

LIFE-GENERAL KNOWLEDGE CONTENT OUTLINE

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

- I. **TYPES OF POLICIES** 9
 - A. **Traditional whole life products**
 - 1. Ordinary (straight) life
 - 2. Limited-pay and single-premium life
 - 3. Adjustable life
 - B. **Interest-sensitive life products**
 - 1. Universal life
 - 2. Variable whole life
 - 3. Variable universal life
 - 4. Interest-sensitive whole life
 - C. **Term life**
 - 1. Level, decreasing, and increasing term
 - 2. Special features
 - a. Renewable
 - b. Convertible
 - D. **Annuities**
 - 1. Single, level, and flexible premium
 - 2. Immediate and deferred
 - 3. Fixed and variable
 - 4. Equity Index
 - E. **Combination plans and variations**
 - 1. Joint life
 - 2. Survivorship life
- II. **POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS**..... 21
 - 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. Cost of living
 - 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
- III. **COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY** 12
 - 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 (i.e. HIPAA, HIV consent)
 - B. **Underwriting**
 - 1. Insurable interest
 - 2. Medical information and consumer reports
 - 3. Fair Credit Reporting Act
 - 4. Risk classification
 - C. **Delivering the policy**
 - 1. When coverage begins
 - 2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client
 - D. **Do Not Call List**
- 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. **Business insurance**
 - E. **Social Security benefits and taxes**
 - F. **Tax treatment of insurance premiums, proceeds, dividends**
 - 1. Individual life
 - 2. Group life
 - 3. Modified Endowment Contracts (MECs)
 - G. **Accelerated Death Benefits—Living Benefits**
 - H. **Endowments**

**LIFE-WASHINGTON SPECIFIC
CONTENT OUTLINE**

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

*Ref: References are from the revised Code of Washington Title 48 (RCW-48)
and the Washington Administrative Code (WAC) Title 284.*

**I. WASHINGTON LAWS, RULES, AND REGULATIONS
COMMON TO LIFE, DISABILITY, PROPERTY, AND
CASUALTY INSURANCE 18**

A. Commissioner

1. Broad powers
*Ref: 48.01, 48.02.010-.120; WAC 284-02-010;
WAC 284-02-060*
2. Examination of records
Ref: 48.03.010-.020; WAC 284-03
3. Notice of hearing
Ref: 48.04.010-.140
4. Rates and forms
Ref: 48.18.100; 48.19.010, .040
5. Penalties
Ref: 48.17.530-.560
6. Unlicensed activities
Ref: 48.17.063

B. Terms and Concepts

1. Insurance
Ref: 48.01.040
2. Insurer
Ref: 48.01.050; 48.09.110,.120; 48.09.300
3. Insurance transaction
Ref: 48.01.060
4. Authorized and unauthorized certificate of authority
Ref: 48.15, .020, .040; 48.05.215; 48.05.030
5. Domestic, foreign, and alien
Ref: 48.05.010; 48.09.110, .120
6. Guaranty Association
Ref: 48.32; 48.32A 015-.085
7. Fraternal (Life and Disability test only)
Ref: 48.36A.010

C. Licensing

1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
*Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC
284-17-015*
 - b. Adjuster
Ref: 48.17.010; 48.17.390; 48.17.410
 - c. Limited lines
Ref: 48.17.170
 - d. Temporary
Ref: 48.17.510
 - e. Nonresident
Ref: 48.17.173; WAC284-17-122
 - f. Exemptions
Ref: 48.17.062, .110
2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
3. Penalties for noncompliance

- a. Refusal/nonrenewal
Ref: 48.17.530, .540
- b. Suspension/revocation
Ref: .530, .540, .550
- c. Fines
Ref: 48.17.560
4. Maintenance and duration of license
 - a. Renewal
Ref: WAC 284-17-423; 48.14.010
 - b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320

D. Marketing Practices

1. Protection of public interest
Ref: 48.01.030
2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270
 - c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - d. Illegal inducements
Ref: 48.30.150
 - e. Twisting
Ref: 48.30.180
 - f. Misrepresentation
Ref: 48.30.090, .210
 - g. Defamation of insurer
Ref: 48.30.080
 - h. Discrimination
Ref: 48.30.300; 48.18.480
 - i. Failure to issue proper receipts
Ref: WAC284-30-550
 - j. Penalties
Ref: 48.17.530-.560; 48.30.010
 - k. Advertising
Ref: 48.30.040-.080
3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490
 - b. Charges for extra services
Ref: 48.30.157; 48.17.270

**II. WASHINGTON LAWS, RULES, AND REGULATIONS
PERTINENT TO LIFE INSURANCE ONLY12**

Ref: 48.23; 48.24

A. Marketing methods and practices

1. Replacement
 - a. Purpose
Ref: WAC284-23-400, 455(4)
 - b. Definition
Ref: WAC284-23-410, 420
 - c. Duties of insurers
Ref: WAC284-23-440, 450, 455
 - d. Exemptions
Ref: WAC284-23-320, 430
 2. Disclosure
 - a. Purpose
Ref: WAC284-23-200
 - b. Definitions
Ref: WAC284-23-220
 - c. Requirements
Ref: WAC284-23-230, 240, 350
 - d. Exclusions
Ref: WAC284-23-210
 3. Life Insurance Policy Illustration
Ref: 48.23A
- B. Policy clauses and provisions**
1. Return of policy and refund of premium
Ref: 48.23.380
 2. Conversion privileges
Ref: 48.24.190
 3. Policy loans
Ref: 48.23.080, .085
 4. Policy settlement
Ref: 48.23.300, .310
- C. Group life**
1. Assignment of proceeds
Ref: 48.18.375
 2. Eligible groups
Ref: 48.24.030-.095

**DISABILITY-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. Comprehensive major medical policies
 4. Health Maintenance Organizations (HMOs)
 5. Preferred Provider Organizations (PPOs)
 6. Service organizations (Blue Plans)
 7. Point of Service (POS) plans
 8. Medical Savings Accounts (MSAs)
 9. Flexible Spending Accounts (FSAs)

10. Health Reimbursement Accounts (HRAs)
 11. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)
 12. Consumer Driven Health Plans (CDHPs)
- 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
 3. Service days vs. calendar days
- G. Cancer (for specified diseases) plans**
- H. Critical illness plans**
- I. Worksite (employer-sponsored) plans**
- 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
- B. Optional provisions**
1. Change of occupation
 2. Misstatement of age
 3. Illegal occupation
- C. Other provisions and clauses**
1. Insuring clause
 2. Free look (10-day, 20-day, etc.)
 3. Consideration clause
 4. Probationary period
 5. Elimination period
 6. Waiver of premium
 7. Exclusions
 8. Preexisting conditions
 9. Recurrent disability
 10. Coinsurance
 11. Deductibles
 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 rider
 2. Guaranteed insurability rider
 3. Multiple indemnity rider (double, triple)

- E. **Rights of renewability**
 - 1. Noncancelable
 - 2. Cancelable
 - 3. Guaranteed renewable
 - 4. Conditionally renewable
 - 5. Optionally renewable
 - 6. Period of time 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. nonoccupational**
 - 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. **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

