

## LIFE & ANNUITY – 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 ..... 19

##### 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)

- Reg. 45-02-02-02, 45-02-02-05*
3. Persons required to be licensed
    - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
    - b. Producer-agent of insured  
*Ref: 26.1-26-07*
    - c. Producer-agent of insurer  
*Ref: 26.1-26-06*
    - d. Consultant  
*Ref: 26.1-26-10, 26.1-26-35, 26.1-26-41; Reg. 45-02-02-09 through 10*
    - e. Surplus lines Insurance Producers  
*Ref: 26.1-26-17*
    - f. Nonresident  
*Ref: 26.1-26-20, 26.1-26-47.1*
    - g. Temporary license  
*Ref: 26.1-26-26*

**LIFE & ANNUITY-STATE SPECIFIC  
CONTENT OUTLINE  
State Statutes, Rules and Regulations**

*(35 scoreable questions plus 5 pretest questions)*

**I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL PRODUCERS OF INSURANCE . 8**

**A. Responsibilities of the Insurance Commissioner**

1. General duties and powers  
*Ref: 26.1-01-03; 26.1-04-09*
  - a. Policy approval authority
  - b. Rates and forms  
*Ref: 26.1-30-19*
2. Examinations  
*Ref: 26.1-01-07, 26.1-03-19.2, 26.1-03-19.6, 26.1-26-48*
3. Hearings/notice of hearings  
*Ref: 26.1-01-03.1*
4. Penalties  
*Ref: 26.1-01-03.3*
5. Cease and desist orders  
*Ref: 26.1-01-03.1; 26.1-04-13*
6. Investigation of records  
*Ref: 26.1-03-19.2; 26.1-26-48*

**B. Definitions**

1. Insurance contract
2. Insurance producer
3. Insurance transaction
4. Insurer
5. Reinsurance
6. Domestic company
7. Foreign company
8. Alien company
9. Fraternal
10. Authorized and unauthorized companies/admitted and nonadmitted companies
11. Stock and mutual companies and reciprocals
12. Dividends
13. Risk retention group
14. Certificate of authority

**C. Licensing**

1. Purpose
2. Process  
*Ref: 26.1-26-13.2, 26.1-26-13.3;*

4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34; Reg. 45-02-02-06 through 07*
5. Obtaining a license
  - a. Qualifications  
*Ref: 26.1-26-15, Reg. 45-02-02-03,*
  - b. Licenses fees and application  
*Ref: 26.1-26-13.3*
  - c. License denial  
*Ref: 26.1-26-39, 26.1-26-40, 26.1-26-42*
6. Maintaining a license
  - a. Biennial continuation of license  
*Ref: 26.1-26-13.4*
  - b. Continuing education  
*Ref: 26.1-26-31.1 through 31.8*
  - b. Change of address  
*Ref: 26.1-26-33; Reg. 45-02-02-13*
  - c. Reporting of actions/criminal convictions  
*Ref: 26.1-26-45.1*
  - d. Assumed business names  
*Ref: 26.1-26-25.1*
  - e. License termination  
*Ref: 26.1-26-34; Reg. 45-02-02-06*
  - f. Suspension or revocation of licenses/felony convictions  
*Ref: 26.1-26-31.8; 26.1-26-42 through 46*
  - g. Penalties  
*Ref: 26.1-01-03.3; 26.1-04-13 through 17; 26.1-26-50*

**D. Producer responsibilities**

1. Commissions and compensation  
*Ref: 26.1-26-04*
2. Binders  
*Ref: 26.1-39-23*

**E. Marketing practices**

1. Responsibilities of the insurer
2. Unfair claims settlement practices  
*Ref: 26.1-04-03(9)*
3. Unfair trade practices

- a. Rebating  
*Ref: 26.1-04-03(8), 26.1-04-05 through 06*
- b. Misrepresentation  
*Ref: 26.1-04-03(1) through (12), 26.1-04-07*
- c. False advertising  
*Ref: 26.1-04-03(1) through (2)*
- d. Defamation  
*Ref: 26.1-04-03(3)*
- e. False financial statements  
*Ref: 26.1-04-03(5)*
- f. Controlled business  
*Ref: 26.1-26-53*
- g. Boycott and intimidation  
*Ref: 26.1-04-03(4), 26.1-04-04*
- h. Unfair discrimination  
*Ref: 26.1-04-03(11), 26.1-04-05*
- i. Coercion  
*Ref: 26.1-04-03(4)*
- j. Illegal inducement  
*Ref: 26.1-04-06, 26.1 04-05 (Life Only)*
- k. Fraud  
*Ref: 26.1-02.1-02.1; Reg. 45-15-01-01*
- l. Twisting (Life and Health only)  
*Ref: 26.1-04-03(1)*
- 4. Penalties  
*Ref: 26.1-04-14*
- 5. Return of premium  
*Ref: 26.1-24-03*

**II. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY AND ACCIDENT & HEALTH INSURANCE ONLY ..... 4**

**A. Credit Insurance**

*Ref: 26.1-37-02, 26.1-37-05 through 08, 26.1-37-13, 26.1-37-14*

- 1. Definitions
- 2. General provisions
- 3. Choice of insurer

**B. Life and Health Insurance Guaranty Association Act**

*Ref: 26.1-38.1-01 through 02, 26.1-38.1-06 through 07, 26.1-38.1-14*

**III. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE INSURANCE.....19**

**A. Producer and company responsibilities**

- 1. Solicitation and sales presentations  
*Ref: Reg. 45-04-01-01 through 07, Reg. 45-04-10-01 through 08*
- a. Advertising  
*Ref: Reg. 45-04-10-01 through 08*
- b. Illustrations  
*Ref: Reg. 45-04-01.1-01 through 10*
- c. Policy summary  
*Ref: Reg. 45-04-01-03(7), 45-04-01-04*
- d. Buyer's guide  
*Ref: Reg. 45-04-01-03, 45-04-01-04*
- 2. Field underwriting requirements
  - a. Insurable interest  
*Ref: 26.1-29-09.1*

- 3. Company responsibilities  
*Ref: Reg. 45-04-10-07*
- 4. Verification of insurable interest  
*Ref: 26.1-29-09.1*
- 5. Replacement Rule
- 6. Life insurance disclosure regulation  
*Ref: 26.1-33-02*
- 7. Guaranty association disclaimer  
*Ref: 26.1-38.1-16*

**B. Individual life insurance**

- 1. Standard provisions  
*Ref: 26.1-33-05*
  - a. Entire contract  
*Ref: 26.1-33-05 (3)*
  - b. Free look provision  
*Ref: 26.1-33-02.1*
  - c. Payment of premiums  
*Ref: 26.1-33-05 (1)*
  - d. Grace period  
*Ref: 26.1-33-05(2)*
  - e. Reinstatement  
*Ref: 26.1-33-05 (8)*
  - f. Incontestability  
*Ref: 26.1-33-05(3)*
  - g. Misstatement of age  
*Ref: 26.1-33-05(5)*
  - h. Statements of the insured  
*Ref: 26.1-33-05 (4)*
  - i. Dividend options  
*Ref: 26.1-33-05 (6)*
  - j. Loan provisions  
*Ref: 26.1-33-05 (7)*
  - k. Nonforfeiture provision  
*Ref: 26.1-33-18*
  - l. Exclusions  
*Ref: 26.1-33-05 (12)*
  - m. Suicide no defense  
*Ref: 26.1-33-37*
  - n. Payment of claims and interest  
*Ref: 26.1-33-05(9), 26.1-33-05(13)*
  - o. Assignment  
*Ref: 26.1-33-33*

- p. Prohibited provisions including backdating  
*Ref: 26.1-33-06*

**C. Group life insurance**

- 1. Standard provisions  
*Ref: 26.1-33-11*
- 2. Conversion rights  
*Ref: 26.1-33-12*

**IV. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO ANNUITY INSURANCE.....4**

**A. Free look provision**

*Ref: 26.1-34-01.1*

**B. Death claim settlement and interest**

*Ref: 26.1-34-01(5)*

**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

**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
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

<p><b>ACCIDENT &amp; HEALTH - STATE SPECIFIC CONTENT OUTLINE State Statutes, Rules and Regulations</b></p>
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*(35 scoreable questions plus 5 pretest questions)*

