

LIFE & ANNUITY -GENERAL KNOWLEDGE

CONTENT OUTLINE

Product Knowledge, Terms and Concepts

(50 scoreable questions plus 10 pretest questions)

- I. **TYPES OF POLICIES** 9
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 - 3. Variable universal life
 - 4. Interest-sensitive whole life
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 - 2. Special features
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 - 3. Fixed and variable
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 - 2. Guaranteed insurability
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 - 7. Cost of living
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 - 2. Insuring clause
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 - 4. Warranties and representations
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 - 2. Medical information and consumer reports
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 - C. **Retirement plans**
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 - E. **Social Security benefits and taxes**
 - F. **Tax treatment of insurance premiums, proceeds, dividends**
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 - 3. Modified Endowment Contracts (MECs)

- G. Accelerated Death Benefits—Living Benefits
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**LIFE & ANNUITY-STATE SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(35 scoreable questions plus 5 pretest questions)

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 - a. Policy approval authority
 - b. Rates and forms
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3. Examinations
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4. Hearings/notice of hearings
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5. Penalties
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6. Cease and desist orders
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g. Boycott, coercion, intimidation
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h. Unfair discrimination
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l. Twisting (Life and Health only)
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5. Penalties
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ACCIDENT & HEALTH – GENERAL KNOWLEDGE CONTENT OUTLINE
Product Knowledge, Terms, and Concepts
(50 scoreable questions plus 10 pretest questions)

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3. Consideration clause	
4. Probationary period	
5. Elimination period	
6. Waiver of premium	
7. Exclusions	

- E. Assuring 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. Requirements of forming a contract
 - 2. Insurable interest
 - 3. Warranties and representations
 - 4. Unique aspects of the health contract
 - a. Conditional
 - b. Unilateral
 - c. Adhesion

- 13. Risk retention group
- 14. Certificate of authority

C. Licensing

- 1. Purpose
- 2. Process
Ref: 26.1-26-13.2, 13.3, 1; Reg. 45-02-02-02,05
- 3. Persons required to be licensed
 - a. Producers (individual and business entity)
Ref: 26.1-26-02, 05, 06, 07, 11, 19
 - b. Producer-agent of insured
Ref: 26.1-26-07
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Ref: 26.1-26-06
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Ref: 26.1-26-17
 - f. Nonresident
Ref: 26.1-26-20, 47.1
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Ref: 26.1-26-13.1;26.1-26-34; Reg. 45-02-02-06
Ref: 26.1-26-32;Reg. 45-02-02-07
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Ref: 26.1-26-31.1-31.8;Reg. 45-02-02-03, 08-11, 13
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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

ACCIDENT & HEALTH - STATE SPECIFIC

CONTENT OUTLINE

State Statutes, Rules and Regulations

(35 scoreable questions plus 5 pretest questions)

- I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY, ACCIDENT & HEALTH, AND PROPERTY & CASUALTY INSURANCE..... 12**
 - A. Responsibilities of the Insurance Commissioner**
 - 1. Election and term
Ref: N.D Const.Article V
 - 2. 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, 26.1-25 (PC only)
 - 3. Examinations
Ref: 26.1-01-07; 26.1-03-19.2 and 19.6; 26.1-26-48
 - 4. Hearings/notice of hearings
Ref: 26.1-01-03.1
 - 5. Penalties
Ref: 26.1-01-03.3
 - 6. Cease and desist orders
Ref: 26.1-01-03.1; 26.1-04-13
 - 7. Investigation of records
Ref: 26.1-03-19.2; 26.1-26-48
 - B. Definitions**
 - 1. Insurance contract
 - 2. Insurance Producer
 - 3. Insurance transaction
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 - 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

D. Producer responsibilities

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

E. Marketing practices

- 1. Protection of public interest
Ref: 26.1-02.1-01-11
- 2. Responsibilities of the insurer