I. **WASHINGTON LAWS, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY, PROPERTY, AND CASUALTY INSURANCE** 18

- A. **Commissioner**
 - 1. Broad powers
Ref: 48.01, 48.02.010-.120; WAC 284-02-010; WAC 284-02-060
 - 2. Examination of records
Ref: 48.03.010-.020; WAC 284-03
 - 3. Notice of hearing
Ref: 48.04.010-.140
 - 4. Rates and forms
Ref: 48.18.100; 48.19.010, .040
 - 5. Penalties
Ref: 48.17.530-.560
 - 6. Unlicensed activities
Ref: 48.17.063
- B. **Terms and Concepts**
 - 1. Insurance
Ref: 48.01.040
 - 2. Insurer
Ref: 48.01.050; 48.09.110,.120; 48.09.300
 - 3. Insurance transaction
Ref: 48.01.060
 - 4. Authorized and unauthorized certificate of authority
Ref: 48.15, .020, .040; 48.05.215; 48.05.030
 - 5. Domestic, foreign, and alien
Ref: 48.05.010; 48.09.110, .120
 - 6. Guaranty Association
Ref: 48.32; 48.32A 015-.085
 - 7. Fraternal (Life and Disability test only)
Ref: 48.36A.010
- C. **Licensing**
 - 1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC 284-17-015
 - b. Adjuster
Ref: 48.17.010; 48.17.390; 48.17.410
 - c. Limited lines
Ref: 48.17.170
 - d. Temporary
Ref: 48.17.510
 - e. Nonresident
Ref: 48.17.173; WAC284-17-122
 - f. Exemptions
Ref: 48.17.062, .110
 - 2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
 - 3. Penalties for noncompliance
 - a. Refusal/nonrenewal
Ref: 48.17.530, .540
 - b. Suspension/revocation
Ref: .530, .540, .550
 - c. Fines
Ref: 48.17.560
 - 4. Maintenance and duration of license

**DISABILITY-WASHINGTON SPECIFIC
CONTENT OUTLINE**

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

Ref: References are from the revised Code of Washington Title 48 (RCW-48) and the Washington Administrative Code (WAC) Title 284.

- a. Renewal
Ref: WAC 284-17-423; 48.14.010
- b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320

D. Marketing Practices

- 1. Protection of public interest
Ref: 48.01.030
- 2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270
 - c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - d. Illegal inducements
Ref: 48.30.150
 - e. Twisting
Ref: 48.30.180
 - f. Misrepresentation
Ref: 48.30.090, .210
 - g. Defamation of insurer
Ref: 48.30.080
 - h. Discrimination
Ref: 48.30.300; 48.18.480
 - i. Failure to issue proper receipts
Ref: WAC284-30-550
 - j. Penalties
Ref: 48.17.530-.560; 48.30.010
 - k. Advertising
Ref: 48.30.040-.080
- 3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
- 4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490
 - b. Charges for extra services
Ref: 48.30.157; 48.17.270

II. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO ACCIDENT AND HEALTH (DISABILITY) INSURANCE ONLY 12

Ref: 48.20, 21; WAC284-50, 52, 54, 55

A. Marketing methods and practices

- 1. Outline of coverage/disclosure
Ref: 48.20.450-.470; WAC284-50-300 to 430
- 2. Medicare Supplement Health Insurance Act
Ref: RCW 48.66.055; WAC284-55; WAC284-66
 - a. Definitions
 - b. Outlines of Coverage/ Disclosure

- c. Buyer's Guide
- d. Replacement forms
- e. Application responsibilities
- f. Pre-existing conditions
- g. Part A deductibles and coinsurance
- h. Regulations
- i. Free Look
- j. Medicaid - relationship to supplements and Long-Term Care (LTC)
- 3. Long-Term Care Education Requirements
Ref: 48.83.130
- 4. Long-Term Care Insurance
Ref: 48.83; 48.84; WAC284-54, 284-83; 284-85-015 to 030
 - a. Private insurance
 - (1) Regulations
 - (a) Individual vs. group vs. direct response
 - (b) Nursing home vs. home vs. community based care
 - b. Required provisions
 - (1) Guaranteed Renewable
 - (2) Mental/emotional disorders
 - (3) Levels of care
 - (4) 0 day hospital
 - (5) Pre-existing Conditions
 - c. Other provisions
 - (1) Waiver of Premium
 - (2) Inflation Adjustments
 - (3) Spousal discounts
 - (4) Reinstatement of used benefits
 - d. Terminology
 - (1) Skilled (primary) care
 - (2) Home health care vs. home care
 - (3) Community care
 - (4) Alternative care
 - (5) Case management
 - (6) Activities of Daily Living (ADL's) and cognitive impairment
 - (7) Plan of care
 - (8) Adult day care
 - e. Producer responsibilities
 - (1) Health statements
 - (2) Unfair and deceptive advertising
 - (3) Disclosure
 - (4) Free Look
 - (5) Determining Suitability
 - f. Underwriting considerations
 - g. Prohibited provisions
 - h. Medicaid - relationship to Long-Term Care (LTC)
 - 5. Health Care False Claim Act
Ref: RCW 48.80
 - a. Purpose
Ref: 48.80.010
 - b. Penalty for noncompliance
Ref: 48.80.030
 - 6. Producer responsibilities
 - a. Application completion
Ref: WAC284-30-630
 - b. Policy delivery

B. Health Insurance Reform

Ref: 48.43

- 1. Definitions
Ref: 48.43.005
- 2. Individual health benefit plans-preexisting conditions
Ref: 48.43.012
- 3. Health benefit plans-preexisting conditions
Ref: 48.43.015
- 4. Requirement to complete the standard health questionnaire/exemptions
Ref: 48.43.018
- 5. Individual health benefit plans – mandatory benefits
Ref: 48.43.041
- 6. Health care coverage for emergency medical services
Ref: 48.43.093
- 7. Maternity services
Ref: 48.43.115
- 8. Patient bill of rights
Ref: 48.43.500-.550

C. Policy clauses, exclusions, and provisions

- 1. Minimum standards
Ref: RCW 48.20.460
- 2. Standard provisions
Ref: RCW 48.20.032-152
- 3. Optional provisions
Ref: RCW 48.20.162-.262

D. Health care services and Health Maintenance Organizations (HMO's)

Ref: 48.43.535

- 1. Definitions
Ref: 48.44.010; 48.46.020
- 2. Chemical dependency
Ref: 48.44.240, .245; 48.46.350, .355; WAC284-53
- 3. Conversion/continuation
Ref: 48.44.360-.380; 48.46.440-.460
- 4. Employers' duty to offer HMO coverage
Ref: 48.46.180
- 5. Coverage of newborn
Ref: 48.46.250

E. Health Insurance Coverage Access Act

Ref: RCW 48.41

- 1. Nature and purpose
Ref: 48.41.020
- 2. Eligibility
Ref: 48.41.100
- 3. Coverage available
Ref: 48.41.110
- 4. Deductibles
Ref: 48.41.120
- 5. Policy forms
Ref: 48.41.130
- 6. Medicare Supplement
Ref: 48.41.150

