer
 - b. Compensation
 - (1) Loss of wages
 - (2) Medical
 - (3) Disability
 - (4) Vocational Rehabilitation
 - (5) Death/Survivor
- 2. Work-related vs. non-work-related
- 3. Other states' insurance
- 4. Employers Liability
- 5. Exclusive remedy

- 6. Premium Determination
- D. Crime**
 - 1. Employee Dishonesty
 - 2. Theft
 - 3. Robbery
 - 4. Burglary
 - 5. Forgery and Alteration

E. Bonds

- 1. Surety
- 2. Fidelity

F. Professional liability

- 1. Errors and Omissions
- 2. Medical Malpractice
- 3. Directors and Officers (D&O)
- 4. Employment Practices Liability (EPLI)

G. Umbrella/Excess Liability

II. INSURANCE TERMS AND RELATED CONCEPTS 15

A. Risk

B. Hazards

- 1. Moral
- 2. Morale
- 3. Physical

C. Indemnity

D. Insurable interest

E. Actual cash value

F. Negligence

G. Liability

H. Occurrence

I. Binders

J. Warranties

K. Representations

L. Concealment

M. Deposit Premium/Audit

N. Certificate of Insurance

O. Law of Large Numbers

P. Pure vs. Speculative Risk

Q. Endorsements

R. Damages

- 1. Compensatory
 - a. General
 - b. Special
- 2. Punitive

S. Compliance with provisions of Fair Credit Reporting Act

III. POLICY PROVISIONS 12

A. Declarations

B. Insuring agreement

C. Conditions

D. Exclusions and Limitations

E. Definition of the insured

F. Duties of the insured after a loss

G. Cancellation and nonrenewal provisions

H. Additional (supplementary) payments

I. Proof of loss

J. Notice of claim

K. Arbitration

L. Other insurance

M. Subrogation

- N. Loss settlement provisions including consent to settle a loss
- O. Terrorism Risk Insurance Act (TRIA)

CASUALTY

MONTANA SPECIFIC CONTENT OUTLINE

State Laws, Rules and Regulations

(37 scoreable questions plus 8 pretest questions)

I. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY (A&H), PROPERTY AND CASUALTY INSURANCE 25

A. Insurance Commissioner/Department..... 3

- 1. Broad powers and duties
Ref: 33-1-301 through 306; 33-18-1003 through 1005
- 2. Examination of records
Ref: 33-1-311; 401 through 413; 33-17-1101
- 3. Cease and desist orders
Ref: 33-1-313 through 316; 33-1-701 through 711
- 4. Penalties
Ref: 33-1-104, 317

B. General Definitions (4-5)

- 1. Domestic, foreign, alien
Ref: 33-1-201
- 2. Insurance transactions
Ref: 33-1-201
- 3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104
- 4. Fraternal and their producers
Ref: 33-7-525

C. Licensing Requirements..... (4-5)

- 1. Definitions
Ref: 33-7-105; 33-17-102 through 103, 236; ARM 6.6.101 through 102, 105
- 2. Nonresident/reciprocal producer
Ref: 33-17-401 through 411; 33-17-201
- 3. Consultant
Ref: 33-17-501 through 513
- 4. Administrator
Ref: 33-17-602 through 618
- 5. Surplus lines producer*
Ref: 33-2-301
- 6. Continuing education
Ref: 33-17-1203 through 1207
- 7. Adjuster*
Ref: 33-17-301; ARM 6.6.1601 through 1616
- 8. Premium financing *
Ref: 33-14-102 through 305
- 9. Temporary licenses
Ref: 33-17-216 through 217; ARM 6.6.104
- 10. Eligibility for license
Ref: 33-17-201, 211
- 11. Termination of licenses
Ref: 33-17-1001 through 1004
- 12. Producer appointment/contract cancellation

- Ref: 33-17-231 through 232, 236*
- 13. Resident producer
Ref: 33-17-201; 33-17-220, 1005

D. Unfair Trade Practices..... (4-5)

Ref: 33-18-end + entries as noted

- 1. False advertising
- 2. Rebating
- 3. Twisting
- 4. Misrepresentation
- 5. Defamation
- 6. Excess fees/charges
Ref: 33-2-306, 33-15-102, 33-18-212
- 7. Unfair discrimination
Ref: 49-2-309
ARM 6.6.1201 through 1203
- 8. Unfair claims practices
Ref: 33-1-1205(4); 33-18-201, 232
- 9. Political contributions
Ref: 33-18-305
- 10. Penalties
Ref: 33-18-1004 through 1005

E. Licensee Responsibilities 3

- 1. Fiduciary capacity
Ref: 33-17-1102
- 2. Commission sharing
Ref: 33-17-1103
- 3. Place of business/recordkeeping
Ref: 33-17-1101
- 4. Principal producer relationship
Ref: 28-10-101 through 704