- 3. Unfair claims settlement practices
Ref: 26.1-04-03(9)
 - 4. Unfair trade practices
 - a. Rebating
Ref: 26.1-04-03(8),05,06
 - b. Misrepresentation
Ref: 26.1-04-03(1), (12), 07
 - c. False advertising
Ref: 26.1-04-03(1), (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, coercion, intimidation
Ref: 26.1-04-03(4), 04
 - h. Unfair discrimination
Ref: 26.1-04-03(8) (11), 05, 06,
 - 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: 26.1-02.1-01; through 06 Reg. 45-15-01-01
 - l. Twisting (Life and Health only)
Ref: 26.1-04-03(1)
 - 5. Penalties
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- A. Credit Insurance**
Ref: 26.1-37-02, 05, 06, 07, 08, 13,14
 - 1. Definitions
 - 2. General provisions
 - 3. Choice of insurer
 - B. Life and Health Insurance Guaranty Association Act**
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 - c. Right to return policy (free look)
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 - 2. Eligibility requirements
 - a. Newborns/Adopted Children
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 - b. Dependent Coverage
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 - b. Claim Procedures
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 - 4. Appropriateness of recommended purchase
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 - 5. Outline of coverage
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 - 15. Excessive or unnecessary coverage (duplication of coverage)
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- 3. Standards for Marketing
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- 12. Inflation protection
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 - 3. Notification of CHAND by companies
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LIFE & ANNUITY AND ACCIDENT & HEALTH

LIFE & ANNUITY -GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts

(50 scoreable questions plus 10 pretest questions)

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**LIFE & ANNUITY AND ACCIDENT &
HEALTH
STATE SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(45 scoreable questions plus 5 pretest questions)

I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY, ACCIDENT & HEALTH, AND PROPERTY & CASUALTY INSURANCE..... 6

A. Responsibilities of the Insurance

Commissioner

1. Election and term
Ref: N.D Const. Article V
2. 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, 26.1-25 (PC only)
3. Examinations
Ref: 26.1-01-07; 26.1-03-19.2 and 19.6; 26.1-26-48
4. Hearings/notice of hearings
Ref: 26.1-01-03.1
5. Penalties
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6. Cease and desist orders
Ref: 26.1-01-03.1; 26.1-04-13
7. Investigation of records
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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

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1. Purpose
2. Process
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 - a. Producers (individual and business entity)

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- b. Producer-agent of insured
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- d. Consultant
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- e. Surplus lines Insurance Producers
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- f. Nonresident
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- g. Temporary license
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4. Agent appointment/termination/appointment renewal
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5. Obtaining a license
 - a. Qualifications
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 - b. Licenses fees and application
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 - c. License denial
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 - a. Continuing education
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 - b. Misrepresentation
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- d. Defamation
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- g. Boycott, coercion, intimidation
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- h. Unfair discrimination
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- i. Coercion
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- j. Illegal inducement
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- k. Fraud
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- l. Twisting (Life and Health only)
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- 5. Penalties
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- 6. Return of premium
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- 2. General provisions
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 - b. Illustrations
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 - c. Policy summary
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 - d. Buyer's guide
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- b. Coordination of benefits
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 - b. Dependent Coverage
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- 3. Mandated Benefits
- 4. HIPAA (Health Portability and Accountability Act)
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 - 3. Advertising
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 - 5. Outline of coverage
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 - 9. Standard Medicare Supplement plans
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 - 12. Permitted compensation arrangements
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 - 13. Continuation and conversion requirements
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**PROPERTY – GENERAL
KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms, and Concepts

(50 scoreable questions plus 10 pretest questions)

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) Surety Association of America.