**I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL PRODUCERS OF INSURANCE . 8**

**B. Responsibilities of the Insurance**

**Commissioner**

- 1. General duties and powers  
*Ref: 26.1-01-03, 26.1-04-09*
  - a. Policy approval authority
  - b. Rates and forms  
*Ref: 26.1-30-19*
- 2. Examinations  
*Ref: 26.1-01-07, 26.1-03-19.2, 26.1-03-19.6, 26.1-26-48*
- 3. Hearings/notice of hearings  
*Ref: 26.1-01-03.1*
- 4. Penalties  
*Ref: 26.1-01-03.3*
- 5. Cease and desist orders  
*Ref: 26.1-01-03.1, 26.1-04-13*
- 6. Investigation of records  
*Ref: 26.1-03-19.2, 26.1-26-48*

**B. Definitions**

- 1. Insurance contract
- 2. Insurance producer
- 3. Insurance transaction
- 4. Insurer
- 5. Reinsurance
- 6. Domestic company
- 7. Foreign company
- 8. Alien company
- 9. Fraternal

- 10. Authorized and unauthorized companies/admitted and nonadmitted companies
- 11. Stock and mutual companies and reciprocals
- 12. Dividends
- 13. Risk retention group
- 14. Certificate of authority

**C. Licensing**

- 1. Purpose
- 2. Process  
*Ref: 26.1-26-13.2, 26.1-26-13.3; Reg. 45-02-02-02, 45-02-02-05*
- 3. Persons required to be licensed
  - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
  - b. Producer-agent of insured  
*Ref: 26.1-26-07*
  - c. Producer-agent of insurer  
*Ref: 26.1-26-06*
  - d. Consultant  
*Ref: 26.1-26-10, 26.1-26-35, 26.1-26-41; Reg. 45-02-02-09 through 10*
  - e. Surplus lines Insurance Producers  
*Ref: 26.1-26-17*
  - f. Nonresident  
*Ref: 26.1-26-20, 26.1-26-47.1*
  - g. Temporary license  
*Ref: 26.1-26-26*
- 4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34; Reg. 45-02-02-06 through 07*
- 5. Obtaining a license
  - a. Qualifications  
*Ref: 26.1-26-15, Reg. 45-02-02-03,*
  - b. Licenses fees and application  
*Ref: 26.1-26-13.3*
  - c. License denial  
*Ref: 26.1-26-39, 26.1-26-40, 26.1-26-42*
- 6. Maintaining a license
  - a. Biennial continuation of license  
*Ref: 26.1-26-13.4*
  - b. Continuing education  
*Ref: 26.1-26-31.1 through 31.8*
  - b. Change of address  
*Ref: 26.1-26-33; Reg. 45-02-02-13*
  - c. Reporting of actions/criminal convictions  
*Ref: 26.1-26-45.1*
  - d. Assumed business names  
*Ref: 26.1-26-25.1*
  - e. License termination  
*Ref: 26.1-26-34; Reg. 45-02-02-06*
  - f. Suspension or revocation of licenses/ felony convictions  
*Ref: 26.1-26-31.8; 26.1-26-42 through 46*
  - g. Penalties  
*Ref: 26.1-01-03.3, 26.1-04-13 through 17,*

26.1-26-50

**D. Producer responsibilities**

- 1. Commissions and compensation  
*Ref: 26.1-26-04*
- 2. Binders  
*Ref: 26.1-39-23*

**E. Marketing practices**

- 1. Responsibilities of the insurer
- 2. Unfair claims settlement practices  
*Ref: 26.1-04-03(9)*
- 3. Unfair trade practices
  - a. Rebating  
*Ref: 26.1-04-03(8), 26.1-04-05 through 06*
  - b. Misrepresentation  
*Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
  - c. False advertising  
*Ref: 26.1-04-03(1), 26.1-04-03(2)*
  - d. Defamation  
*Ref: 26.1-04-03(3)*
  - e. False financial statements  
*Ref: 26.1-04-03(5)*
  - f. Controlled business  
*Ref: 26.1-26-53*
  - g. Boycott and intimidation  
*Ref: 26.1-04-03(4), 26.1-04-04*
  - h. Unfair discrimination  
*Ref: 26.1-04-03(11), 26.1-04-05*
  - i. Coercion  
*Ref: 26.1-04-03 (4)*
  - j. Illegal inducement  
*Ref: 26.1-04-06, 26.1 04-05 (Life Only)*
  - k. Fraud  
*Ref: 26.1-02.1-02.1; Reg. 45-15-01-01*
  - l. Twisting (Life and Health only)  
*Ref: 26.1-04-03(1)*
- 4. Penalties  
*Ref: 26.1-04-14*
- 5. Return of premium  
*Ref: 26.1-24-03*

**II. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY AND ACCIDENT & HEALTH INSURANCE ONLY ..... 4**

**A. Credit Insurance**

- Ref: 26.1-37-02, 26.1-37-05 through 08, 26.1-37-13 through 14*
- 1. Definitions
  - 2. General provisions
  - 3. Choice of insurer

**B. Life and Health Insurance Guaranty Association Act**

*Ref: 26.1-38.1-01 through 02, 26.1-38.1-06 through 07, 26.1-38.1-14*

**III. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO ACCIDENT AND HEALTH INSURANCE ONLY..... 23**

**A. Requirements on both Group and Individual Accident and Health Insurance**

- 1. Minimum Standards

- a. Advertising  
*Ref: Reg. 45-06-04*
- b. Coordination of benefits
- c. Right to return policy (free look)  
*Ref: 26.1-36-02.1, 26.1-36-05*
- 2. Eligibility requirements
  - a. Newborns/Adopted Children  
*Ref: 26.1-36-07*
  - b. Dependent Coverage  
*Ref: 26.1-36-22*
- 3. Mandated Benefits
- 4. HIPAA (Health Insurance Portability and Accountability Act)  
*Ref: 26.1-36.3-05 through 06, 26.1-36.4-04 through 05*
- 5. Cancellation  
*Ref: 26.1-36-04(2)(e), 26.1-36.3-05, 26.1-36.4-05*

**B. Individual Accident and Health insurance policy clauses and provisions**

- 1. Benefit coverage
- 2. Standard Provisions  
*Ref: Ref: 26.1-36-04(1)*
  - a. Entire contract; changes  
*Ref: 26.1-36-04(1)(a)(b)*
  - b. Claim Procedures  
*Ref: 26.1-36-04(1)(g) through (k), 26.1-36-37.1*
  - c. Grace period  
*Ref: 26.1-36-04(1)(e)*
  - d. Pre-existing conditions  
*Ref: 26.1-36-04(1)(d)*
  - e. Incontestability  
*Ref: 26.1-36-04(1)(c)*
  - f. Reinstatement  
*Ref: 26.1-36-04(1)(f)*
  - g. Legal Actions  
*Ref: 26.1-36-04(1)(m)*
  - h. Return of premium upon death  
*Ref: 26.1-36-04(1)(n)*

**3. Other Provisions**

- Ref: 26.1-36-04(2)*
- a. Misstatement of age  
*Ref: 26.1-36-04(2)(b)*
  - b. Unpaid premium  
*Ref: 26.1-36-04(2)(d)*
  - c. Conformity with state statutes  
*Ref: 26.1-36-04(2)(f)*
  - d. Intoxicants and narcotics  
*Ref: 26.1-36-04(2)(h)*
  - e. Illegal occupation  
*Ref: 26.1-36-04(2)(g)*

**C. Group Accident and Health insurance policy clauses and provisions**

- 1. Standard provisions  
*Ref: 26.1-36-05*
  - a. Certificates of coverage  
*Ref: 26.1-36-05(7)*
  - b. Grace period  
*Ref: 26.1-36-05(1)*