F. Rate and Form Regulations 1

Ref: 33-1-501 through 502; 33-16-101 through 103, 201 through 204; ARM 6.6.2102

G. Insurance Guaranty Fund 1

- 1. Life and Health
Ref: 33-10-201 through 205, 224, 227
- 2. Property and Casualty*
Ref: 33-10-101 through 105, 115 through 117

H. Insurance Information & Privacy Protection Act . (0-1)

Ref: 33-19-102 through 409

I. Basic Contract Language (0-1)

Ref: 33-15-101 through 103

J. Insurance Fraud protection Act..... (0-1)

Ref: 33-1-1201 through 1211

*For Property and Casualty only

II. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO PROPERTY AND CASUALTY INSURANCE ONLY (2-3)

A. Cancellation/Nonrenewal (1-2)

Ref: 33-15-1101 through 1107, 1111, 1121; 33-23-401

B. Surplus Lines Insurance (1-2)

Ref: 33-2-301 through 306, 308, 310 through 311, 313, 317

C. Montana Use of Credit Information in Personal Insurance (0-1)

Ref: 33-18-601 through 611

III. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY	(9-10)
A. Casualty Insurance defined	1
<i>Ref: 33-1-206</i>	
B. Automobile Insurance/Financial Responsibility	(3-4)
<i>Ref: (Related Laws) 61-6-101 through 103, 124 through 139, 151, 201</i>	
1. Required limits BI/PD	
<i>Ref: 33-22-203 through 204; 61-6-301 through 304</i>	
2. Uninsured Motorists-defined	
<i>Ref: 33-23-201</i>	
3. Mature defensive Driving Act	
<i>Ref: 33-16-221 through 225</i>	
4. Comparative negligence	
<i>Ref: 27-1-701 through 702</i>	
5. Cancellation/nonrenewal	
<i>Ref: 33-23-211 through 217</i>	
6. Prohibited discrimination	
<i>Ref: 33-18-210</i>	
7. Good Driver Discount	
<i>Ref: 33-18-210(9)</i>	
C. Assigned Risk/Auto Insurance Plan	1
<i>Ref: 61-6-144</i>	
D. Worker's Compensation	2
1. Plan 1, 2, and 3	
<i>Ref: 39-71-116 through 119, 401, 405 through 409, 411 through 413, 501, 503</i>	
2. Claims and benefits	
<i>Ref: 39-71-601 through 613, 701 through 704, 708, 721, 725, 736</i>	
E. Professional Liability Insurance	1
<i>Ref: 33-9-101, 33-23-301 through 302</i>	
F. Unfair Claims Settlement Practices	(0-1)
<i>Ref: 33-18-201</i>	

<i>Ref: Ref: 33-1-201</i>	
2. Insurance transaction/policies	
<i>Ref: 33-1-201</i>	
C. Licensing Requirements	(3-4)
1. Definitions	
<i>Ref: 33-7-105; 33-17-102 through 103, 236; ARM 6.6.101 through 102,105</i>	
2. Eligibility for license	
<i>Ref: 33-17-201 through 211</i>	
3. Termination of license	
<i>Ref: 33-17-1001 through 1004</i>	
4. Producer appointment/contract cancellation	
<i>Ref: 33-17-231 through 232</i>	
D. Unfair Trade Practices	(5-6)
<i>Ref: 33-18 - end + entries as noted</i>	
1. False advertising	
2. Rebating	
3. Twisting	
4. Misrepresentation	
5. Unfair discrimination	
<i>Ref: ARM 6.6.1201-1203</i>	
6. Unfair claims practices	
<i>Ref: 33-1-1205(4); 33-18-201, 232</i>	
7. Political contributions	
<i>Ref: 33-18-305</i>	
8. Penalties	
<i>Ref: 33-18-1004, 1005</i>	
E. Rate and Form Regulation	(0-1)
<i>Ref: 33-1-501 through 502; 33-16-101 through 103, 201 through 204; ARM 6.6.2102</i>	
F. Life and Health Insurance Guaranty Fund	(0-1)
<i>Ref: 33-10-201 through 205, 224, 227</i>	

II. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO CREDIT LIFE AND DISABILITY INSURANCE	14
A. Credit Life Insurance, GAP, IUI	(6-8)
<i>Ref: 33-1-216 & 217; 33-21-102 through 207; ARM 6.6.1101, 1102, 1104, 1106-1111</i>	
B. Credit Disability Insurance, Mortgage Insurance, GAP, IUI	(6-8)
<i>Ref: 33-1-216, 217, 219; ARM 6.6.1103-1111</i>	

MONTANA LIMITED LINES CREDIT INSURANCE CONTENT OUTLINE
(30 scoreable questions)

I. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL LINES OF INSURANCE	16
A. Insurance Commissioner/Department	(2-3)
1. Broad powers and duties	
<i>Ref: 33-1-301 through 306; 33-18-1003 through 1005</i>	
2. Examination of records	
<i>Ref: 33-1-311, 401 through 413</i>	
3. Notice of hearings	
<i>Ref: 33-1-313 through 316; 33-1-318</i>	
4. Penalties	
<i>Ref: 33-1-104, 317</i>	
B. General Definitions	(1-2)
1. Authorized/unauthorized companies and certificate of authority	