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 - B. Commercial lines**
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 - b. Causes of loss forms
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 - d. Extra expense
 - 2. Commercial Package Policy (CPP)
 - 3. Equipment Breakdown Coverage
 - 4. Businessowners Policy (BOP)
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 - C. Risk**
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 - E. Peril**
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 - H. Deductible**
 - I. Indemnity**
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 - K. Replacement cost**
 - L. Limits of liability**
 - M. Coinsurance/Insurance to value**
 - N. Accident**
 - O. Occurrence**
 - P. Cancellation**
 - Q. Nonrenewal**
 - R. Vacancy and unoccupancy**
 - S. Liability**
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 - 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**
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- L. Other Insurance Provision
- M. Assignment
- N. Subrogation
- O. Elements of a contract
- P. Warranties, representations, and concealment
- Q. Binders
- R. Sources of insurability information
- S. Fair Credit Reporting Act

- Ref: 26.1-26-13.2, 13.3, 1; Reg. 45-02-02-02,05*
- 3. Persons required to be licensed
 - a. Producers (individual and business entity)
Ref: 26.1-26-02, 05, 06, 07, 11, 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 and 35, 41; Reg. 45-02-02-09, 10
 - e. Surplus lines Insurance Producers
Ref: 26.1-26-17
 - f. Nonresident
Ref: 26.1-26-20, 47.1
 - g. Temporary license
Ref: 26.1-26-26

**PROPERTY & CASUALTY
STATE SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations
(45 scoreable questions plus 5 pretest questions)

I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY, ACCIDENT & HEALTH, AND PROPERTY & CASUALTY INSURANCE..... 5

A. Responsibilities of the Insurance Commissioner

- 1. Election and term
Ref: N.D Const. Article V
- 2. 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, 26.1-25 (PC only)
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Ref: 26.1-01-07; 26.1-03-19.2 and 19.6; 26.1-26-48
- 4. Hearings/notice of hearings
Ref: 26.1-01-03.1
- 5. Penalties
Ref: 26.1-01-03.3
- 6. Cease and desist orders
Ref: 26.1-01-03.1; 26.1-04-13
- 7. Investigation of records
Ref: 26.1-03-19.2; 26.1-26-48

B. Definitions

- 1. Insurance contract
- 2. Insurance producer
- 3. Insurance transaction
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- 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

- 4. Agent appointment/termination/appointment renewal
Ref: 26.1-26-13.1; 26.1-26-34; Reg. 45-02-02-06
Ref: 26.1-26-32; Reg. 45-02-02-07
- 5. Obtaining a license
 - a. Qualifications
Ref: 26.1-26-15
 - b. Licenses fees and application
Ref: 26.1-26-12 and 13.3
 - c. License denial
Ref: 26.1-26-39,40, 42
- 6. Maintaining a license
 - a. Continuing education
Ref: 26.1-26-31.1-31.8; Reg. 45-02-02-03, 08-11, 13
 - 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. Protection of public interest
Ref: 26.1-02.1-01-11
- 2. Responsibilities of the insurer
- 3. Unfair claims settlement practices
Ref: 26.1-04-03(9)
- 4. Unfair trade practices
 - a. Rebating
Ref: 26.1-04-03(8), 06

- b. Misrepresentation
Ref: 26.1-04-03(1), (12), 07
- c. False advertising
Ref: 26.1-04-03(1), (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, coercion, intimidation
Ref: 26.1-04-03(4), 04
- h. Unfair discrimination
Ref: 26.1-04-03(8) (11), 06
- 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 45-05-04-01-04
- 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
 - 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: 26.1-22-01-22
 - E. Flood Insurance**
 - F. Crop Hail**
 - 1. Inception/Expiration
- IV. 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, 05, 08-11
 - 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: 26.1-41-01-20
 - 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: 26.1-40-15.1-15.7
 - e. Rental car (mandated auto rental coverage)
Ref: 26.1-40-17.1
 - 2. Prohibited exclusions
 - 3. Establishing primary and excessive 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, 03, 04, 06, 07
 - 6. Nonrenewal—grounds and notice
Ref: 26.1-30.1-06, 26.1-40-05, 06, 07

- 7. Declination of insurance
Ref: 26.1-40-10-12
- 8. Assigned Risk Plan/Auto Insurance Plan
Ref: Reg.45-45-07-03, 26.1-40-06
- 9. Comparative negligence
Ref: RL 32-03.2-02, 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 45-05-04-01-04

C. Statute of limitations

D. Worker's Compensation

Ref: RL 65-01-10

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

- 1. Liability
- 2. Medical Payments
- 3. Physical damage (collision and other than collision/comprehensive)
- 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
- 8. Garage Coverage Form, including Garagekeepers insurance

C. Crime

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

D. Surety Bonding

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

E. Professional liability

- 1. Errors and Omissions

F. Umbrella/Excess liability

**CASUALTY – GENERAL
KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms, and Concepts

(50 scoreable questions plus 10 pretest questions)

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) Surety Association of America.