- c. Pre-existing conditions  
*Ref: 26.1-36-05(5), 26.1-36.4-03 through 04*
  - d. Incontestability  
*Ref: 26.1-36-05(2)*
  - e. Attachment of application  
*Ref: 26.1-36-05(3)*
  - f. Misstatement of age  
*Ref: 26.1-36-05(6)*
  - g. Claim Procedures  
*Ref: 26.1-36-05(8) through (12)*
  - h. Legal Action  
*Ref: 26.1-36-05(14)*
  - i. Mandated Benefit options
    - 1) Prescription drugs  
*Ref: 26.1-36-06(1)*
    - 2) Chiropractic care  
*Ref: 26.1-36-6(2)*
  - j. Mandated benefits
    - 1) Substance abuse  
*Ref: 26.1-36-08*
    - 2) Mental disorders  
*Ref: 26.1-36-09*
  - 2. Other provisions
    - a. Coordination of benefits  
*Ref: 26.1-36-10, Reg. 45-08-01.2*
    - b. Continuation  
*Ref: 26.1-36-23, 26.1-36-23.1*
- D. Medicare Supplements**
- 1. Standards for marketing  
*Ref: Reg. 45-06-01.1-17*
  - 2. Open enrollment  
*Ref: Reg. 45-06-01.1-09*
    - a. Guaranteed issue  
*Ref: Reg. 45-06-01.1-09.1*
  - 3. Advertising  
*Ref: 26.1-36.1-07; Reg. 45-06-01.1-16*
  - 4. Appropriateness of recommended purchase  
*Ref: Reg. 45-06-01.1-18*
  - 5. Outline of coverage  
*Ref: 26.1-36.1-05; Reg. 45-06-01.1-14(4)*
  - 6. Right to return (free look)  
*Ref: 26.1-36.1-06*
  - 7. Replacement  
*Ref: Reg. 45-06-01.1-15, 45-06-01.1-20*
  - 8. Minimum benefit standards  
*Ref: Reg. 45-06-01.1-06.1*
  - 9. Standard Medicare Supplement plans  
*Ref: Reg. 45-06-01.1-07.1*
  - 10. Pre-existing conditions  
*Ref: Reg. 45-06-01.1-06(1)(a)*
  - 11. Required disclosure provisions  
*Ref: Reg. 45-06-01.1-14*
  - 12. Permitted compensation arrangements  
*Ref: Reg. 45-06-01.1-13*
  - 13. Continuation and conversion requirements  
*Ref: Reg. 45-06-01.1-06(1)(e)*
  - 14. Notice of change  
*Ref: Reg. 45-06-01.1-14(2)*
  - 15. Excessive or unnecessary coverage (duplication of coverage)  
*Ref: Reg. 45-02-02-14*
  - 16. Medicare SELECT  
*Ref: Reg. 45-06-01.1-08*
- E. Medicare Advantage**  
*Reg. 45-06-01.1-02(13),*
- F. Long-term Care Insurance**
- 1. Definitions  
*Ref: 26.1-45-01(4)*
  - 2. Limitations/Exclusions  
*Ref: 45-06-05.1-04(2)*
  - 3. Standards for Marketing  
*Ref: Reg. 45-06-05.1-21*
  - 4. Shopper's guide  
*Ref: Reg. 45-06-05.1-28*
  - 5. Outline of coverage  
*Ref: 26.1-45-09; Reg. 45-06-05.1-27*
  - 6. Right to return (free look)  
*Ref: 26.1-45-09(1)*
  - 7. Replacement  
*Ref: Reg. 45-06-05.1-12, 45-06-05.1-23*
  - 8. Renewal provisions  
*Ref: 26.1-45-05.2*
  - 9. Contingent non-forfeiture  
*Ref: 26.1-45-14; Reg. 45-06-05.1-24*
  - 10. Cancellation  
*Ref: 26.1-45-05*
  - 11. Required disclosure provisions  
*Ref: Reg. 45-06-05.1-06*
  - 12. Inflation protection  
*Ref: Reg. 45-06-05.1-11*
  - 13. Pre-existing conditions  
*Ref: 26.1-45-05.2, 26.1-45-06*
  - 14. Protection against unintentional lapse  
*Ref: Reg. 45-06-05.1-05*
  - 15. Suitability  
*Ref: Reg. 45-06-05.1-22*
  - 16. Minimum home health care benefits  
*Ref: Reg. 45-06-05.1-10*
  - 17. Qualified long-term care contracts  
*Ref: 26.1-45-01(6)(a)(b), Reg. 45-06-05.1-26*
  - 18. Incontestability/Rescission  
*Ref: 26.1-45-05.1*
- G. Comprehensive Health Association of North Dakota (CHAND)**
- 1. Eligibility  
*Ref: 26.1-08-12*
  - 2. Coverages Provided  
*Ref: 26.1-08-06, 26.1-08-06.1*
  - 3. Notification of CHAND by companies  
*Ref: 26.1-08-11 .....*

**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 - STATE SPECIFIC  
CONTENT OUTLINE**

**State Statutes, Rules and Regulations**

*(25 scoreable questions plus 5 pretest questions)*

**I. STATE STATUTES, RULES, AND REGULATIONS  
PERTINENT TO ALL PRODUCERS OF INSURANCE..5**

**A. Responsibilities of the Insurance  
Commissioner**

1. General duties and powers

*Ref: 26.1-01-03, 26.1-04-09*

- a. Policy approval authority

*Ref: 26.1-30-19 through 21*

- b. Rates and forms  
*Ref: 26.1-30-19, 26.1-25-01 through 04*
  - 2. Examinations  
*Ref: 26.1-01-07, 26.1-03-19.2, 26.1-03-19.6, 26.1-26-48*
  - 3. Hearings/notice of hearings  
*Ref: 26.1-01-03.1*
  - 4. Penalties  
*Ref: 26.1-01-03.3*
  - 5. Cease and desist orders  
*Ref: 26.1-01-03.1, 26.1-04-13*
  - 6. Investigation of records  
*Ref: 26.1-03-19.2, 26.1-26-48*
- B. Definitions**
- 1. Insurance contract
  - 2. Insurance producer
  - 3. Insurance transaction
  - 4. Insurer
  - 5. Reinsurance
  - 6. Domestic company
  - 7. Foreign company
  - 8. Alien company
  - 9. Fraternal
  - 10. Authorized and unauthorized companies/admitted and nonadmitted companies
  - 11. Stock and mutual companies and reciprocals
  - 12. Dividends
  - 13. Risk retention group
  - 14. Certificate of authority
- C. Licensing**
- 1. Purpose
  - 2. Process  
*Ref: 26.1-26-13.2, 26.1-26-13.3; Reg. 45-02-02-02, 45-02-02-05*
  - 3. Persons required to be licensed
    - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
    - b. Producer-agent of insured  
*Ref: 26.1-26-07*
    - c. Producer-agent of insurer  
*Ref: 26.1-26-06*
    - d. Consultant  
*Ref: 26.1-26-10, 26.1-26-35, 26.1-26-41; Reg. 45-02-02-09 through 10*
    - e. Surplus lines Insurance Producers  
*Ref: 26.1-26-17*
    - f. Nonresident  
*Ref: 26.1-26-20, 26.1-26-47.1*
    - g. Temporary license  
*Ref: 26.1-26-26*
  - 4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34; Reg. 45-02-02-06 through 07*
  - 5. Obtaining a license
    - a. Qualifications  
*Ref: 26.1-26-15; Reg. 45-02-02-03*
  - b. Licenses fees and application  
*Ref: 26.1-26-13.3*
  - c. License denial  
*Ref: 26.1-26-39 through 40, 26.1-26-42*
6. Maintaining a license
- a. Biennial continuation of license  
*Ref: 26.1-26-13.4*
  - b. Continuing education  
*Ref: 26.1-26-31.1 through 31.8; Reg. 45-02-04*
  - b. Change of address  
*Ref: 26.1-26-33; Reg. 45-02-02-13*
  - c. Reporting of actions/criminal convictions  
*Ref: 26.1-26-45.1*
  - d. Assumed business names  
*Ref: 26.1-26-25.1*
  - e. License termination  
*Ref: 26.1-26-34; Reg. 45-02-02-06*
  - f. Suspension or revocation of licenses/ felony convictions  
*Ref: 26.1-26-31.8, 26.1-26-42-46*
  - g. Penalties  
*Ref: 26.1-01-03.3, 26.1-04-13-17, 26.1-26-50*
- D. Producer responsibilities**
- 1. Commissions and compensation  
*Ref: 26.1-26-04*
  - 2. Binders  
*Ref: 26.1-39-23*
- E. Marketing practices**
- 1. Responsibilities of the insurer
  - 3. Unfair claims settlement practices  
*Ref: 26.1-04-03(9)*
  - 4. Unfair trade practices
    - a. Rebating  
*Ref: 26.1-04-06, 26.1-25-16*
    - b. Misrepresentation  
*Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
    - c. False advertising  
*Ref: 26.1-04-03(1) through (2)*
    - d. Defamation  
*Ref: 26.1-04-03(3)*
    - e. False financial statements  
*Ref: 26.1-04-03(5)*
    - f. Controlled business  
*Ref: 26.1-26-53*
    - g. Boycott and intimidation  
*Ref: 26.1-04-03(4), 26.1-04-04*
    - h. Unfair discrimination  
*Ref: 26.1-04-03(11), 26.1-04-05*
    - i. Coercion  
*Ref: 26.1-04-03(4)*
    - j. Illegal inducement  
*Ref: 26.1-04-06*
    - k. Fraud  
*Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*
  - 5. Penalties  
*Ref: 26.1-04-14*
  - 6. Return of premium