**LIFE AND DISABILITY-
GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms and Concepts
(100 scoreable questions plus 20 pretest questions)

I. TYPES OF LIFE POLICIES9

A. Traditional whole life products

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

B. Interest-sensitive life products

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

C. Term life

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

D. Annuities

- 1. Single, level, and flexible premium
- 2. Immediate and deferred
- 3. Fixed and variable
- 4. Equity Index

E. Combination plans and variations

- 1. Joint life
- 2. Survivorship life

II. LIFE POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS21

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. Cost of living

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. Nonforfeiture options	
11. Dividends and dividend options	
12. Incontestability	
13. Assignments	
14. Suicide	
15. Misstatement of age and gender	
16. Settlement options	
C. Policy exclusions	
III. COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY..... 12	
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 (i.e. HIPAA, HIV consent)	
B. Underwriting	
1. Insurable interest	
2. Medical information and consumer reports	
3. Fair Credit Reporting Act	
4. Risk classification	
C. Delivering the policy	
1. When coverage begins	
2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client	
D. Do Not Call List	
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. Business insurance	
E. Social Security benefits and taxes	
F. Tax treatment of insurance premiums, proceeds, dividends	
1. Individual life	
2. Group life	
3. Modified Endowment Contracts (MECs)	
G. Accelerated Death Benefits—Living Benefits	
H. Endowments	
V. TYPES OF DISABILITY 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. Comprehensive major medical policies	
4. Health Maintenance Organizations (HMOs)	
5. Preferred Provider Organizations (PPOs)	
6. Service organizations (Blue Plans)	
7. Point of Service(POS) plans	
8. Medical Savings Accounts (MSAs)	
9. Flexible Spending Accounts (FSAs)	
10. Health Reimbursement Accounts (HRAs)	
11. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)	
12. Consumer Driven Health Plans (CDHPs)	
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	
3. Service days vs. calendar days	
G. Cancer (for specified diseases) plans	
H. Critical illness plans	
I. Worksite (employer-sponsored) plans	
VI. DISABILITY 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	
B. Optional provisions	
1. Change of occupation	
2. Misstatement of age	
3. Illegal occupation	
C. Other provisions and clauses	
1. Insuring clause	
2. Free look (10-day, 20-day, etc.)	
3. Consideration clause	
4. Probationary period	
5. Elimination period	
6. Waiver of premium	
7. Exclusions	
8. Preexisting conditions	
9. Recurrent disability	
10. Coinsurance	

11. Deductibles
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 rider
2. Guaranteed insurability rider
3. Multiple indemnity rider (double, triple)

E. Rights of renewability

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

VII. SOCIAL INSURANCE 3

A. Medicare

1. Primary, secondary payor
2. Medicare Parts A,B,C,D

B. Medicaid

C. Social Security benefits

VIII. OTHER DISABILITY 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. nonoccupational

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

IX. FIELD UNDERWRITING PROCEDURES FOR DISABILITY INSURANCE 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. 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

**LIFE AND DISABILITY-
WASHINGTON SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(45 scoreable questions plus 5 pretest questions)

Ref: References are from the revised Code of Washington Title 48 (RCW-48) and the Washington Administrative Code (WAC) Title 284.

I. WASHINGTON LAWS, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY, PROPERTY, AND CASUALTY INSURANCE 19

A. Commissioner

1. Broad powers

Ref: 48.01, 48.02.010-.120; WAC 284-02-010; WAC 284-02-060

2. Examination of records

Ref: 48.03.010-.020; WAC 284-03

3. Notice of hearing

Ref: 48.04.010-.140

4. Rates and forms

Ref: 48.18.100; 48.19.010, .040

5. Penalties

Ref: 48.17.530-.560

6. Unlicensed activities

Ref: 48.17.063

B. Terms and Concepts

1. Insurance

Ref: 48.01.040

2. Insurer

Ref: 48.01.050; 48.09.110,.120; 48.09.300

3. Insurance transaction

Ref: 48.01.060

4. Authorized and unauthorized certificate of authority

Ref: 48.15, .020, .040; 48.05.215; 48.05.030

5. Domestic, foreign, and alien

Ref: 48.05.010; 48.09.110, .120

6. Guaranty Association

Ref: 48.32; 48.32A 015-.085

7. Fraternal (Life and Disability test only)

Ref: 48.36A.010

C. Licensing

1. Persons required to be licensed

Ref: 48.17.060, .070; 48.17.150

a. Producer

Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC 284-17-015

b. Adjuster

Ref: 48.17.010; 48.17.390; 48.17.410

c. Limited lines

Ref: 48.17.170

d. Temporary

Ref: 48.17.510

e. Nonresident

- Ref: 48.17.173; WAC284-17-122*
- f. Exemptions
Ref: 48.17.062, .110
- 2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
- 3. Penalties for noncompliance
 - a. Refusal/nonrenewal
Ref: 48.17.530, .540
 - b. Suspension/revocation
Ref: .530, .540, .550
 - c. Fines
Ref: 48.17.560
- 4. Maintenance and duration of license
 - a. Renewal
Ref: WAC 284-17-423; 48.14.010
 - b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320
- D. Marketing Practices**
 - 1. Protection of public interest
Ref: 48.01.030
 - 2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270
 - c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - d. Illegal inducements
Ref: 48.30.150
 - e. Twisting
Ref: 48.30.180
 - f. Misrepresentation
Ref: 48.30.090, .210
 - g. Defamation of insurer
Ref: 48.30.080
 - h. Discrimination
Ref: 48.30.300; 48.18.480
 - i. Failure to issue proper receipts
Ref: WAC284-30-550
 - j. Penalties
Ref: 48.17.530-.560; 48.30.010
 - k. Advertising
Ref: 48.30.040-.080
 - 3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
 - 4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490

- b. Charges for extra services
Ref: 48.30.157; 48.17.270
- II. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO LIFE INSURANCE ONLY 13**
Ref: 48.23; 48.24
 - A. Marketing methods and practices**
 - 1. Replacement
 - a. Purpose
Ref: WAC284-23-400, 455(4)
 - b. Definition
Ref: WAC284-23-410, 420
 - c. Duties of insurers
Ref: WAC284-23-440, 450, 455
 - d. Exemptions
Ref: WAC284-23-320, 430
 - 2. Disclosure
 - a. Purpose
Ref: WAC284-23-200
 - b. Definitions
Ref: WAC284-23-220
 - c. Requirements
Ref: WAC284-23-230, 240, 350
 - d. Exclusions
Ref: WAC284-23-210
 - 3. Life Insurance Policy Illustration
Ref: 48.23A
 - B. Policy clauses and provisions**
 - 1. Return of policy and refund of premium
Ref: 48.23.380
 - 2. Conversion privileges
Ref: 48.24.190
 - 3. Policy loans
Ref: 48.23.080, .085
 - 4. Policy settlement
Ref: 48.23.300, .310
 - C. Group life**
 - 1. Assignment of proceeds
Ref: 48.18.375
 - 2. Eligible groups
Ref: 48.24.030-.095
- III. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO ACCIDENT AND HEALTH (DISABILITY) INSURANCE ONLY 13**
Ref: 48.20, 21; WAC284-50, 52, 54, 55
 - A. Marketing methods and practices**
 - 1. Outline of coverage/disclosure
Ref: 48.20.450-.470; WAC284-50-300 to 430
 - 2. Medicare Supplement Health Insurance Act
Ref: RCW 48.66.055; WAC284-55; WAC284-66
 - a. Definitions
 - b. Outlines of Coverage/ Disclosure
 - c. Buyer's Guide
 - d. Replacement forms
 - e. Application responsibilities
 - f. Pre-existing conditions
 - g. Part A deductibles and coinsurance
 - h. Regulations