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

A. Commercial general liability

- 1. Basic Hazards
 - a. Premises and Operations
 - b. Products and Completed Operations
 - c. Independent Contractors
 - d. Insured contracts
- 2. Commercial General Liability Coverage Forms
 - 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. Conditions (The candidate also should be familiar with ISO's Common Policy Conditions)
 - h. Definitions

B. Automotive: personal auto and business auto

II. INSURANCE TERMS AND RELATED CONCEPTS..... 15

- A. Risk**
- B. Hazard**
- C. Indemnity**
- D. Insurable interest**
- E. Actual cash value**
- F. Negligence**
- G. Liability**
- H. Accident**
- I. Occurrence**
- J. Burglary**
- K. Robbery**
- L. Theft**
- M. Mysterious disappearance**
- N. Binders**
- O. Warranties**
- P. Representations**
- Q. Concealment**
- R. Bodily injury liability**
- S. Property damage liability**
- T. Personal injury liability**
- U. Limits of liability**
- V. Deductibles**
- W. Insured contract**
- X. Deposit Premium/Audit**
- Y. Certificate of Insurance**

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. Compliance with provisions of Fair Credit Reporting Act
- O. Claims made policy form
- P. Salvage
- Q. Loss settlement provisions including consent to settle a loss

CASUALTY-STATE SPECIFIC CONTENT OUTLINE

State Statutes, Rules and Regulations
(35 scoreable questions plus 5 pretest questions)

- I. **STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY, ACCIDENT & HEALTH, AND PROPERTY & CASUALTY INSURANCE..... 9**
 - A. **Responsibilities of the Insurance Commissioner**
 - 1. Election and term
Ref: N.D Const. Article V
 - 2. 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, 26.1-25
 - 3. Examinations
Ref: 26.1-01-07; 26.1-03-19.2 and 19.6; 26.1-26-48
 - 4. Hearings/notice of hearings
Ref: 26.1-01-03.1
 - 5. Penalties
Ref: 26.1-01-03.3
 - 6. Cease and desist orders
Ref: 26.1-01-03.1; 26.1-04-13
 - 7. 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, 13.3, 1; Reg. 45-02-02-02,05
- 3. Persons required to be licensed
 - a. Producers (individual and business entity)
Ref: 26.1-26-02, 05, 06, 07, 11, 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 and 35, 41; Reg. 45-02-02-09, 10
 - e. Surplus lines Insurance Producers
Ref: 26.1-26-17
 - f. Nonresident
Ref: 26.1-26-20, 47.1
 - g. Temporary license
Ref: 26.1-26-26
- 4. Agent appointment/termination/appointment renewal
Ref: 26.1-26-13.1; 26.1-26-34; Reg. 45-02-02-06
Ref: 26.1-26-32; Reg. 45-02-02-07
- 5. Obtaining a license
 - a. Qualifications
Ref: 26.1-26-15
 - b. Licenses fees and application
Ref: 26.1-26-12 and 13.3
 - c. License denial
Ref: 26.1-26-39,40, 42
- 6. Maintaining a license
 - a. Continuing education
Ref: 26.1-26-31.1-31.8; Reg. 45-02-02-03, 08-11, 13
 - 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. Protection of public interest
Ref: 26.1-02.1-01-11
- 2. Responsibilities of the insurer
- 3. Unfair claims settlement practices
Ref: 26.1-04-03(9)
- 4. Unfair trade practices
 - a. Rebating
Ref: 26.1-04-03(8), 06
 - b. Misrepresentation
Ref: 26.1-04-03(1), (12), 07
 - c. False advertising
Ref: 26.1-04-03(1), (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, coercion, intimidation
Ref: 26.1-04-03(4), 04
 - h. Unfair discrimination
Ref: 26.1-04-03(8) (11), 06
 - 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 45-05-04-01-04