MONTANA TITLE INSURANCE CONTENT OUTLINE
(35 scoreable questions)

I. MONTANA STATUTES, RULES, AND REGULATIONS COMMON TO ALL LINES OF INSURANCE	10
A. Insurance Commissioner/Department	
1. Broad powers and duties	
<i>Ref: 33-1-301 through 306; 33-18-1003 through 1005</i>	
2. Examination of records	
<i>Ref: 33-1-311, 401 through 413</i>	

- 3. Cease and desist orders
Ref: 33-1-318
 - 4. Penalties
Ref: 33-1-104, 313, 317
 - B. Licensing Requirements**
 - 1. Eligibility for license
Ref: 33-17-202 through 204, 211 through 212
 - 2. Termination of license
Ref: 33-17-1001 through 1004; 33-25-401
 - C. Unfair Trade Practices**
 - 1. False advertising
Ref: 33-18-202 through 203
 - 2. Rebating
Ref: 33-18-210; 33-25-401; ARM 6.6.2203
 - 3. Twisting
Ref: 33-18-204
 - 4. Misrepresentation
Ref: 33-18-202, 205
 - 5. Defamation
Ref: 33-18-302
 - 6. Unfair claims practices
Ref: 33-18-201, 232; 401
 - 7. Boycotting
Ref: 33-18-303
 - 8. Other prohibited practices
Ref: 33-25-202, 401 through 403
 - 9. Penalties
Ref: 33-18-233, 1004 through 1005; 33-25-402
 - D. Place of Business/Recordkeeping**
Ref: 33-17-1101; 33-25-214, 216; ARM 6.6.2202(14)
 - E. Rates**
Ref: 33-25-105, 212
 - F. Insurance Guaranty Fund**
Ref: 33-2-517, 851, 1303; 33-25-211
- II. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO TITLE INSURANCE. 7**
- A. Definitions**
Ref: 33-24-105
 - B. Powers and Duties of Title Insurance Companies**
Ref: 33-25-201, 213 through 216; ARM 6.6.2201
 - C. Escrow, Closing, or Settlement Services**
Ref: ARM 6.6.2202
- III. TITLE INSURANCE TERMS AND RELATED CONCEPTS..... 18**
- A. Terms/Concepts**
Ref: Standard insurance textbooks and policies
 - 1. Encumbrance
 - 2. Encroachment
 - 3. Endorsement
 - 4. Deed
 - a. Quitclaim deed
 - b. Deed on conveyance
 - c. Deed of trust
 - 5. Lien
 - 6. Tenancy in common
 - 7. Riparian rights
 - 8. Mortgagor/mortgagee

- 9. Subrogation
- 10. Fee simple
- 11. Simultaneous issue
- 12. Title defect
- 13. Real property
- 14. Survey of property
- 15. Loan policy
- 16. Easement
- B. Agent/Title Organizations**
- C. Premium Payments**
- D. Loss Payments**
- E. Description of a Property**
- F. Types of Title Policies**
 - 1. Owner's policy
 - 2. Standard Title policy
 - 3. Mortgagee's policy
- G. Policy Contents**
 - 1. Provisions
 - 2. Exclusions
 - 3. Exceptions
 - 4. Covered risks
 - 5. Schedule B-11

MONTANA ADJUSTER CONTENT OUTLINE
(88 scoreable questions)

- I. TYPES OF PROPERTY POLICIES 15**
 - A. Personal lines**
 - 1. Dwelling and contents (DP forms)
 - 2. Personal liability
 - 3. Homeowners (HO forms)
 - 4. Mobile Homes
 - B. Commercial lines**
 - 1. Commercial property
 - a. Commercial building and personal property form
 - b. Causes of loss forms
 - c. Business income
 - d. Extra expense
 - 2. Commercial Package Policy (CPP)
 - 3. Boiler and machinery coverage forms
 - 4. Businessowners Policy (BOP)
 - C. Inland marine**
 - 1. Personal floaters
 - 2. Commercial floaters
 - 3. F.O.B
 - 4. Valuable Papers
 - D. Additional coverages and exclusions**
 - 1. Flood
 - 2. Personal Watercraft
 - 3. Commercial Ocean Marine
 - 4. Business Interruption
 - 5. Time Element
 - 6. Ordinance and Law exclusion
 - 7. Ordinance and Law coverage
 - 8. Valuable Paper and Records
- II. TYPES OF CASUALTY POLICIES 15**
 - A. Commercial general liability**