- i. Free Look
 - j. Medicaid - relationship to supplements and Long-Term Care (LTC)
 - 3. Long-Term Care Education Requirements
Ref: 48.83.130
 - 4. Long-Term Care Insurance
Ref: 48.83; 48.84; WAC284-54, 284-83; 284-85-015 to 030
 - a. Private insurance
 - (1) Regulations
 - (a) Individual vs. group vs. direct response
 - (b) Nursing home vs. home vs. community based care
 - b. Required provisions
 - (1) Guaranteed Renewable
 - (2) Mental/emotional disorders
 - (3) Levels of care
 - (4) 0 day hospital
 - (5) Pre-existing Conditions
 - c. Other provisions
 - (1) Waiver of Premium
 - (2) Inflation Adjustments
 - (3) Spousal discounts
 - (4) Reinstatement of used benefits
 - d. Terminology
 - (1) Skilled (primary) care
 - (2) Home health care vs. home care
 - (3) Community care
 - (4) Alternative care
 - (5) Case management
 - (6) Activities of Daily Living (ADL's) and cognitive impairment
 - (7) Plan of care
 - (8) Adult day care
 - e. Producer responsibilities
 - (1) Health statements
 - (2) Unfair and deceptive advertising
 - (3) Disclosure
 - (4) Free Look
 - (5) Determining Suitability
 - f. Underwriting considerations
 - g. Prohibited provisions
 - h. Medicaid - relationship to Long-Term Care (LTC)
 - 5. Health Care False Claim Act
Ref: RCW 48.80
 - a. Purpose
Ref: 48.80.010
 - b. Penalty for noncompliance
Ref: 48.80.030
 - 6. Producer responsibilities
 - a. Application completion
Ref: WAC284-30-630
 - b. Policy delivery
Ref: WAC284-30-580
- B. Health Insurance Reform**
Ref: 48.43
- 1. Definitions
Ref: 48.43.005
 - 2. Individual health benefit plans-preexisting conditions
Ref: 48.43.012
 - 3. Health benefit plans-preexisting conditions
Ref: 48.43.015
 - 4. Requirement to complete the standard health questionnaire/exemptions
Ref: 48.43.018
 - 5. Individual health benefit plans – mandatory benefits
Ref: 48.43.041
 - 6. Health care coverage for emergency medical services
Ref: 48.43.093
 - 7. Maternity services
Ref: 48.43.115
 - 8. Patient bill of rights
Ref: 48.43.500-.550
- C. Policy clauses, exclusions, and provisions**
- 1. Minimum standards
Ref: RCW 48.20.460
 - 2. Standard provisions
Ref: RCW 48.20.032-152
 - 3. Optional provisions
Ref: RCW 48.20.162-.262
- D. Health care services and Health Maintenance Organizations (HMO's)**
Ref: 48.43.535
- 1. Definitions
Ref: 48.44.010; 48.46.020
 - 2. Chemical dependency
Ref: 48.44.240, .245; 48.46.350, .355; WAC284-53
 - 3. Conversion/continuation
Ref: 48.44.360-.380; 48.46.440-.460
 - 4. Employers' duty to offer HMO coverage
Ref: 48.46.180
 - 5. Coverage of newborn
Ref: 48.46.250
- E. Health Insurance Coverage Access Act**
Ref: RCW 48.41
- 1. Nature and purpose
Ref: 48.41.020
 - 2. Eligibility
Ref: 48.41.100
 - 3. Coverage available
Ref: 48.41.110
 - 4. Deductibles
Ref: 48.41.120
 - 5. Policy forms
Ref: 48.41.130
 - 6. Medicare Supplement
Ref: 48.41.150

**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) National Council on Compensation Insurance; (3) 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

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-WASHINGTON SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(30 scoreable questions plus 5 pretest questions)

Ref: References are from the revised Code of Washington Title 48 (RCW-48) and the Washington Administrative Code (WAC) Title 284.

**I. WASHINGTON LAWS, RULES, AND REGULATIONS
COMMON TO LIFE, DISABILITY, PROPERTY, AND
CASUALTY INSURANCE 15**

A. Commissioner

1. Broad powers

*Ref: 48.01, 48.02.010-.120; WAC 284-02-010;
WAC 284-02-060*

2. Examination of records

Ref: 48.03.010-.020; WAC 284-03

3. Notice of hearing

Ref: 48.04.010-.140

4. Rates and forms

Ref: 48.18.100; 48.19.010, .040

5. Penalties

Ref: 48.17.530-.560

6. Unlicensed activities

Ref: 48.17.063

B. Terms and Concepts

1. Insurance

Ref: 48.01.040

2. Insurer

Ref: 48.01.050; 48.09.110, .120; 48.09.300

3. Insurance transaction

Ref: 48.01.060

4. Authorized and unauthorized certificate of authority

Ref: 48.15, .020, .040; 48.05.215; 48.05.030

5. Domestic, foreign, and alien

Ref: 48.05.010; 48.09.110, .120

6. Guaranty Association

Ref: 48.32; 48.32A 015-.085

- 7. Fraternal (Life and Disability test only)
Ref: 48.36A.010

C. Licensing

- 1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC 284-17-015
 - b. Adjuster
Ref: 48.17.010; 48.17.390; 48.17.410
 - c. Limited lines
Ref: 48.17.170
 - d. Temporary
Ref: 48.17.510
 - e. Nonresident
Ref: 48.17.173; WAC284-17-122
 - f. Exemptions
Ref: 48.17.062, .110
- 2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
- 3. Penalties for noncompliance
 - a. Refusal/nonrenewal
Ref: 48.17.530, .540
 - b. Suspension/revocation
Ref: .530, .540, .550
 - c. Fines
Ref: 48.17.560
- 4. Maintenance and duration of license
 - a. Renewal
Ref: WAC 284-17-423; 48.14.010
 - b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320

D. Marketing Practices

- 1. Protection of public interest
Ref: 48.01.030
- 2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270
 - c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - d. Illegal inducements
Ref: 48.30.150
 - e. Twisting
Ref: 48.30.180
 - f. Misrepresentation
Ref: 48.30.090, .210
 - g. Defamation of insurer
Ref: 48.30.080
 - h. Discrimination
Ref: 48.30.300; 48.18.480
 - i. Failure to issue proper receipts
Ref: WAC284-30-550
 - j. Penalties
Ref: 48.17.530-.560; 48.30.010