Ref: 26.1-24-03

**II. STATE STATUTES, RULES AND REGULATIONS PERTINENT TO PROPERTY & CASUALTY INSURANCE ONLY ..... 10**

**A. Company responsibilities**

- 1. Declination of property and casualty insurance  
Ref: 26.1-39-12
- a. Unlawful grounds
- 2. Cancellation
- a. Grounds  
Ref: 26.1-39-13
- b. Notice  
Ref: 26.1-39-15
- c. Conditions requiring five days notice  
Ref: 26.1-39-14

**3. Nonrenewal**

Ref: 26.1-39-16

**4. Termination of agency contracts**

Ref: 26.1-39-22

**5. Audit Provisions**

Ref: 26.1-24-10

**B. Property and casualty insurance provisions**

- 1. Legal action against insurer  
Ref: 26.1-39-06
- 2. Release of loss and claim information  
Ref: Reg. 45-05-04

**C. Insurance Contracts**

- 1. Renewal, Nonrenewal, Cancellation: Commercial, Homeowners, Personal Auto and Casualty Policies
- 2. Inception/Expiration
- 3. Proof of Loss
- 4. Risk Classification
- 5. Oral Contracts
- 6. Insurable Interest

**D. Rate Filings**

Ref: 26.1-25-01 through 02, 26.1-25-02.1, 26.1-25-03 through 04

**E. Property and Casualty Guaranty Association Act**

Ref: 26.1-42.1

**III. STATE STATUTES, RULES AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY ..... 10**

**A. Valued Policy law**

Ref: 26.1-39-05

**B. Standard Fire Policy**

Ref: 26.1-39-06

- 1. Property form requirements

**C. Terrorism Risk Insurance Act of 2002**

**D. State Fire and Tornado Fund**

Ref: 26.1-22

**E. Flood Insurance**

**F. Crop Hail**

Ref: 26.1-30-18

- 1. Inception/Expiration

**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)**

<p><b>CASUALTY-STATE SPECIFIC CONTENT OUTLINE</b>  <b>State Statutes, Rules and Regulations</b></p>
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*(35 scoreable questions plus 5 pretest questions)*

- I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL PRODUCERS OF INSURANCE..5**
  - B. Responsibilities of the Insurance Commissioner**
    - 1. General duties and powers  
*Ref: 26.1-01-03, 26.1-04-09*
      - a. Policy approval authority  
*Ref: 26.1-30-19 through 21*
      - b. Rates and forms  
*Ref: 26.1-30-19, 26.1-25-01 through 04*
    - 2. Examinations  
*Ref: 26.1-01-07, 26.1-03-19.2, 26.1-03-19.6, 26.1-26-48*
    - 3. Hearings/notice of hearings  
*Ref: 26.1-01-03.1*
    - 4. Penalties  
*Ref: 26.1-01-03.3*
    - 5. Cease and desist orders  
*Ref: 26.1-01-03.1; 26.1-04-13*
    - 6. Investigation of records  
*Ref: 26.1-03-19.2; 26.1-26-48*
  - B. Definitions**
    - 1. Insurance contract
    - 2. Insurance producer
    - 3. Insurance transaction
    - 4. Insurer
    - 5. Reinsurance
    - 6. Domestic company
    - 7. Foreign company
    - 8. Alien company
    - 9. Fraternal
    - 10. Authorized and unauthorized companies/admitted and nonadmitted companies
    - 11. Stock and mutual companies and reciprocals
    - 12. Dividends
    - 13. Risk retention group
    - 14. Certificate of authority

**C. Licensing**

- 1. Purpose
- 2. Process
  - Ref: 26.1-26-13.2, 26.1-26-13.3;*
  - Reg. 45-02-02-02, 45-02-02-05*
- 3. Persons required to be licensed
  - a. Producers (individual and business entity)
    - Ref: 26.1-26-02, 26.1-26-05 through 07,*
    - 26.1-26-11, 26.1-26-19*
  - b. Producer-agent of insured
    - Ref: 26.1-26-07*
  - c. Producer-agent of insurer
    - Ref: 26.1-26-06*
  - d. Consultant
    - Ref: 26.1-26-10, 26.1-26-35, 26.1-26-41;*
    - Reg. 45-02-02-09 through 10*
  - e. Surplus lines Insurance Producers
    - Ref: 26.1-26-17*
  - f. Nonresident
    - Ref: 26.1-26-20, 26.1-26-47.1*
  - g. Temporary license
    - Ref: 26.1-26-26*
- 4. Agent appointment/termination/appointment renewal
  - Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34;*
  - Reg. 45-02-02-06 through 07*
- 5. Obtaining a license
  - a. Qualifications
    - Ref: 26.1-26-15; Reg. 45-02-02-03*
  - b. Licenses fees and application
    - Ref: 26.1-26-13.3*
  - c. License denial
    - Ref: 26.1-26-39 through 40, 26.1-26-42*
- 6. Maintaining a license
  - a. Biennial continuation of license
    - Ref: 26.1-26-13.4*
  - b. Continuing education
    - Ref: 26.1-26-31.1 through 31.8; Reg. 45-02-04*
  - b. Change of address
    - Ref: 26.1-26-33; Reg. 45-02-02-13*
  - c. Reporting of actions/criminal convictions
    - Ref: 26.1-26-45.1*
  - d. Assumed business names
    - Ref: 26.1-26-25.1*
  - e. License termination
    - Ref: 26.1-26-34; Reg. 45-02-02-06*
  - f. Suspension or revocation of licenses/felony convictions
    - Ref: 26.1-26-31.8, 26.1-26-42-46*
  - g. Penalties
    - Ref: 26.1-01-03.3, 26.1-04-13 through 17,*
    - 26.1-26-50*

**D. Producer responsibilities**

- 1. Commissions and compensation
  - Ref: 26.1-26-04*
- 2. Binders
  - Ref: 26.1-39-23*

**E. Marketing practices**

- 1. Responsibilities of the insurer
- 2. Unfair claims settlement practices
  - Ref: 26.1-04-03(9)*
- 3. Unfair trade practices
  - a. Rebating
    - Ref: 26.1-04-06, 26.1-25-16*
  - b. Misrepresentation
    - Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
  - c. False advertising
    - Ref: 26.1-04-03(1), 26.1-04-03(2)*
  - d. Defamation
    - Ref: 26.1-04-03(3)*
  - e. False financial statements
    - Ref: 26.1-04-03(5)*
  - f. Controlled business
    - Ref: 26.1-26-53*
  - g. Boycott and intimidation
    - Ref: 26.1-04-03(4), 26.1-04-04*
  - h. Unfair discrimination
    - Ref: 26.1-04-03(11), 26.1-04-05*
  - i. Coercion
    - Ref: 26.1-04-03(4)*
  - j. Illegal inducement
    - Ref: 26.1-04-06*
  - k. Fraud
    - Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*
- 5. Penalties
  - Ref: 26.1-04-14*
- 6. Return of premium
  - Ref: 26.1-24-03*

**II. STATE STATUTES, RULES AND REGULATIONS PERTINENT TO PROPERTY & CASUALTY INSURANCE ONLY ..... 10**

**A. Company responsibilities**

- 1. Declination of property and casualty insurance
  - Ref: 26.1-39-12*
  - a. Unlawful grounds
- 2. Cancellation
  - a. Grounds
    - Ref: 26.1-39-13*
  - b. Notice
    - Ref: 26.1-39-15*
  - c. Conditions requiring five days notice
    - Ref: 26.1-39-14*
- 3. Nonrenewal
  - Ref: 26.1-39-16*
- 4. Termination of agency contracts
  - Ref: 26.1-39-22*
- 5. Audit Provisions
  - Ref: 26.1-24-10*

**B. Property and casualty insurance provisions**

- 1. Legal action against insurer
  - Ref: 26.1-39-06*
- 2. Release of loss and claim information
  - Ref: Reg. 45-05-04*

**C. Insurance Contracts**

1. Renewal, Nonrenewal, Cancellation:  
Commercial, Homeowners, Personal Auto and  
Casualty Policies
2. Inception/Expiration
3. Proof of Loss
4. Risk Classification
5. Oral Contracts
6. Insurable Interest