1. Premises and operations liability	
2. Products and completed operations liability	
3. Contractual liability	
4. Medical payments	
5. Owners and contractors protective liability	
B. Automobile: personal (family) auto and business (commercial) auto	
1. Liability	
2. Physical damage (collision and comprehensive)	
3. Uninsured motorists	
4. Underinsured motorists	
5. Named insureds	
6. Insureds	
7. Owned automobile	
8. Nonowned automobile	
9. Temporary substitute auto	
C. Commercial crime	
1. Coverage forms	
a. Theft, disappearance, and destruction	
b. Robbery and safe burglary	
c. Premises burglary	
d. Premises theft and robbery outside premises	
D. Professional liability	
E. Umbrella/excess liability	
III. BONDS..... 3	
<i>Ref. 33-1-211; 33-26-101 thru 108</i>	
IV. INSURANCE TERMS AND RELATED CONCEPTS..... 17	
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B. Insurable interest	
C. Risk	
D. Hazard	
E. Peril	
F. Loss	
1. Direct	
2. Indirect	
G. Proximate cause	
H. Deductible	
I. Indemnity	
J. Actual cash value	
K. Fair market value	
L. Replacement cost	
M. Other Insurance	
N. Coinsurance/Insurance to value	
O. Pair and set clause	
P. Extensions of coverage	
Q. Additional coverages	
R. Accident	
S. Occurrence	
T. Cancellation	
U. Nonrenewal	
V. Vacancy and unoccupancy	
W. Right of salvage	
X. Abandonment	
Y. Liability	
Z. Negligence	
AA. Robbery	
BB. Burglary	
CC. Tariff liability	

DD. Independent Adjuster	
V. POLICY PROVISIONS AND CONTRACT LAW 14	
A. Declarations	
B. Insuring agreement	
C. Conditions	
D. Exclusions	
E. Definition of the insured	
F. Duties of the insured	
G. Obligations of the insurance company	
H. Mortgagee rights	
I. Proof of loss	
J. Notice of claim	
K. Appraisal	
L. Other Insurance Provision	
M. Assignment	
N. Subrogation	
O. Arbitration	
P. Elements of a contract	
Q. Warranties, representations, and concealment	
R. Binders	
S. Loss settlement	
T. Claims made	
VI. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL ADJUSTERS 8	
A. Commissioner of Insurance	
1. Broad powers and duties	<i>Ref.:33-1-301 through 306</i>
2. Examination of records	<i>Ref.:33-1-402</i>
3. Investigations/Notice of hearing	<i>Ref.:33-1-701</i>
4. Penalties	<i>Ref.:33-1-104, 317; 33-18-1003 through 1005</i>
B. Adjuster licensing	
1. License requirements	<i>Ref.:33-17-301</i>
2. License suspension and revocation	<i>Ref.: 33-17-301</i>
3. Definitions	<i>Ref.:33-17-301, ARM 6.6.1611</i>
C. Trade practices	
1. Unfair claims practices	<i>Ref.: 33-18-201</i>
2. Claim settlement practices	<i>Ref.: 33-18-232 through 233</i>
3. Misrepresentation	<i>Ref.: 33-18-202</i>
4. Unfair discrimination	<i>Ref.: 33-18-210</i>
D. Montana Insurance Guaranty Association	<i>Ref.:33-10-101 through 105</i>
E. Insurance Information and Privacy Act	<i>Ref.:33-19-102 through 306</i>
F. Basic contract language	<i>Ref.:33-15-101 through 103</i>
G. Insurance Fraud Protection Act	<i>Ref.:33-1-1201 through 1211</i>
H. Premium financing	

Ref.:33-14-301, 303, 304

VII. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY 8

A. Property insurance

1. Defined
Ref.: 33-1-210
2. Specific valuation
Ref.: 33-24-101 through 103
3. Valued Policy Law
Ref.: 33-24-102 through 103

B. Inland/Ocean Marine Insurance

1. Defined
Ref.: 33-1-209, 221 through 229
2. Exceptions
Ref.: 33-1-229

C. Cancellation/Nonrenewal

Ref.: 33-15-1101 through 1107, 1111, 1121; 33-23-401

D. Daycare/Homeowners

Ref.: 33-15-1111

E. Crop-Hail Insurance

Ref.: 80-2-201 through 205; ARM 6.6.1501 through 1505

VIII. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY 8

A. Casualty Insurance defined

Ref.: 33-1-206

B. Automobile Insurance/Financial Responsibility

Ref.: (Related Laws) 61-6-101 through 103, 124 through 139, 151, 201

1. Required limits BI/PD
Ref.: 33-22-203 through 204; 61-6-301 through 304
2. Uninsured Motorists-defined
Ref.: 33-23-201
3. Mature defensive Driving Act
Ref.: 33-16-221 through 225
4. Comparative negligence
Ref.: 27-1-701 through 702
5. Cancellation/nonrenewal
Ref.: 33-23-211 through 217

C. Assigned Risk/Auto Insurance Plan

Ref.: 61-6-144

D. Worker's Compensation

1. Plan 1, 2, and 3
Ref.: 39-71-116 through 120
2. Claims and benefits
Ref.: 39-71-704, 710, 736

E. Professional liability insurance

Ref.: 33-23-301

**LIFE AND DISABILITY CONSULTANT
CONTENT OUTLINE
Product Knowledge, Terms and Concepts
(100 scoreable questions)**

Ref.: Standard insurance text. Suggested insurance courses: The American College's Chartered Life Underwriter (CLU) &