- k. Advertising
Ref: 48.30.040-.080

- 3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
- 4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490
 - b. Charges for extra services
Ref: 48.30.157; 48.17.270

II. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY AND CASUALTY INSURANCE ONLY13

A. Definitions

- 1. Surplus lines broker
Ref: 48.15.070, .080

B. Cancellation/Nonrenewal

- 1. Commercial property and casualty policies
Ref: 48.18.290, .2901
- 2. Personal lines
 - a. Credit scoring – Adverse action
Ref: 48.18.545(3, 4)

C. Homeowners

- 1. Cancellation
 - a. By the company
Ref: 48.18.289, .290; WAC284-30-570, 590, 700
 - b. By the insured
Ref: 48.18.300
- 2. Nonrenewal
Ref: 48.18.289, .290,.2901; WAC284-20-570, 590, 700
- 3. Actual reason required
Ref: WAC 284-30-570

D. Applications and binders

Ref: WAC284-30-560; 48.18.070

- 1. Binding coverage
Ref: 48.18.220-.240

E. Producer responsibilities

- 1. Required records and record retention
Ref: RCW 48.17..470
- 2. Place of business
Ref: RCW 48.17.450
- 3. Notify Commissioner of a change in address
Ref: WAC 284.17.005

F. Producers' contracts

Ref: 48.17.591

III. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY2

A. Overinsurance

Ref: 48.27.010

B. Fair access to insurance requirements plan

Ref: WAC284-19-010 to 180

**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) National Council on Compensation Insurance; (3) 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, incl. Garagekeepers insurance

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
- 2. Work-related vs. non-work-related
- 3. Other states' insurance

D. 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

E. Surety Bonding

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

F. Professional liability

- 1. Errors and Omissions

G. 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

**CASUALTY-WASHINGTON SPECIFIC
CONTENT OUTLINE**

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

Ref: References are from the revised Code of Washington Title 48 (RCW-48) and the Washington Administrative Code (WAC) Title 284.

**I. WASHINGTON LAWS, RULES, AND REGULATIONS
COMMON TO LIFE, DISABILITY, PROPERTY, AND
CASUALTY INSURANCE 12**

A. Commissioner

1. Broad powers
*Ref: 48.01, 48.02.010-.120; WAC 284-02-010;
WAC 284-02-060*
2. Examination of records
Ref: 48.03.010-.020; WAC 284-03
3. Notice of hearing
Ref: 48.04.010-.140
4. Rates and forms
Ref: 48.18.100; 48.19.010, .040
5. Penalties
Ref: 48.17.530-.560
6. Unlicensed activities
Ref: 48.17.063

B. Terms and Concepts

1. Insurance
Ref: 48.01.040
2. Insurer
Ref: 48.01.050; 48.09.110,.120; 48.09.300
3. Insurance transaction
Ref: 48.01.060
4. Authorized and unauthorized certificate of authority
Ref: 48.15, .020, .040; 48.05.215; 48.05.030
5. Domestic, foreign, and alien
Ref: 48.05.010; 48.09.110, .120
6. Guaranty Association
Ref: 48.32; 48.32A 015-.085
7. Fraternal (Life and Disability test only)
Ref: 48.36A.010

C. Licensing

1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
*Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC
284-17-015*
 - b. Adjuster
Ref: 48.17.010; 48.17.390; 48.17.410
 - c. Limited lines
Ref: 48.17.170
 - f. Temporary
Ref: 48.17.510
 - g. Nonresident
Ref: 48.17.173; WAC284-17-122
 - h. Exemptions
Ref: 48.17.062, .110

2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
3. Penalties for noncompliance
 - a. Refusal/nonrenewal
Ref: 48.17.530, .540
 - b. Suspension/revocation
Ref: .530, .540, .550
 - c. Fines
Ref: 48.17.560
4. Maintenance and duration of license
 - a. Renewal
Ref: WAC 284-17-423; 48.14.010
 - b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320

D. Marketing Practices

1. Protection of public interest
Ref: 48.01.030
2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270
 - c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - d. Illegal inducements
Ref: 48.30.150
 - e. Twisting
Ref: 48.30.180
 - f. Misrepresentation
Ref: 48.30.090, .210
 - g. Defamation of insurer
Ref: 48.30.080
 - h. Discrimination
Ref: 48.30.300; 48.18.480
 - i. Failure to issue proper receipts
Ref: WAC284-30-550
 - j. Penalties
Ref: 48.17.530-.560; 48.30.010
 - k. Advertising
Ref: 48.30.040-.080
3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490
 - b. Charges for extra services
Ref: 48.30.157; 48.17.270

II. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY AND CASUALTY INSURANCE ONLY 12

A. Definitions

- 1. Surplus lines broker
Ref: 48.15.070, .080

B. Cancellation/Nonrenewal

- 1. Commercial property and casualty policies
Ref: 48.18.290, .2901
- 2. Personal lines
 - a. Credit scoring – Adverse action
Ref: 48.18.545(3, 4)

C. Homeowners

- 1. Cancellation
 - a. By the company
Ref: 48.18.289, .290; WAC284-30-570, 590, 700
 - b. By the insured
Ref: 48.18.300
- 2. Nonrenewal
Ref: 48.18.289, .290, .2901; WAC284-20-570, 590, 700
- 3. Actual reason required
Ref: WAC 284-30-570

D. Applications and binders

- Ref: WAC284-30-560; 48.18.070*
- 1. Binding coverage
Ref: 48.18.220-.240

E. Producer responsibilities

- 1. Required records and record retention
Ref: RCW 48.17.470
- 2. Place of business
Ref: RCW 48.17.450
- 3. Notify Commissioner of a change in address
Ref: WAC 284.17.005

F. Producers' contracts

- Ref: 48.17.591*

III. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY 6

A. Automobile insurance

- 1. Provisions
 - a. Underinsured Motorists
 - 1) Bodily injury
Ref: 48.22.030
 - 2) Property damage
Ref: 48.22.030
 - 3) Stacking
Ref: 48.22.030
 - 4) Insurer insolvency
Ref: 48.22.040
 - b. Liability
Ref: Title 46.29; 46.30
- 2. Renewal, nonrenewal, and cancellation
Ref: 48.18.280-.290, .2901, .291, .292
 - a. Cancellation by insurer
Ref: 48.18.290
 - b. Cancellation by insured
Ref: 48.18.300
 - c. Cancellation by Commissioner
Ref: 48.18.310

- d. Unfair practices
Ref: WAC284-30-570

- 3. Washington Auto Insurance Plan (AIP)
Ref: 48.22.020

B. Financial responsibility

- 1. Proof of financial responsibility defined
Ref: 46.29.090, .260
- 2. Persons required to show proof
Ref: 46.29.060-.180
- 3. Penalty for noncompliance
Ref: 46.29.110-.180
- 4. Methods of satisfying financial responsibility
Ref: 46.29.260, .450

C. Personal Injury Protection (PIP) endorsement

- 1. Purpose
- 2. Benefits
Ref: WAC 284-30-395; WAC 284-30-500(2b); RCW 48.22.085, .090

D. Workers' Compensation

- Ref: 51.04.010; 51.08.040, .175*
- 1. Purpose
- 2. Definitions
- 3. Type of law
 - a. Compulsory
 - b. Monopolistic

**PROPERTY AND CASUALTY-
GENERAL KNOWLEDGE
CONTENT OUTLINE
Product Knowledge, Terms and Concepts**

(100 scoreable questions plus 20 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) National Council on Compensation Insurance; (3) Surety Association of America.