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

E. Property and Casualty Guaranty Association Act

Ref: 26.1-42.1

III. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY 16

A. Auto Insurance

Ref: Reg. 26.1-40

- 1. Required Coverages
 - a. Financial responsibility requirements
Ref: RL 39-16.1-02, 05, 08-11
 - 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: 26.1-41-01-20
 - 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: 26.1-40-15.1-15.7
 - e. Rental car (mandated auto rental coverage)
Ref: 26.1-40-17.1
- 2. Prohibited exclusions
- 3. Establishing primary and excessive 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, 03, 04, 06, 07
- 6. Nonrenewal—grounds and notice
Ref: 26.1-30.1-06, 26.1-40-05, 06, 07
- 7. Declination of insurance
Ref: 26.1-40-10-12
- 8. Assigned Risk Plan/Auto Insurance Plan
Ref: Reg.45-45-07-03, 26.1-40-06

- 9. Comparative negligence
Ref: RL 32-03.2-02, 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 45-05-04-01-04
- C. Statute of limitations**
- D. Worker's Compensation**
Ref: RL 65-01-10
 - 1. Type of law
 - a. Compulsory
 - b. Monopolistic
 - 2. Employer's Liability

- I. Indemnity
- J. Actual cash value
- K. Replacement cost
- L. Limits of liability
- M. Coinsurance/Insurance to value
- N. Accident
- O. Occurrence
- P. Cancellation
- Q. Nonrenewal
- R. Vacancy and unoccupancy
- S. Liability
- T. Negligence

- 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. Binders
 - R. Sources of insurability information
 - S. Fair Credit Reporting Act

**PROPERTY & CASUALTY
PROPERTY – GENERAL KNOWLEDGE
CONTENT OUTLINE**

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

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) Surety Association of America.

- I. **TYPES OF POLICIES 25**
 - A. **Personal lines**
 - 1. Dwelling and contents (DP forms)
 - 2. Homeowners (HO forms)
 - 3. 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. Equipment Breakdown Coverage
 - 4. Businessowners Policy (BOP)
 - C. **Inland marine**
 - 1. Personal floaters
 - 2. Commercial floaters
 - 3. Nationwide Definition
 - D. **Others**
 - 1. Flood
 - 2. Earthquake
- II. **INSURANCE TERMS AND RELATED CONCEPTS 14**
 - A. **Insurance**
 - B. **Insurable interest**
 - C. **Risk**
 - D. **Hazard**
 - E. **Peril**
 - F. **Loss**
 - 1. Direct
 - 2. Indirect
 - G. **Proximate cause**
 - H. **Deductible**

**PROPERTY & CASUALTY
CASUALTY – GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms, and Concepts

(50 scoreable questions plus 10 pretest questions)

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) Surety Association of America.

- I. **TYPES OF POLICIES, BONDS, AND RELATED TERMS 23**
 - A. **Commercial general liability**
 - 1. Basic Hazards
 - a. Premises and Operations
 - b. Products and Completed Operations
 - c. Independent Contractors
 - d. Insured contracts
 - 2. Commercial General Liability Coverage Forms
 - 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. Conditions (The candidate also should be familiar with ISO's Common Policy Conditions)
 - h. Definitions
 - B. Automotive: personal auto and business auto**
 - 1. Liability
 - 2. Medical Payments
 - 3. Physical damage (collision and other than collision/comprehensive)
 - 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
 - 8. Garage Coverage Form, including Garagekeepers insurance
 - C. Surety Bonding**
 - 1. Definitions
 - a. Obligee
 - b. Principal
 - c. Surety
 - D. Professional liability**
 - 1. Errors and Omissions
 - E. Umbrella/Excess liability**
- II. INSURANCE TERMS AND RELATED CONCEPTS 15**
- A. Risk**
 - B. Hazard**
 - C. Indemnity**
 - D. Insurable interest**
 - E. Actual cash value**
 - F. Negligence**
 - G. Liability**
 - H. Accident**
 - I. Occurrence**
 - J. Burglary**
 - K. Robbery**
 - L. Theft**
 - M. Mysterious disappearance**
 - N. Binders**
 - O. Warranties**
 - P. Representations**
 - Q. Concealment**
 - R. Bodily injury liability**
 - S. Property damage liability**
 - T. Personal injury liability**
 - U. Limits of liability**
 - V. Deductibles**