*Chartered Financial Consultant (ChFC) (HS 318,323,324, 325).
Other materials may be used.*

I. TYPES OF LIFE POLICIES

Ref.: Standard insurance text; HS 323

A. Traditional whole life products

1. Ordinary (straight) life
2. Limited-pay and single-premium life
3. Modified and graded premium whole life
4. Adjustable life

B. Interest-sensitive life products

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life

C. Term life

1. Level, decreasing, and increasing term
2. Special features
 - a. Renewable
 - b. Convertible
 - c. Reentry

D. Annuities

1. Single, level, and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Installment refund
5. Cash refund
6. Deposit Administration Group

E. Endowment

F. Combination plans and variations

1. Family policy
2. Family income policy
3. Juvenile
4. Joint life
5. Survivorship life

II. POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS

Ref.: Standard insurance text; HS 323 and 324

A. Policy riders

1. Waiver of premium
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds (e.g., spouse, children, nonfamily)

B. Policy provisions and options

1. Entire contract
2. Insuring clause
3. Free look
4. Consideration
5. Owner's rights
6. Beneficiary designations
 - a. Primary and contingent
 - b. Revocable and irrevocable
 - c. Changes
 - d. Common disaster
7. Premium Payment

- a. Modes
- b. Grace period
- c. Automatic premium loan
- d. Level or flexible
- 8. Reinstatement
- 9. Policy loans, withdrawals, partial surrenders
- 10. Nonforfeiture options
- 11. Dividends and dividend options
- 12. Incontestability
- 13. Assignments
- 14. Suicide
- 15. Misstatement of age
- 16. Settlement options

C. Policy exclusions

III. COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY

Ref.: Standard insurance text; HS 324

A. Completing the application

- 1. Required signatures
- 2. Changes in the application
- 3. Consequences of incomplete applications
- 4. Warranties and representations
- 5. Collecting the initial premium and issuing the receipt

B. Underwriting

- 1. Insurable interest
- 2. Medical information and consumer reports
- 3. Fair Credit Reporting Act
- 4. Risk classification
- 5. Calculations

C. Delivering the policy

- 1. When coverage begins
- 2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client

IV. TAXES, RETIREMENT, AND OTHER INSURANCE CONCEPTS

Ref.: Standard insurance text; HS 318

A. Third-party ownership

B. Group life insurance

- 1. Conversion privilege
- 2. Contributory vs. noncontributory

C. Retirement plans

- 1. Tax-qualified plans
- 2. Nonqualified plans

D. Business insurance (e.g., key employee, buy and sell agreement, split-dollar, Keough plan, etc.)

E. Social Security benefits and taxes

F. Tax treatment of insurance premiums, proceeds, dividends

- 1. Individual life
- 2. Group life
- 3. Gifts
- 4. Modified Endowment Contracts (MECs)
- 5. Tax Sheltered Annuity (TSAs)

G. Accelerated Death Benefits—Living Benefits

V. TYPES OF HEALTH/DISABILITY POLICIES

Ref.: Standard insurance text; HS 325

A. Disability income

- 1. Individual disability income policy
- 2. Business overhead expense policy
- 3. Business disability buyout policy
- 4. Group disability income policy

B. Accidental death and dismemberment

C. Medical expense insurance

- 1. Basic hospital, medical, and surgical policies
- 2. Major medical policies
- 3. Comprehensive major medical policies
- 4. Health Maintenance Organizations (HMOs)
- 5. Preferred provider organizations (PPOs)
- 6. Multiple Employer Trusts (METs)
- 7. Multiple Employer Welfare Association (MEWAs)
- 8. Service organizations (Blue Plans)

D. Medicare supplement policies

E. Group insurance

- 1. Group conversion
- 2. Differences between individual and group contracts
- 3. General concepts
- 4. COBRA
- 5. HIPPA

F. Long Term Care

VI. POLICY PROVISIONS, CLAUSES, AND RIDERS

Ref.: Standard insurance text; HS 324

A. Mandatory provisions

- 1. Entire contract
- 2. Time limit on certain defenses (incontestable)
- 3. Grace period
- 4. Reinstatement
- 5. Notice of claim
- 6. Claim forms
- 7. Proof of loss
- 8. Time of payment of claims
- 9. Payment of claims
- 10. Physical examination and autopsy
- 11. Legal actions
- 12. Change of beneficiary

B. Optional provisions

- 1. Change of occupation
- 2. Misstatement of age
- 3. Illegal occupation

C. Other provisions and clauses

- 1. Insuring clause
- 2. Free look (10-day, 20-day, etc.)
- 3. Consideration clause
- 4. Probationary period
- 5. Elimination period
- 6. Waiver of premium
- 7. Exclusions
- 8. Preexisting conditions
- 9. Recurrent disability
- 10. Coinsurance
- 11. Deductibles