I. TYPES OF PROPERTY POLICIES25

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. PROPERTY 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**
- 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. PROPERTY 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*

IV. TYPES OF CASUALTY 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. 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
 - 2. Work-related vs. non-work-related
 - 3. Other states' insurance
- D. 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
- E. Surety Bonding**
- 1. Definitions
 - a. Obligee
 - b. Principal
 - c. Surety
- F. Professional liability**
- 1. Errors and Omissions
- G. Umbrella/Excess liability**

V. CASUALTY 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

VI. CASUALTY 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 AND CASUALTY-
WASHINGTON SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(45 scoreable questions plus 5 pretest questions)

Ref: References are from the revised Code of Washington Title 48 (RCW-48) and the Washington Administrative Code (WAC) Title 284.

I. WASHINGTON LAWS, RULES, AND REGULATIONS COMMON TO LIFE, DISABILITY, PROPERTY, AND CASUALTY INSURANCE 18

- A. Commissioner
 - 1. Broad powers
Ref: 48.01, 48.02.010-.120; WAC 284-02-010; WAC 284-02-060
 - 2. Examination of records
Ref: 48.03.010-.020; WAC 284-03
 - 3. Notice of hearing
Ref: 48.04.010-.140
 - 4. Rates and forms
Ref: 48.18.100; 48.19.010, .040

- 5. Penalties
Ref: 48.17.530-.560
- 6. Unlicensed activities
Ref: 48.17.063

B. Terms and Concepts

- 1. Insurance
Ref: 48.01.040
- 2. Insurer
Ref: 48.01.050; 48.09.110, .120; 48.09.300
- 3. Insurance transaction
Ref: 48.01.060
- 4. Authorized and unauthorized certificate of authority
Ref: 48.15, .020, .040; 48.05.215; 48.05.030
- 5. Domestic, foreign, and alien
Ref: 48.05.010; 48.09.110, .120
- 6. Guaranty Association
Ref: 48.32; 48.32A 015-.085
- 7. Fraternal (Life and Disability test only)
Ref: 48.36A.010

C. Licensing

- 1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC 284-17-015
 - b. Adjuster
Ref: 48.17.010; 48.17.390; 48.17.410
 - c. Limited lines
Ref: 48.17.170
 - d. Temporary
Ref: 48.17.510
 - e. Nonresident
Ref: 48.17.173; WAC284-17-122
 - f. Exemptions
Ref: 48.17.062, .110
- 2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17-429 to 483
- 3. Penalties for noncompliance
 - a. Refusal/nonrenewal
Ref: 48.17.530, .540
 - b. Suspension/revocation
Ref: .530, .540, .550
 - c. Fines
Ref: 48.17.560
- 4. Maintenance and duration of license
 - a. Renewal
Ref: WAC 284-17-423; 48.14.010
 - b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320

D. Marketing Practices

- 1. Protection of public interest
Ref: 48.01.030
- 2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270

- c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
- d. Illegal inducements
Ref: 48.30.150
- e. Twisting
Ref: 48.30.180
- f. Misrepresentation
Ref: 48.30.090, .210
- g. Defamation of insurer
Ref: 48.30.080
- h. Discrimination
Ref: 48.30.300; 48.18.480
- i. Failure to issue proper receipts
Ref: WAC284-30-550
- j. Penalties
Ref: 48.17.530-.560; 48.30.010
- k. Advertising
Ref: 48.30.040-.080
- 3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
- 4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490
 - b. Charges for extra services
Ref: 48.30.157; 48.17.270

II. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY AND CASUALTY INSURANCE ONLY 16

A. Definitions

- 1. Surplus lines broker
Ref: 48.15.070, .080

B. Cancellation/Nonrenewal

- 1. Commercial property and casualty policies
Ref: 48.18.290, .2901
- 2. Personal lines
 - a. Credit scoring – Adverse action
Ref: 48.18.545(3, 4)

C. Homeowners

- 1. Cancellation
 - a. By the company
Ref: 48.18.289, .290; WAC284-30-570, 590, 700
 - b. By the insured
Ref: 48.18.300
- 2. Nonrenewal
Ref: 48.18.289, .290, .2901; WAC284-20-570, 590, 700
- 3. Actual reason required
Ref: WAC 284-30-570

D. Applications and binders

- Ref: WAC284-30-560; 48.18.070*

- 1. Binding coverage
Ref: 48.18.220-.240

E. Producer responsibilities

- 1. Required records and record retention
Ref: RCW 48.17.470
- 2. Place of business
Ref: RCW 48.17.450
- 3. Notify Commissioner of a change in address
Ref: WAC 284.17.005

F. Producers' contracts

- Ref: 48.17.591*

III. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY 3

A. Overinsurance

- Ref: 48.27.010*

B. Fair access to insurance requirements plan

- Ref: WAC284-19-010 to 180*

IV. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY 8

A. Automobile insurance

- 1. Provisions
 - a. Underinsured Motorists
 - 1) Bodily injury
Ref: 48.22.030
 - 2) Property damage
Ref: 48.22.030
 - 3) Stacking
Ref: 48.22.030
 - 4) Insurer insolvency
Ref: 48.22.040
 - b. Liability
Ref: Title 46.29; 46.30
- 2. Renewal, nonrenewal, and cancellation
Ref: 48.18.280-.290, .2901, .291, .292
 - a. Cancellation by insurer
Ref: 48.18.290
 - b. Cancellation by insured
Ref: 48.18.300
 - c. Cancellation by Commissioner
Ref: 48.18.310
 - d. Unfair practices
Ref: WAC284-30-570
- 3. Washington Auto Insurance Plan (AIP)
Ref: 48.22.020

B. Financial responsibility

- 1. Proof of financial responsibility defined
Ref: 46.29.090, .260
- 2. Persons required to show proof
Ref: 46.29.060-.180
- 3. Penalty for noncompliance
Ref: 46.29.110-.180
- 4. Methods of satisfying financial responsibility
Ref: 46.29.260, .450

C. Personal Injury Protection (PIP) endorsement

- 1. Purpose
- 2. Benefits
Ref: WAC 284-30-395; WAC 284-30-500(2b);

RCW 48.22.085, .090

D. Workers' Compensation

Ref: 51.04.010; 51.08.040, .175

- 1. Purpose
- 2. Definitions
- 3. Type of law
 - a. Compulsory
 - b. Monopolistic

- L. Pair and set clause
- M. Extensions of coverage
- N. Additional coverages
- O. Accident
- P. Occurrence
- Q. Vacancy and unoccupancy
- R. Right of salvage
- S. Abandonment
- T. Liability
- U. Negligence
- V. Theft
- W. Burglary
- X. Robbery
- Y. Mysterious disappearance
- Z. Binders
- AA. Bodily injury liability
- BB. Property damage liability
- CC. Personal injury liability
- DD. Certificate of insurance
- EE. Risk management
- FF. Professional designations