**D. Rate Filings**

*Ref: 26.1-25-01 through 02, 26.1-25-02.1,  
26.1-25-03 through 04*

**E. Property and Casualty Guaranty Association  
Act**

*Ref: 26.1-42.1*

**III. State STATUTES, rules, and regulations  
PERTINENT to Casualty insurance only..... 20**

**A. Auto Insurance**

*Ref: Reg. 26.1-40*

1. Required Coverages
  - a. Financial responsibility requirements  
*Ref: RL 39-16.1-02, 39-16.1-05,  
39-16.1-08 through 11*
    - 1) Proof of financial responsibility defined
    - 2) Persons required to show proof
    - 3) Penalty for noncompliance
    - 4) Methods of satisfying financial  
responsibility
  - b. Auto Accident Reparations Act — personal  
injury protection  
*Ref: 26.1-41*
    - 1) Medical expenses
    - 2) Rehabilitation expenses
    - 3) Work loss
    - 4) Replacement services loss
    - 5) Survivors income loss
    - 6) Survivors replacement services loss
    - 7) Funeral expenses
  - c. Added personal injury protection coverage  
(optional excess benefits)  
*Ref: 26.1-41-04*
  - d. Uninsured/underinsured motorists coverage  
*Ref: 26.1-40-15.1 through 15.7*
  - e. Rental car (mandated auto rental coverage)  
*Ref: 26.1-40-17.1*
2. Prohibited exclusions
3. Establishing primary and excess-coverages  
*Ref: 26.1-40-17*
4. Exclusion of named persons from coverage  
*Ref: 26.1-40-16*
5. Cancellation—grounds and notice  
*Ref: 26.1-40-02 through 04, 26.1-40-06 through 07*
6. Nonrenewal—grounds and notice  
*Ref: 26.1-30.1-06, 26.1-40-05 through 07*
7. Declination of insurance  
*Ref: 26.1-40-10-12*
8. Assigned Risk Plan/Auto Insurance Plan  
*Ref: 26.1-40-06*
9. Comparative negligence

*Ref: RL 32-03.2-02, 32-03.2-02.1*

**B. Casualty insurance provisions**

1. Legal action against insurer  
*Ref: 26.1-39-06*
2. Release of loss and claim information  
*Ref: Reg. 45-05-04-01 through 04*

**C. Worker's Compensation**

*Ref: RL 65*

1. Type of law
  - a. Compulsory
  - b. Monopolistic
2. Employer's Liability

**PERSONAL LINES— GENERAL  
KNOWLEDGE  
CONTENT OUTLINE  
Product Knowledge, Terms, and Concepts**

*(75 scoreable questions plus 11 pretest questions)*

**I. TYPES OF PROPERTY POLICIES ..... 10**

**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. Inland marine**

1. Personal Articles floaters
2. Nationwide Definition

**D. National Flood Insurance Program**

**E. Others**

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Crop/hail
5. Windstorm

**II. TYPES OF CASUALTY POLICIES ..... 13**

**A. Automobile: personal 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. Exclusions

**B. Umbrella/Excess liability**

**III. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS ..... 28**

**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**

**X. Warranties**

**Y. Representations**

**Z. Concealment**

**AA. Deposit Premium/Audit**

**BB. Certificate of Insurance**

**CC. Damages**

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

**DD. Compliance with Provisions of Fail Credit Reporting Act**

**IV. PROPERTY AND CASUALTY POLICY PROVISIONS AND CONTRACT LAW .....24**

**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)**

**V. Cancellation and nonrenewal provisions**

**W. Additional (supplementary) payments**

**X. Arbitration**

**PERSONAL LINES – STATE SPECIFIC**

**CONTENT OUTLINE**

**State Statutes, Rules and Regulations**

*(25 scoreable questions)*

**I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL PRODUCERS OF INSURANCE..6**

**A. Responsibilities of the Insurance**

**Commissioner**

- 1. General duties and powers

*Ref: 26.1-01-03, 26.1-04-09*

- a. Policy approval authority

*Ref: 26.1-30-19 through 21*

- b. Rates and forms

*Ref: 26.1-30-19, 26.1-25-01 through 04*

- 2. Examinations

*Ref: 26.1-01-07, 26.1-03-19.2, 26.1-03-19.6, 26.1-26-48*

- 3. Hearings/notice of hearings

*Ref: 26.1-01-03.1*

- 4. Penalties

*Ref: 26.1-01-03.3*

- 5. Cease and desist orders

*Ref: 26.1-01-03.1, 26.1-04-13*

- 6. Investigation of records

*Ref: 26.1-03-19.2, 26.1-26-48*

**B. Definitions**

- 1. Insurance contract

2. Insurance producer
3. Insurance transaction
4. Insurer
5. Reinsurance
6. Domestic company
7. Foreign company
8. Alien company
9. Fraternal
10. Authorized and unauthorized companies/admitted and nonadmitted companies
11. Stock and mutual companies and reciprocals
12. Dividends
13. Risk retention group
14. Certificate of authority

**C. Licensing**

1. Purpose
2. Process  
*Ref: 26.1-26-13.2, 26.1-26-13.3; Reg. 45-02-02-02, 45-02-02-05*
3. Persons required to be licensed
  - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
  - b. Producer-agent of insured  
*Ref: 26.1-26-07*
  - c. Producer-agent of insurer  
*Ref: 26.1-26-06*
  - d. Consultant  
*Ref: 26.1-26-10, 26.1-26-35, 26.1-26-41; Reg. 45-02-02-09 through 10*
  - e. Surplus lines Insurance Producers  
*Ref: 26.1-26-17*
  - f. Nonresident  
*Ref: 26.1-26-20, 26.1-26-47.1*
  - g. Temporary license  
*Ref: 26.1-26-26*
4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34; Reg. 45-02-02-06 through 07*
5. Obtaining a license
  - a. Qualifications  
*Ref: 26.1-26-15; Reg. 45-02-02-03*
  - b. Licenses fees and application  
*Ref: 26.1-26-13.3*
  - c. License denial  
*Ref: 26.1-26-39 through 40, 26.1-26-42*
6. Maintaining a license
  - a. Biennial continuation of license  
*Ref: 26.1-26-13.4*
  - b. Continuing education  
*Ref: 26.1-26-31.1 through 31.8; Reg. 45-02-04*
  - b. Change of address  
*Ref: 26.1-26-33; Reg. 45-02-02-13*
  - c. Reporting of actions/criminal convictions  
*Ref: 26.1-26-45.1*
  - d. Assumed business names

*Ref: 26.1-26-25.1*

- e. License termination  
*Ref: 26.1-26-34; Reg. 45-02-02-06*
- f. Suspension or revocation of licenses/ felony convictions  
*Ref: 26.1-26-31.8, 26.1-26-42 through 46*
- g. Penalties  
*Ref: 26.1-01-03.3, 26.1-04-13 through 17, 26.1-26-50*

**D. Producer responsibilities**

1. Commissions and compensation  
*Ref: 26.1-26-04*
2. Binders  
*Ref: 26.1-39-23*

**E. Marketing practices**

1. Responsibilities of the insurer
2. Unfair claims settlement practices  
*Ref: 26.1-04-03(9)*
3. Unfair trade practices
  - a. Rebating  
*Ref: 26.1-04-06, 26.1-25-16*
  - b. Misrepresentation  
*Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
  - c. False advertising  
*Ref: 26.1-04-03(1) through (2)*
  - d. Defamation  
*Ref: 26.1-04-03(3)*
  - e. False financial statements  
*Ref: 26.1-04-03(5)*
  - f. Controlled business  
*Ref: 26.1-26-53*
  - g. Boycott and intimidation  
*Ref: 26.1-04-03(4), 26.1-04-04*
  - h. Unfair discrimination  
*Ref: 26.1-04-03(11), 26.1-04-05*
  - i. Coercion  
*Ref: 26.1-04-03(4)*
  - j. Illegal inducement  
*Ref: 26.1-04-06*
  - k. Fraud  
*Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*
5. Penalties  
*Ref: 26.1-04-14*
6. Return of premium  
*Ref: 26.1-24-03*

**II. STATE STATUTES, RULES AND REGULATIONS PERTINENT TO PROPERTY & CASUALTY INSURANCE ONLY ..... 10**

**A. Company responsibilities**

1. Declination of property and casualty insurance  
*Ref: 26.1-39-12*
  - a. Unlawful grounds
2. Cancellation
  - a. Grounds  
*Ref: 26.1-39-13*
  - b. Notice  
*Ref: 26.1-39-15*
  - c. Conditions requiring five days notice