D. Riders

1. Impairment rider
2. Guaranteed insurability rider
3. Multiple indemnity rider (double, triple)

E. Rights of renewability

1. Noncancelable
2. Cancelable
3. Guaranteed renewable
4. Conditionally renewable
5. Optionally renewable
6. Period of time

VII. SOCIAL INSURANCE

Ref.: Standard insurance text; HS 318, 325

A. Medicare

1. Primary, secondary payor

B. Medicaid

C. Social Security benefits

VIII. OTHER INSURANCE CONCEPTS

Ref.: Standard insurance text; HS 325

A. Total, partial, and residual disability

B. Owner's rights

C. Dependent children benefits

D. Primary and contingent beneficiaries

E. Modes of premium payments (annual, semiannual, etc.)

F. Nonduplication and coordination of benefits (e.g., primary vs. excess)

G. Occupational vs. nonoccupational

H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)

I. Managed care

IX. FIELD UNDERWRITING PROCEDURES

Ref.: Standard insurance text; HS 323

A. Completing application and obtaining necessary signatures

B. Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)

C. Upon payment of initial premium, giving prospect conditional receipt and explaining the effect of that receipt (e.g., medical examination, etc.)

D. Submitting application (and initial premium if collected) to company for underwriting

E. Assuring delivery of policy to client

F. Explaining policy and its provisions, riders, exclusions, and ratings to clients

G. In cases where initial premium did not accompany application, obtaining signed statement of continued good health and obtaining premium for transmittal

H. Contract law

1. Requirements of a contract
2. Insurable interest
3. Warranties and representations
4. Unique aspects of the health contract
 - a. Conditional

- b. Unilateral
- c. Adhesion

X. MONTANA LAWS, RULES, AND REGULATIONS PERTINENT TO LIFE AND DISABILITY INSURANCE CONSULTANTS

Ref.: 33-17-501-512; 33-17-1203

A. Licensing requirements

1. Consultant
2. Agreements
3. License maintenance
4. License revocation or suspension

B. Consultant practices, responsibilities, and duties

Ref.: Standard insurance text

1. Solicitation and disclosures
2. Advertising
3. Standard practices
4. Cost comparison methods

C. Unfair/Prohibited Practices

Ref.: 33-18-end; ARM 6.6.1201-1203

1. Rebating
2. Defamation
3. Discrimination
4. Misrepresentation

D. Montana Life and Health Insurance Guaranty Association

Ref.: 33-10-201, 202

PROPERTY AND CASUALTY CONSULTANT CONTENT OUTLINE

(100 scoreable questions)

Ref.: Standard insurance/risk management text; Insurance Institute's Accredited Advisor in Insurance. Other materials may be used.

I. PRINCIPLES OF RISK MANAGEMENT

Ref.: Standard insurance/risk management text; Insurance Institute's Accredited Advisor in Insurance (AAI 81, 82, 83)

A. Pure risk vs. speculative risk

B. Risk management process

1. Identifying and analyzing loss exposures
2. Selecting method to handle each exposure
3. Implementing the risk management strategy
4. Monitoring the risk management system and making changes when appropriate

C. Nature of property loss exposures

1. Property exposed to loss
2. Causes of loss
3. Consequences of loss

D. Nature of liability loss exposures

1. Legal liability
2. Civil liability
 - a. Tort liability
 - (1) Intentional
 - (2) Negligence
 - (3) Strict
 - (4) Exemplary/punitive
 - (5) Immunity