**PERSONAL LINES-GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms, and Concepts

(75 questions plus 11 pretest questions)

I. TYPES OF PROPERTY POLICIES 10

A. Property: Personal lines

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

B. Inland marine

- 1. Personal floaters

C. Other types of property policies

- 1. Flood
- 2. Personal Watercraft
- 3. Earthquake
- 4. Mobile Homes

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

A. Personal Automobile

- 1. Liability
- 2. Medical Payments
- 3. Physical damage (collision and other than collision)
- 4. Uninsured motorists
- 5. Underinsured motorists
- 6. Who is an insured
- 7. Types of Auto
 - a. Owned
 - b. Temporary Substitute
- 8. Use and Eligibility of Auto

B. Personal Liability

C. Umbrella/Excess Liability

D. Other Personal Exposures

- 1. Errors and Omissions

**III. PROPERTY AND CASUALTY INSURANCE TERMS AND
RELATED CONCEPTS28**

A. Insurable interest

B. Risk

C. Hazard

D. Peril

E. Loss

- 1. Direct
- 2. Indirect

F. Proximate cause

G. Deductible

H. Indemnity

I. Actual cash value

J. Replacement cost

K. Limits of liability

**IV. PROPERTY AND CASUALTY POLICY PROVISIONS AND
CONTRACT LAW24**

A. Declarations

B. Insuring agreement

C. Conditions

D. Exclusions

E. Definitions

F. Duties of the insured after a loss

G. Obligations of the insurance company

H. Mortgagee rights

I. Proof of loss

J. Notice of claim

K. Appraisal

L. Other Insurance

M. Assignment

N. Subrogation

O. Elements of a contract

P. Sources of underwriting information

**Q. Compliance with provisions of Fair Credit
Reporting Act**

R. Cancellation and Nonrenewal provisions

R. Additional (supplementary) payments

**S. Loss settlement provisions including consent to
settle a loss**

U. Limitations

V. Representations and misrepresentations

W. Concealment

X. Arbitration

Y. Coinsurance

Z. Endorsements

AA. Premium Payments

BB. Effective dates of coverage

**PERSONAL LINES –
WASHINGTON SPECIFIC
CONTENT OUTLINE
(25 scoreable questions)**

Ref: References are from the revised Code of Washington Title 48 (RCW-48) and the Washington Administrative Code (WAC) Title 284.

**I. WASHINGTON LAWS, RULES, AND REGULATIONS
COMMON TO LIFE, DISABILITY, PROPERTY, CASUALTY,
AND PERSONAL LINES INSURANCE 10**

A. Commissioner

1. Broad powers
*Ref: 48.01, 48.02.010-.120; WAC 284-02-010;
WAC 284-02-060*
2. Examination of records
Ref: 48.03.010-.020; WAC 284-03
3. Notice of hearing
Ref: 48.04.010-.140
4. Rates and forms
Ref: 48.18.100; 48.19.010, .040
5. Penalties
Ref: 48.17.530-.560
6. Unlicensed activities
Ref: 48.17.063

B. Terms and Concepts

1. Insurance
Ref: 48.01.040
2. Insurer
Ref: 48.01.050; 48.09.110,.120; 48.09.300
3. Insurance transaction
Ref: 48.01.060
4. Authorized and unauthorized certificate of authority
Ref: 48.15, .020, .040; 48.05.215; 48.05.030
5. Domestic, foreign, and alien
Ref: 48.05.010; 48.09.110, .120
6. Guaranty Association
Ref: 48.32; 48.32A 015-.085
7. Fraternal (Life and Disability test only)
Ref: 48.36A.010

C. Licensing

1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
*Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150; WAC
284-17-015*
 - b. Adjuster
Ref: 48.17.010; 48.17.390; 48.17.410
 - c. Limited lines
Ref: 48.17.170
 - d. Temporary
Ref: 48.17.510
 - e. Nonresident
Ref: 48.17.173; WAC284-17-122
 - f. Exemptions
Ref: 48.17.062, .110
2. Appointments/termination of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
3. Penalties for noncompliance

- a. Refusal/nonrenewal
Ref: 48.17.530, .540
- b. Suspension/revocation
Ref: .530, .540, .550
- c. Fines
Ref: 48.17.560
4. Maintenance and duration of license
 - a. Renewal
Ref: WAC 284-17-423; 48.14.010??
 - b. Continuing education
Ref: 48.17.150; WAC 284-17-200 to 320

D. Marketing Practices

1. Protection of public interest
Ref: 48.01.030
2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Unfair claims methods and trade practices
Ref: WAC284-30-300 to 410; WAC284-30-500 to 800
 - b. Producer's Compensation Disclosure
Ref: RCW 48.17.270
 - c. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - d. Illegal inducements
Ref: 48.30.150
 - e. Twisting
Ref: 48.30.180
 - f. Misrepresentation
Ref: 48.30.090, .210
 - g. Defamation of insurer
Ref: 48.30.080
 - h. Discrimination
Ref: 48.30.300; 48.18.480
 - i. Failure to issue proper receipts
Ref: WAC284-30-550
 - j. Penalties
Ref: 48.17.530-.560; 48.30.010
 - k. Advertising
Ref: 48.30.040-.080
3. Producer responsibilities
 - a. Policy delivery
Ref: WAC284-30-580
 - b. Premium accountability
Ref: 48.17.480
 - c. Separate account requirement
Ref: 48.17.600; WAC284-12-080
 - d. Reply to the Insurance Commissioner
Ref: 48.17.475
 - e. Burden of determining authorization
Ref: 48.17.067
4. Compensation of licensees
 - a. Receiving compensation
Ref: 48.17.490
 - b. Charges for extra services
Ref: 48.30.157; 48.17.270

**II. WASHINGTON LAWS, RULES, AND REGULATIONS
PERTINENT TO PROPERTY, CASUALTY, AND
PERSONAL LINES INSURANCE ONLY11**

A. Definitions

- 1. Surplus lines broker
Ref: 48.15.070, .080
 - B. Cancellation/Nonrenewal**
 - 1. Personal lines
 - a. Credit scoring – Adverse action
Ref: 48.18.545(3, 4)
 - C. Homeowners**
 - 1. Cancellation
 - a. By the company
Ref: 48.18.289, .290; WAC284-30-570, 590, 700
 - b. By the insured
Ref: 48.18.300
 - 2. Nonrenewal
Ref: 48.18.289, .290, .2901; WAC284-20-570, 590, 700
 - 3. Actual reason required
Ref: WAC 284-30-570
 - D. Applications and binders**
Ref: WAC284-30-560; 48.18.070
 - 1. Binding coverage
Ref: 48.18.220-.240
 - E. Producer responsibilities**
 - 1. Required records and record retention
Ref: RCW 48.17.470
 - 2. Place of business
Ref: RCW 48.17.450
 - 3. Notify Commissioner of a change in address
Ref: WAC 284.17.005
 - F. Producers' contracts**
Ref: 48.17.591
- III. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY 1**
- A. Overinsurance**
Ref: 48.27.010
 - B. Fair access to insurance requirements plan**
Ref: WAC284-19-010 to 180
- IV. WASHINGTON LAWS, RULES, AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY 3**
- A. Automobile insurance**
 - 1. Provisions
 - a. Underinsured Motorists
 - 1) Bodily injury
Ref: 48.22.030
 - 2) Property damage
Ref: 48.22.030
 - 3) Stacking
Ref: 48.22.030
 - 4) Insurer insolvency
Ref: 48.22.040
 - b. Liability
Ref: Title 46.29; 46.30
 - 2. Renewal, nonrenewal, and cancellation
Ref: 48.18.280-.290, .2901, .291, .292
 - a. Cancellation by insurer
Ref: 48.18.290
 - b. Cancellation by insured
Ref: 48.18.300
 - c. Cancellation by Commissioner