- Ref: 26.1-26-33; Reg. 45-02-02-1*
- c. Reporting of actions  
*Ref: 26.1-26-45.1*
- d. Assumed business names  
*Ref: 26.1-26-25.1*
- 3. Obtaining a license
  - a. Qualifications  
*Ref: 26.1-26-15*
  - b. Licenses fees and application  
*Ref: 26.1-26-12, 26.1-26-13.3*
  - c. Exemptions/exceptions  
*Ref: 26.1-26-09*
  - d. License denial  
*Ref: 26.1-26-39 through 40, 26.1-26-42, 26.1-26.6-03, 26.1-26.6-05*
- 4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34; Reg. 45-02-02-06 through 07*
- 5. Types of licensees (26.1-26-02, 03, 05)
  - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
  - b. Nonresident  
*Ref: 26.1-26-20, 26.1-26-47.1*
- 6. Cease and desist order  
*Ref: 26.1-01-03.1, 26.1-04-13*
- 7. License suspension and revocation  
*Ref: 26.1-26-42 through 46, 26.1-26.6-05*
- 8. Penalties  
*Ref: 26.1-26-42, 26.1-26-50, 26.1-26.6-05*
- C. Definitions**
  - 1. Insurance contract
  - 2. Insurance transaction
  - 3. Insurer
  - 4. Certificate of authority
- D. Trade practices**
  - 1. Unfair trade practices  
*Ref: 26.1-04-03(9)*
    - a. Rebating  
*Ref: 26.1-04-03(8), 26.1-04-06*
    - b. Misrepresentation  
*Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
    - c. False advertising  
*Ref: 26.1-04-03(1) through (2)*
    - d. Defamation  
*Ref: 26.1-04-03(3)*
    - e. False financial statements  
*Ref: 26.1-04-03(5)*
    - f. Controlled business  
*Ref: 26.1-26-53*
    - g. Boycott and intimidation  
*Ref: 26.1-04-03(4), 26.1-04-04*
    - h. Unfair discrimination  
*Ref: 26.1-04-03(11), 26.1-04-05*
    - i. Coercion  
*Ref: 26.1-04-03(4)*

- j. Illegal inducement  
*Ref: 26.1-04-03(8), 26.1-04-06*
- k. Fraud  
*Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*
- 2. Unfair claim settlement practices  
*Ref: 26.1-04-03(9)*
- E. Insurance contracts**
  - 1. Elements of a legal contract
    - a. Offer and acceptance
    - b. Consideration
    - c. Competent parties
    - d. Legal purpose
- II. BAIL BONDS AGENT REGULATION.....10**
  - A. Employees**  
*Ref: 26.1-26.6-05(1)(h)*
  - B. Prohibited conduct**  
*Ref: 26.1-26.6-05*
    - 1. Referral of authority  
*Ref: 26.1-26.6-05(1)(a)*
    - 2. Solicitation where prisoners are confined  
*Ref: 26.1-26.6-05(1)(c)*
    - 3. Signing a Blank Bond  
*Ref: 26.1-26.6-05(3)*
- III. GENERAL BAIL BOND TERMS .....7**  
*Ref: Black's Law Dictionary, Dictionary of Insurance Terms*
  - A. Bail**
  - B. Bail bonds**
  - C. Collateral**
  - D. Acquit**
  - E. Adjudicate**
  - F. Capital offense**
  - G. Conviction**
  - H. Custody**
  - I. Defendant**
  - J. Disposition**
  - K. Extradition**
  - L. Felony**
  - M. Fugitive**
  - N. Hearing**
  - O. Incarceration**
  - P. Indictment**
  - Q. Misdemeanor**
  - R. Recognizance**
  - S. Revoke**
  - T. Suspend**
  - U. Warrant**
  - V. Writ**
  - W. Power of attorney**
  - X. Exoneration**
  - Y. Surety**
- IV. BAIL BOND PRINCIPLES AND PRACTICES ....22**
  - A. General Duties**
    - 1. Premium Receipt
    - 2. Power of Attorney
  - B. Parties to a surety bond**
    - 1. Principle
      - a. Indemnitor for principle
      - b. Indemnity agreement

- 2. Obligee
- 3. Surety
- C. Types of bonds**
  - 1. Personal surety bond
  - 2. Qualification bond
  - 3. Surety bond
  - 4. Appearance bond
  - 5. Cash bond
  - 6. Civil bond
  - 7. Personal Recognizance bond
  - 8. Corporate surety bond
  - 9. Criminal defendant bonds
    - a. Bail
    - b. Appeal
    - c. Nonsurety/cash
    - d. Ten percent surety
- D. Procedure**
  - 1. Application
  - 2. Collateral security
  - 3. Surety contract
  - 4. Posting the bond
  - 5. Informational notice
- E. Surrender of defendant**  
*Ref: 26.1-26.6-05, 26.1-26.6-07*
  - 1. Exoneration of bond
  - 2. Return of premium
  - 3. Return of collateral
- F. Court procedures**
  - 1. Court appearances
    - a. Arraignment
    - b. Trial
    - c. Appeal
  - 2. Conditions of release (ND Rules of Criminal Procedure - Rule 46)
    - a. Prior to trial
    - b. Pending appeal
  - 3. Failure to appear  
*Ref: 26.1-26.6-09*
  - 4. Revocation of bail
- G. Bond posting/transfers**
- H. Release of Surety**
- I. Bond Forfeiture**
  - 1. Motion
  - 2. Notice to defendant and sureties
  - 3. Judgment
  - 4. Dispersal of funds
  - 5. Time limits for appeal
  - 6. Arrest after forfeiture
- V. FIDUCIARY RESPONSIBILITIES .....6**
  - A. Commissions, fees, premiums**
  - B. Record keeping**
  - C. Qualification bond**
  - D. Forfeitures**
  - E. Collateral**  
*Ref: 26.1-26.6-05(4)*
  - F. Limits**

**CONSUMER CREDIT  
CONTENT OUTLINE  
State Statutes, Rules and Regulations  
(60 scoreable questions)**

- I. NORTH DAKOTA STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL CREDIT PRODUCERS.....6**
  - A. Commissioner of Insurance**
    - 1. Broad powers and duties  
*Ref: 26.1-01-03, 26.1-04-09*
    - 2. Examination of records  
*Ref: 26.1-03-19.2, 26.1-26-48*
    - 3. Investigations/Notice of hearing  
*Ref: 26.1-01-03, 26.1-03-19.2, 26.1-26-48*
    - 4. Penalties  
*Ref: 26.1-01-03.3*
  - B. Insurance producer licensing**
    - 1. Purpose
    - 2. Maintenance and duration
      - a. Term of license  
*Ref: 26.1-26-31; Reg. 45-02-02-12*
      - b. Change of address  
*Ref: 26.1-26-33; Reg. 45-02-02-13*
      - c. Reporting of actions  
*Ref: 26.1-26-45.1*
      - d. Assumed business names  
*Ref: 26.1-26-25.1*
    - 3. Obtaining a license
      - a. Qualifications  
*Ref: 26.1-26-15*
      - b. Licenses fees and application  
*Ref: 26.1-26-12, 26.1-26-13.3*
      - c. Exemptions/exceptions  
*Ref: 26.1-26-09*
      - d. License denial  
*Ref: 26.1-26-39 through 40, 26.1-26-42*
    - 4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34; Reg. 45-02-02-06 through 07*
    - 5. Types of licensees  
*Ref: 26.1-26-02 through 03, 26.1-26-05*
      - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
      - b. Nonresident  
*Ref: 26.1-26-20, 47.1*
    - 6. Cease and desist order  
*Ref: 26.1-01-03.1, 26.1-04-13*
    - 7. License suspension and revocation  
*Ref: 26.1-26-42 through 46*
    - 8. Penalties  
*Ref: 26.1-26-42, 26.1-26-50*
  - C. Definitions**
    - 1. Insurance contract
    - 2. Insurance transaction
    - 3. Insurer

- 4. Certificate of authority
- D. Trade practices**
  - 1. Unfair trade practices
    - Ref: 26.1-04-03*
    - a. Rebating
      - Ref: 26.1-04-03(8), 26.1-04-05 through 06*
    - b. Misrepresentation
      - Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
    - c. False advertising
      - Ref: 26.1-04-03(1) through (2)*
    - d. Defamation
      - Ref: 26.1-04-03(3)*
    - e. False financial statements
      - Ref: 26.1-04-03(5)*
    - f. Controlled business
      - Ref: 26.1-26-53*
    - g. Boycott and intimidation
      - Ref: 26.1-04-03(4), 26.1-04-04*
    - h. Unfair discrimination
      - Ref: 26.1-04-03(11), 26.1-04-05*
    - i. Coercion
      - Ref: 26.1-04-03(4), 26.1-04-04*
    - j. Illegal inducement
      - Ref: 26.1-04-03(8), 26.1-04-05 through 06*
    - k. Fraud
      - Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*
  - 2. Unfair claim settlement practices
    - Ref: 26.1-04-03(9)*