- E. Contract law as it relates to insurance**
 - F. Types of insurers**
 - G. Reinsurance**
- II. FUNDAMENTALS OF FINANCIAL ANALYSIS**
Ref.: Standard text; Insurance Accounting and Systems Assn. text; NAIC accounting manual and supplements; Insurance Institute's Accredited Advisor in Insurance (AAI 81, 82, 83)
- A. Financial statements**
 - 1. Balance sheet
 - 2. Income statement
 - 3. Sources and uses of funds statement
 - B. Ratio analysis**
 - 1. Liquidity
 - 2. Activity
 - 3. Financial leverage
 - 4. Profitability
 - C. Inventory valuation methods**
- III. PROPERTY INSURANCE POLICIES AND FORMS**
Ref.: Standard insurance text; Insurance Institute's Accredited Advisor in Insurance (AAI 81, 82, 83)
- A. Personal lines**
 - 1. HO forms
 - 2. DP forms
 - B. Commercial lines**
 - 1. Building and personal property coverage form
 - 2. Causes of loss forms
 - 3. Business income coverage form
 - 4. Extra expense coverage form
 - 5. Businessowners policy (BOP)
 - 6. Boiler and Machinery
 - 7. Commercial Package Policy (CPP)
 - 8. Commercial property policies
 - C. Inland marine**
 - 1. Coverages and policy provisions
 - 2. Commercial and Personal floaters
 - 3. Commercial inland marine
 - D. Ocean marine**
 - 1. Cargo
 - 2. Commercial ocean marine
 - E. Other insurance**
 - 1. Flood
 - 2. Aviation
- IV. CASUALTY INSURANCE POLICIES AND FORMS**
Ref.: Standard insurance text, Insurance Institute's Accredited Advisor in Insurance (AAI 81, 82, 83)
- A. Commercial General Liability (CGL)**
 - 1. Premises and operations liability
 - 2. Products and completed operations liability
 - 3. Contractual liability
 - 4. Personal and advertising liability
 - 5. Medical payments
 - 6. Owners and contractors protective liability
 - 7. Occurrence coverage
 - 8. Claims made coverage
 - B. Auto: Personal and Commercial**
 - 1. Liability
 - 2. Physical damage (collision and comprehensive)
 - 3. Named insureds
 - 4. Garage coverage forms
 - 5. Lease Gap
 - 6. Owned auto
 - 7. Nonowned auto
 - 8. Temporary substitute auto
- C. Workers Compensation/Employer's liability**
Ref.: Standard insurance text; 39-71-401-409; 411-413
- 1. Policy concepts
 - 2. Rating plans
 - 3. NCCI Experience modifications
- D. Crime coverage**
- 1. Employee dishonesty
 - 2. Theft, Disappearance, and Destruction
 - 3. Robbery and safe burglary
 - 4. Premises burglary
 - 5. Custodian
 - 6. Messenger
 - 7. Guard or watchperson
 - 8. Fidelity and surety bonds
- E. Professional liability**
- F. Umbrella/Excess liability**
- G. Directors and Officers liability**
- H. Employment Practices liability**
- V. PROPERTY AND CASUALTY POLICY PROVISIONS, TERMS, AND CONCEPTS**
Ref.: Standard insurance text; Insurance Institute's Accredited Advisor in Insurance (AAI 81, 82, 83)
- A. Perils**
 - B. Risk**
 - C. Coinsurance**
 - D. Appraisal**
 - E. Subrogation**
 - F. Premiums**
 - G. Actual cash value**
 - H. Duties of the insurer**
 - I. Cancellation**
 - J. Binders**
- VI. MONTANA LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY AND CASUALTY INSURANCE CONSULTANTS**
- A. Licensing requirements**
Ref.: 33-17-501-512; 33-17-1203
 - 1. Consultant
 - 2. Agreements
 - 3. License maintenance
 - 4. License revocation or suspension
 - B. Consultant practices, responsibilities, and duties**
Ref.: Standard insurance text; Insurance Institute's Accredited Advisor in Insurance (AAI 81, 82, 83)
 - 1. Rebating
 - 2. Defamation
 - 3. Discrimination
 - 4. Misrepresentation
 - C. Unfair/prohibited practices**
Ref.: 33-18-end; ARM 6.6.1201-1203
 - D. Surplus lines**

Ref.: 33-2-301, 307, 317

E. Risk retention groups

Ref.: 33-11-103, 104

F. Montana Insurance Guaranty Association

Ref.: 33-10-105

**MONTANA SURETY
CONTENT OUTLINE**

(20 scoreable questions)

Ref: General Textbook Knowledge and 33-1-211 and
33-26-101 through 108

- I. FIDELITY AND SURETY CONTRACTS 8**
 - A. Definition of fidelity and surety**
 - B. Parties of a contract**
 - C. Obligation of the surety**
 - D. Parties to the surety**
 - 1. Principal
 - 2. Obligee
 - 3. Surety
 - E. Underwriting considerations**
 - F. Premiums and terms of obligations**
 - 1. Surety
 - G. Claims**
 - H. Power of attorney**
- II. PURPOSE AND TYPE OF SURETY BONDS 6**
 - A. Public official**
 - B. Court**
 - 1. Judicial
 - 2. Fiduciary
 - C. Miscellaneous**
 - D. Contract**
- III. PURPOSE AND TYPE OF FIDELITY BONDS 2**
 - A. Individual**
 - B. Blanket**
 - C. Financial institutions**
- IV. BAIL BONDS 4**
 - A. Surety bail bond**
 - B. Surety bond fee**
 - C. Acceptable collateral**

MONTANA CROP INSURANCE

(50 scoreable questions)

References for this examination can be found in the following sources:

- The Montana Risk Management Agency website at: www.rma.usda.gov/publications
- Montana Code books are available through the Legislative Council at: <http://leg.state.mt.us>
- The Montana codes are also available online at: http://data.opi.state.mt.us/bills/mca_toc/33.htm
- Individual Crop Insurance companies