- W. Insured contract**
 - X. Deposit Premium/Audit**
 - Y. Certificate of Insurance**
- 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. Compliance with provisions of Fair Credit Reporting Act**
 - O. Claims made policy form**
 - P. Salvage**
 - Q. Loss settlement provisions including consent to settle a loss**

**PROPERTY & CASUALTY
STATE SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations
(45 scoreable questions plus 5 pretest questions)

- I. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE & ANNUITY, ACCIDENT & HEALTH, AND PROPERTY & CASUALTY INSURANCE 5**
- A. Responsibilities of the Insurance Commissioner**
 - 1. Election and term
 - 2. 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, 26.1-25 (PC only)
 - 3. Examinations
Ref: 26.1-01-07; 26.1-03-19.2 and 19.6; 26.1-26-48
 - 4. Hearings/notice of hearings
Ref: 26.1-01-03.1
 - 5. Penalties
Ref: 26.1-01-03.3
 - 6. Cease and desist orders
Ref: 26.1-01-03.1; 26.1-04-13
 - 7. 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, 13.3, 1; Reg. 45-02-02-02,05
 - 3. Persons required to be licensed
 - a. Producers (individual and business entity)
Ref: 26.1-26-02, 05, 06, 07, 11, 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 and 35, 41; Reg. 45-02-02-09, 10
 - e. Surplus lines Insurance Producers
Ref: 26.1-26-17
 - f. Nonresident
Ref: 26.1-26-20, 47.1
 - g. Temporary license
Ref: 26.1-26-26
 - 4. Agent appointment/termination/appointment renewal
Ref: 26.1-26-13.1; 26.1-26-34; Reg. 45-02-02-06
Ref: 26.1-26-32; Reg. 45-02-02-07
 - 5. Obtaining a license
 - a. Qualifications
Ref: 26.1-26-15
 - b. Licenses fees and application
Ref: 26.1-26-12 and 13.3
 - c. License denial
Ref: 26.1-26-39,40, 42
 - 6. Maintaining a license
 - a. Continuing education
Ref: 26.1-26-31.1-31.8; Reg.45-02-02-03, 08-11, 13
 - 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. Protection of public interest
Ref: 26.1-02.1-01-11
- 2. Responsibilities of the insurer
- 3. Unfair claims settlement practices
Ref: 26.1-04-03(9)
- 4. Unfair trade practices
 - a. Rebating
Ref: 26.1-04-03(8), 06
 - b. Misrepresentation
Ref: 26.1-04-03(1), (12), 07
 - c. False advertising
Ref: 26.1-04-03(1), (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, coercion, intimidation
Ref: 26.1-04-03(4), 04
 - h. Unfair discrimination
Ref: 26.1-04-03(8) (11), 06
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 - f. Controlled business
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B. Insurance producer licensing

1. Purpose
2. Maintenance and duration
 - a. Term of license
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 - b. Change of address
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4. Agent appointment/termination/appointment renewal
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5. Types of licensees
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 - b. Nonresident
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 - h. Unfair discrimination
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- 5. Types of licensees
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- C. Definitions**
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 - 8. Authorized and unauthorized companies/admitted and nonadmitted companies
 - 9. Certificate of authority
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Ref: 26.1-04-03(8) (11), 06
 - i. Coercion
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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
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