- E. Insurance contracts**
  - 1. Elements of a legal contract
    - a. Offer and acceptance
    - b. Consideration
    - c. Competent parties
    - d. Legal purpose

**II. CREDIT REGULATION.....6**

- A. North Dakota Statutes and Regulations**
  - 1. Approval of policy forms
    - Ref: 26.1-30-19*
  - 2. Amounts to be insured
    - Ref: 26.1-37-05*
  - 3. Term of insurance
    - Ref: 26.1-37-06*
  - 4. Premium Rates
    - Ref: 26.1-37-08; Reg. 45-07-01.1-03 through 07*
  - 5. Premium refunds
    - Ref: 26.1-37-06, 26.1-37-08(2); Reg. 45-07-01.1-08*
  - 6. Disclosure requirements
    - Ref: 26.1-37-07(1)(2)*
  - 7. Coercion of debtors
    - Ref: 26.1-04-04*
  - 8. Choice of insurer
    - Ref: 26.1-37-14*
  - 9. Life and Health Guaranty Association
    - Ref: 26.1-38.1-16(1)*
  - 10. Evidence of coverage
    - Ref: 26.1-37-07*
  - 11. Claims processing

- Ref: 26.1-37-13*
- 12. Right to examine (free look)
  - Ref: 26.1-37-07(7)*
- 13. Certificate of insurance
  - Ref: 26.1-37-07(3)*

**B. Federal Consumer Credit Protection Act (Truth-in-Lending Act)(15 USC 1601) 15 USC 1601**

**III. CREDIT INSURANCE .....30**

**A. Consumer Credit Insurance Definitions**

- 1. Definitions
  - a. Creditor
  - b. Debtor
  - c. Credit transaction
- 2. Rates
- 3. Requirements
- 4. Selection rights of the insured
- 5. Term of Coverage
- 6. Standard coverage
- 7. Limitations of coverage
- 8. Amounts of insurance
- 9. Procedures for termination
- 10. Warranty
- 11. Indebtedness

**B. Nature of consumer credit insurance**

- 1. Parties involved
  - a. Debtor/insured
  - b. Creditor/beneficiary
  - c. Insurer
- 2. Advantages for debtors and for creditors
- 3. Markets
  - a. Banks and savings and loan associations
  - b. Credit unions
  - c. Finance companies
  - d. Credit card companies
  - e. Automobile dealers and manufacturers
  - f. Retailers
- 4. Types of credit covered

**C. Coverage characteristics**

- 1. Group versus individual coverage
- 2. Underwriting considerations
  - a. Eligibility of groups
  - b. Underwriting of the debtor/insured (group and individual)
  - c. Evidence of insurability
- 3. Duration of coverage (loan period versus truncated)
- 4. Premiums
  - a. Basis and payment of premiums
  - b. Single premium versus monthly
  - c. Outstanding balance
  - d. Refund of Premium
- 5. General policy provisions
  - a. Right to examine (free look)
    - Ref: 26.1-37-07(7)*
  - b. Grace period
    - Ref: 26.1-33-11(1); 26.1-36 05(1)*

- c. Incontestability  
*Ref: 26.1-33-11(2), 26.1-36-05(2)*
- d. Entire contract  
*Ref: 26.1-33-11(3), 26.1-36-05(3)*
- e. Conditions to require evidence of insurability  
*Ref: 26.1-33-11(4), 26.1-36-05(4)*
- f. Certificate of insurance  
*Ref: 26.1-37-07(3)*
- g. Benefit payments
- h. Rate Regulation
- i. Effect on insured's debt
- j. Payment of excess benefits
- k. Insurable Interest

#### IV. TYPES OF CREDIT INSURANCE.....18

*Ref: 45-07-01.1*

##### A. Credit life insurance

- 1. Eligibility and guaranteed issue amount  
*Ref: Reg. 45-07-01.-04(2)(c)(d)*
- 2. Gross coverage vs. net payoff coverage
- 3. Types of insurance coverage
  - a. Decreasing term
  - b. Level term
  - c. Monthly outstanding balance
  - d. Joint credit life
- 4. Exclusions allowed

*Ref: Reg. 45-07.01.1-04(2)(a)*

- a. War or act of war
- b. Suicide
- c. Pre-existing conditions
- e. Terminal illness

##### B. Credit disability insurance

- 1. Eligibility and guaranteed issue amount  
*Ref: Reg. 45-07-01.1-05(5)(d)(e)(g)*
- 2. Qualifying for benefits
  - a. Sickness or injury
  - b. Definition of disability (own occupation vs. any occupation)
- 3. Total and permanent  
*Ref: Reg. 45-07-01.1-05(5)(c)*
- 4. Elimination period (retroactive vs. critical period)
- 5. Benefit period (loan period vs. critical period)
- 6. Benefit amount
- 7. Common Exclusions  
*Ref: Reg. 45-07-01.1-05(5)(a)*
  - a. Pre-existing conditions
  - b. Intentionally self-inflicted injury
  - c. Normal pregnancy
  - d. War or act of War

##### C. Credit property insurance

- 1. Eligibility
- 2. Insured event  
*Ref: Reg. 45-07-01.1-07(2)*
- 3. Benefit conditions

##### D. Credit involuntary unemployment insurance

- 1. Eligibility of the individual insured  
*Ref: Reg. 45-07-01.1-06(3)*
- 2. Qualifying for benefits

*Ref: Reg. 45-07-01.1-06(2)*

- a. Definition of involuntary unemployment
  - b. Elimination period
  - c. Retroactive coverage
  - d. Benefit period
  - 3. Benefit amount  
*Ref: Reg. 45-07-01.1-06(2)(b)*
  - 4. Excluded forms of unemployment  
*Ref: Reg. 45-07-01.1-06(2)(a)*
- ##### E. Guaranteed automobile protection (GAP) insurance
- 1. Eligibility
  - 2. Insured event
  - 3. Benefit conditions

## CROP HAIL INSURANCE CONTENT OUTLINE

### State Statutes, Rules and Regulations

*(60 scoreable questions)*

#### I. NORTH DAKOTA STATUTES, RULES, AND REGULATIONS PERTINENT TO ALL PRODUCERS...17

##### A. Commissioner of Insurance

- 1. Broad powers and duties  
*Ref: 26.1-01-03, 26.1-04-09*
- 2. Examination of records  
*Ref: 26.1-03-19.2, 26.1-26-48*
- 3. Investigations/Notice of hearing  
*Ref: 26.1-01-03, 26.1-03-19.2, 26.1-26-48*
- 4. Penalties  
*Ref: 26.1-01-03.3*

##### B. Insurance producer licensing

- 1. Purpose
- 2. Maintenance and duration
  - a. Term of license  
*Ref: 26.1-26-31; Reg. 45-02-02-12*
  - b. Change of address  
*Ref: 26.1-26-33; Reg. 45-02-02-13*
  - c. Reporting of actions  
*Ref: 26.1-26-45.1*
  - d. Assumed business names  
*Ref: 26.1-26-25.1*
  - e. Continuing education  
*Ref: 26.1-26-31.1; Reg. 45-02-04-03, 45-02-04-08 through 11, 45-02-04-13*
- 3. Obtaining a license
  - a. Qualifications  
*Ref: 26.1-26-15*
  - b. Licenses fees and application  
*Ref: 26.1-26-12, 26.1-26-13.3*
  - c. Exemptions/exceptions  
*Ref: 26.1-26-09*
  - d. License denial  
*Ref: 26.1-26-39 through 40, 26.1-26-42*
- 4. Agent appointment/termination/appointment renewal  
*Ref: 26.1-26-13.1, 26.1-26-32, 26.1-26-34;*