- I. GENERAL INSURANCE TERMS AND CONCEPTS 14**
 - A. Insurable interest**
 - B. Risk**
 - C. Hazard**
 - D. Peril**
 - E. Loss**
 - 1. Direct
 - 2. Indirect
 - F. Indemnity**
 - G. Limits of Liability**
 - H. Occurrence**
 - I. Negligence**
 - J. Insuring Agreement**
 - K. Subrogation**
 - L. Binder**
- II. CROP INSURANCE 18**
 - A. Policy rates**
 - B. Coverages available**
 - C. Policy provisions**
 - D. Liability**
 - E. Claim Settlement Practices**
 - 1. Claims site assessment
 - a. Site testing
 - b. Standard measures
 - c. Location
 - 2. Notice of loss
 - 3. Insured's duties
 - 4. Percentage plan
 - 5. Arbitration and appraisal
 - 6. Loss payment
 - F. Cancellation and nonrenewal**
- III. MULTIPLE PERIL INSURANCE 10**
- IV. MONTANA STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL ADJUSTERS 8**
 - A. Commissioner of Insurance**
 - 1. Broad powers and duties
Ref.:33-1-301 through 306
 - 2. Examination of records
Ref.:33-1-402
 - 3. Investigations/Notice of hearing
Ref.:33-1-701
 - 4. Penalties
Ref:33-1-104, 315, 317; 33-18-1003 through 1005
 - B. Adjuster licensing**
 - 1. License requirements
Ref.:33-17-301
 - 2. License suspension and revocation
Ref.: 33-17-301, 1001
 - 3. Definitions
Ref.:33-17-301, ARM 6.6.1611
 - C. Trade practices**
 - 1. Unfair claims practices
Ref.: 33-18-201
 - 2. Claim settlement practices
Ref.: 33-18-232 through 233
 - 3. Misrepresentation

Ref. 33-18-202

4. Discrimination

Ref. 33-18-210

D. Insurance Information and Privacy Act

Ref.:33-19-102 through 306

MT Insurance Outlines

Examination Content Outlines

Effective Date: December 8, 2011

MT PUBLIC ADJUSTER CONTENT OUTLINE

Product Knowledge, Laws, and Regulations

(50 scoreable questions)

I. GENERAL PROPERTY INSURANCE PRODUCT KNOWLEDGE PERTINENT TO PUBLIC ADJUSTERS

Note: To the extent that the specific contracts, forms, and endorsements dealt with in this outline are available in standardized versions, outline references are to items developed by (1) Insurance Services Office; (2) National Council on Compensation Insurance; (3) Surety Association of America.

A. Standard Fire Policy

Ref: New York Standard Fire Policy Ref: 515.138

1. Basic coverages, provisions, and clauses
2. Limitations and restrictions

B. Personal lines

1. Dwelling and contents (DP forms)
2. Homeowners (HO forms)

C. Commercial lines

1. Commercial property
 - a. Commercial building and personal property form
 - b. Business income
2. Law and Ordinance Coverage

D. Inland marine

1. Personal floaters
2. Commercial floaters

E. Others

1. National Flood Insurance Program

F. Additional Coverages and Exclusions

1. Time Element
2. Valuable Papers and Records

G. Crime

1. Employee Theft
2. Inside the Premises-Theft of Money and Securities
3. Inside the Premises-Robbery or Safe Burglary of Other Property

H. Surety Bonding

1. Definitions
 - a. Obligee
 - b. Principal
 - c. Surety

II. PROPERTY POLICY PROVISIONS AND CONTRACT LAW

A. Declarations

B. Exclusions

C. Definition of the insured

D. Proof of loss

E. Notice of claim

F. Appraisal

G. Subrogation

H. Limitations

I. Coinsurance

J. Fraud

III. PROPERTY INSURANCE TERMS AND RELATED CONCEPTS

A. Insurable interest

B. Risk

C. Hazard

1. Moral

D. Loss

1. Direct
2. Indirect

E. Deductible

F. Indemnity

G. Replacement cost

H. Extensions of coverage

I. Negligence

J. Theft

K. Burglary

L. Robbery

M. Binders

N. Apportionment clause

O. Waiver/Non-Waiver Agreement

P. Estoppel

IV. PUBLIC ADJUSTER

A. Loss Report

1. Essential Elements
 - a. Occurrence Date
 - b. Coverages

B. Loss/Damage Valuation

1. Damages
2. Scope of Loss or Damages

V. MONTANA STATUTES, REGULATIONS, AND BULLETINS PERTINENT TO PROPERTY INSURANCE AND THE LICENSING OF PUBLIC ADJUSTERS

A. Definitions

Ref: 33-17-102; 33-17-301

1. Persons required to be licensed and their responsibilities
 - a. Public Adjuster
2. License requirements
 - a. Fees and application
 - b. Prerequisites
 - c. Exceptions to licensing
3. Notice of address change
4. Contracts and Solicitation of Contracts

B. Marketing Practices

Ref: 33-17-1101; 33-17-1001; 33-18-202

1. Duties of licensed personnel
2. Record keeping
3. License denial, suspension, revocation, and Penalties
4. Ethics
5. Unfair practices
 - a. Misrepresentation
 - b. Unfair claims settlement practices

C. Insurance Commissioner

*Ref: 33-1-301 through 306; 33-18-1003 through 1005;
33-1-313 through 316; 33-1-701 through 711; 33-1-104, 317*

1. Broad powers and duties
2. Hearings
3. Cease and desist orders and penalties
4. General penalties