- Reg. 45-02-02-06 through 07*
5. **Types of licensees**  
*Ref: 26.1-26-02 through 03, 26.1-26-05*
    - a. **Producers (individual and business entity)**  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
    - b. **Producer-agent of insured**  
*Ref: 26.1-26-07*
    - c. **Producer-agent of insurer**  
*Ref: 26.1-26-06*
    - d. **Consultant**  
*Ref: 26.1-26-10, 26.1-26-35, 26.1-26-41; Reg. 45-02-02-09 through 10*
    - e. **Nonresident**  
*Ref: 26.1-26-20, 26.1-26-47.1*
    - f. **Temporary license**  
*Ref: 26.1-26-26*
  6. **Cease and desist order**  
*Ref: 26.1-01-03.1, 26.1-04-13*
  7. **License suspension and revocation**  
*Ref: 26.1-26-42 through 46*
  8. **Penalties**  
*Ref: 26.1-26-42, 26.1-26-50*
- C. Definitions**
1. Insurance contract
  2. Insurance transaction
  3. Insurer
  4. Domestic company
  5. Foreign company
  6. Alien company
  7. Fraternal
  8. Authorized and unauthorized companies/admitted and nonadmitted companies
  9. Certificate of authority
- D. Trade practices**
1. **Unfair trade practices**  
*Ref: 26.1-04-03(9)*
    - a. **Rebating**  
*Ref: 26.1-04-03(8), 26.1-04-06*
    - b. **Misrepresentation**  
*Ref: 26.1-04-03(1), 26.1-04-03(12), 26.1-04-07*
    - c. **False advertising**  
*Ref: 26.1-04-03(1) through (2)*
    - d. **Defamation**  
*Ref: 26.1-04-03(3)*
    - e. **False financial statements**  
*Ref: 26.1-04-03(5)*
    - f. **Controlled business**  
*Ref: 26.1-26-53*
    - g. **Boycott and intimidation**  
*Ref: 26.1-04-03(4), 26.1-04-04*
    - h. **Unfair discrimination**  
*Ref: 26.1-04-03(11), 26.1-04-05*
    - i. **Coercion**  
*Ref: 26.1-04-03(4)*
    - j. **Illegal inducement**  
*Ref: 26.1-04-03(8), 26.1-04-06*

- k. **Fraud**  
*Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*
  2. **Unfair claim settlement practices**  
*Ref: 26.1-04-03(9)*
- E. Insurance contracts**
1. **Elements of a legal contract**
    - a. Offer and acceptance
    - b. Consideration
    - c. Competent parties
    - d. Legal purpose
- II. CROP HAIL INSURANCE .....20**
- A. Eligibility**
1. Insureds
  2. Insurable crops
- B. Application**
1. Binder
  2. Declarations section
  3. Required signatures
  4. Required information
  5. Provision for company rejection
- C. Term of coverage**
1. Effective date
  2. Inception of coverage
  3. Expiration
  4. Cancellation
- D. Perils insured against**
- E. Exclusions**
- F. Limits of coverage**
1. Insurable value
  2. Percentage plan
  3. Deductibles
  4. Reduction of insurance
  5. Loss Payment
- G. Other provisions**
1. Replanting clause
  2. Acreage variation
  3. Transit coverage
  4. Fire department service charge
  5. Pro rata liability clause
  6. Fire and lightning coverage
  7. Windrowed crops
  8. Catastrophe loss award
  9. Assignment
- H. Claim settlement practices**
1. Notice of loss
  2. Insured's duties after loss
  3. Appraisal/arbitration
- I. Companion plan**
- J. National Crop Insurance Services**
- III. MULTI-PERIL INSURANCE PROGRAMS.....23**
- A. Basic crop insurance**
1. Eligibility
    - a. Insureds
    - b. Insurable crops
  2. Actuarial document books
  3. Yield guarantee

- a. Actual production history (APH)
  - b. Assigned yield
  - c. Transitional yield
  - 4. Coverage level
  - 5. Coverage triggers
  - 6. Market price percentage
  - 7. Covered causes of loss
  - 8. Application
  - 9. Units
  - 10. Administrative fee
  - 11. Production records
  - 12. Acreage reporting
  - 13. Late planting agreement option
  - 14. Disqualification of producer
  - 15. Life of policy
    - a. Continuous
    - b. Cancellation
    - c. Termination
- B. Multi-Peril policy options**
- 1. Levels of coverage
  - 2. Price election
  - 3. Optional units
  - 4. High-risk land exclusion
  - 5. Hail/fire exclusion
  - 6. Replant
  - 7. Late planting coverage
  - 8. Prevented planting coverage
  - 9. Transfer of coverage
  - 10. Assignment of indemnity
- C. Other provisions and types of coverage**
- 1. Individual crop
  - 2. Small grain
  - 3. Coarse grain
  - 4. Priorities of conflicts between provisions
  - 5. Duties after loss
    - a. Insured
    - b. Insurer
  - 6. Supplements
  - 7. Revenue products
  - 8. Income Protection (IP)
  - 9. Crop Revenue Coverage (CRC)
  - 10. Revenue Assurance (RA)
- 4. Penalties**  
*Ref: 26.1-01-03.3*
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  - 3. Obtaining a license
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    - a. Producers (individual and business entity)  
*Ref: 26.1-26-02, 26.1-26-05 through 07, 26.1-26-11, 26.1-26-19*
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*Ref: 26.1-26-20, 26.1-26-47.1*
    - c. Temporary license  
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*Ref: 26.1-01-03.1, 26.1-04-13*
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  - 9. Certificate of authority
- D. Trade practices**
- 1. Unfair trade practices  
*Ref: 26.1-04-03(9)*
    - a. Rebating

**LEGAL EXPENSE INSURANCE  
CONTENT OUTLINE  
State Statutes, Rules and Regulations  
(60 scoreable questions)**

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- Ref: 26.1-04-03(8), 26.1-04-06*
- b. Misrepresentation  
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- g. Boycott and intimidation  
*Ref: 26.1-04-03(4), 26.1-04-04*
- h. Unfair discrimination  
*Ref: 26.1-04-03(11), 26.1-04-05*
- i. Coercion  
*Ref: 26.1-04-03 (4)*
- j. Illegal inducement  
*Ref: 26.1-04-03(8), 06*
- k. Fraud  
*Ref: 26.1-02.1-01 through 06; Reg. 45-15-01-01*

- 2. Unfair claim settlement practices  
*Ref: 26.1-04-03(9)*

**E. Insurance contracts**

- 1. Elements of a legal contract
  - a. Offer and acceptance
  - b. Consideration
  - c. Competent parties
  - d. Legal purpose

**II. NORTH DAKOTA LEGAL EXPENSE INSURANCE LAW.....32**

**A. General legal definitions**

- 1. Civil action
- 2. Criminal action
- 3. Defendant
- 4. Defense
- 5. Docket
- 6. Felony
- 7. Misdemeanor
- 8. Plaintiff
- 9. Pleading
- 10. Proceeding
- 11. Prosecution
- 12. Respondent

**B. Legal issues**

- 1. Independent judgment of lawyers
  - a. Overriding duty to client-insured
  - b. Legal code of ethics
- 2. Client confidences
- 3. Attorney conflicts of interest
  - a. Multiple clients
  - b. Family disputes
  - c. Requirement of disclosure
  - d. Plan members versus plan sponsor

**C. Provider systems and design**

- 1. Closed panels
- 2. Open panels
- 3. Modified open panels

**D. Types of plans**

- 1. Administrators
  - a. Insurance company plans
  - b. Legal Service Organization (LSO)  
*Ref: 26.1-19-01 through 18*
- 2. Legal expense plans  
*Ref: 26.1-43-01 through 03*
  - a. Individual
  - b. Group
- 3. Referral and discount plans
- 4. Access plans
- 5. Comprehensive plans

**E. Persons covered**

- 1. Policyholder/participant/member/named
- 2. Insured
- 3. Spouse
- 4. Dependents
- 5. Others

**F. Enrollment basis**

- 1. Cafeteria plans
- 2. Group enrollment (contributory/noncontributory)

**G. Basis of payment and claims service**

- 1. Indemnity contract versus prepaid legal services
- 2. Usual, customary and reasonable fees
- 3. Single fee arrangement
- 4. Capitation
- 5. Proofs of claim
- 6. Coordination of benefit

**H. Potential benefits**

- 1. Consultation
  - a. Advice/assistance
  - b. Phone contact
  - c. Document review and preparation
  - d. Negotiation
  - e. Consumer matters
- 2. Defense
  - a. Criminal
  - b. Civil
  - c. Administrative hearings

**I. Limitations on coverages provided**

- 1. Deductibles
  - a. Dollar amount
  - b. Waiting periods
- 2. Maximum dollar coverage
  - a. Per coverage
  - b. Per hour
  - c. Per document
  - d. Per annum
- 3. Fully covered or fully insured
- 4. Territory (state, national and international)
- 5. Period covered by payment of premium

**J. Possible exclusions**

- 1. Plaintiff actions
- 2. Pre-existing conditions
- 3. Business legal matters
- 4. Class actions, interventions and amicus curiae filings

5. Preparing and filing tax returns
6. Judgments, penalties and fines
7. Filing fees, court costs and court reporter fees
8. Legal benefits available from another legal benefit
9. Matters for which a contingency fee is charged
10. Alcohol-related or drug-related traffic violations
11. Duplication of services
12. Employment related
13. Intra-family disputes