- Ref: 48.18.310*
- d. Unfair practices
Ref: WAC284-30-570
- 3. Washington Auto Insurance Plan (AIP)
Ref: 48.22.020
- B. Financial responsibility**
 - 1. Proof of financial responsibility defined
Ref: 46.29.090, .260
 - 2. Persons required to show proof
Ref: 46.29.060-.180
 - 3. Penalty for noncompliance
Ref: 46.29.110-.180
 - 4. Methods of satisfying financial responsibility
Ref: 46.29.260, .450
- C. Personal Injury Protection (PIP) endorsement**
 - 1. Purpose
 - 2. Benefits
Ref: WAC 284-30-395; WAC 284-30-500(2b); RCW 48.22.085, .090

**WASHINGTON STATE LIMITED CREDIT
INSURANCE
CONTENT OUTLINE
(50 scoreable questions)**

- I. TERMS AND CONCEPTS**
 - A. Incontestability**
 - B. Risk**
 - C. Insurable interest (V E 1)**
Ref: 48.18.040
 - D. Suicide clause (III A 9)**
 - E. Transferability**
 - F. Creditor**
 - G. Debtor**
 - H. Indebtedness**
 - I. Credit life insurance**
 - J. Credit disability insurance**
 - K. Credit transaction**
- II. CREDIT LIFE AND DISABILITY INSURANCE**
Ref: 48.17.010(8)
 - A. Purpose/requirements for purchase**
Ref: WAC284-34-100
 - B. Permissible changes**
Ref: 48.34.090
 - C. Benefits**
 - D. Amounts of insurance**
 - E. Limitations of coverage**
Ref: WAC284-34-150,160,180
 - F. Procedures for termination**
 - G. Authorized forms**
 - H. Refunds-Credits-Charges to Debtor**
Ref: WAC284-34-100 to 260
 - I. Definitions**
Ref: WAC284-34-110
 - J. Rates**
Ref: WAC 284-34-220
- III. CREDIT PROPERTY AND CASUALTY INSURANCE**

Ref: 48.17.010(8)

- A. Purpose/requirements for purchase**
- B. Permissible changes**
- C. Benefits**
- D. Amounts of insurance**
- E. Limitations of coverage**
- F. Procedures for termination**
- G. Authorized forms**
- H. Refunds-Credits-Charges to Debtor**

IV. ADDITIONAL CREDIT INSURANCE

Ref: 48.17.010(8)

V. WASHINGTON STATE CODE AND REGULATIONS

A. Insurance commissioner

- 1. Broad powers
Ref: 48.01, 48.02.010-.120; WAC 284-02-010;
WAC284-02-060
- 2. Examination of records
Ref: 48.03.010-.020; WAC 284-03
- 3. Penalties
Ref: 48.17.530-.560

B. Terms and concepts

- 1. Insurance
Ref: 48.01.040
- 2. Insurer
Ref: 48.01.050; 48.09.110, .120; 48.09.300
- 3. Insurance transactions
Ref: 48.01.060
- 4. Guaranty association
Ref: 48.32; 48.32A 015-.085

C. Licensing

- 1. Persons required to be licensed
Ref: 48.17.060, .070; 48.17.150
 - a. Producer
Ref: 48.17.010; 48.17.420; 48.17.010, .420, .150;
WAC 284-17-015
 - b. Limited lines
Ref: 48.17.170
- 2. Appointments/terminations of appointments
Ref: 48.17.160; WAC 284-17- 429 to 483
- 3. Penalties for noncompliance
Ref: 48.17.500, .530-.560
- 4. License renewal
Ref: 48.17.500; WAC 284-17-423; 48.14.010??

D. Marketing practices

- 1. Protection of public interest
Ref: 48.01.030
- 2. Unfair practices
Ref: 48.30.010-.330; WAC284-23-110
 - a. Excess charges
 - b. Rebating/illegal dealing in premiums
Ref: 48.30.140, .190
 - c. Illegal inducements
Ref: 48.30.150
 - d. Misrepresentation
Ref: 48.30.090, .210
 - e. Defamation of insurer
Ref: 48.30.080

- f. Discrimination
Ref: 48.30.300; 48.18.480
- g. Failure to issue proper receipts
Ref: WAC284-30-550
- h. Penalties
Ref: 48.17.530-.560; 48.30.010
- i. Advertising
Ref: 48.30.040-.080

E. Producer Responsibilities

- 1. Policy delivery
Ref: WAC284-30-580
- 2. Premium accountability
Ref: 48.17.480
- 3. Reply to the Insurance Commissioner
Ref: 48.17.475

F. Compensation of licensees

Ref: 48.17.270, .490; 48.30.157

G. Prohibited transactions

WASHINGTON STATE ADJUSTERS CONTENT OUTLINE

(50 scoreable questions)

I. INSURANCE TERMS AND CONCEPTS

- A. Risk**
- B. Hazard**
- C. Peril**
- D. Indemnity**
- E. Coinsurance**
- F. Named peril vs. "All Risk"**
- G. Specific vs. blanket coverage**
- H. Subrogation**
- I. Economic loss**
- J. Insurance interest**
- K. Liberalization clause**
- L. Concurrent causation**
- M. Reservation of rights**

II. LEGAL CONCEPTS

- A. Breach of warranty**
- B. Negligence**
 - 1. Tort Feasors
 - 2. Joint Tort Feasors
 - 3. Comparative
 - 4. Elements of negligence
 - a. Duty owed
 - b. Duty breached
 - c. Proximate cause
 - d. Damages

C. Misrepresentation

D. Concealment

III. THE INSURANCE CONTRACT

- A. Declaration page**
- B. Insuring agreement**
 - 1. Actual cash value
 - 2. Exclusions
 - 3. Conditions

- 4. Claims made
- 5. Occurrence
- C. Definitions**
- D. Exclusions**
- E. Conditions**
- F. Endorsement**
- G. Binder**
- H. Other Insurance**
- IV. LOSS REPORT**
 - A. Essential elements**
 - 1. Policy period
 - 2. Loss date
 - 3. Identification of parties involved
 - 4. Policy form/number
 - 5. Description of loss
 - 6. Coverages
 - 7. Deductible
- V. LOSS/DAMAGE VALUATION**
 - A. Direct loss vs. indirect loss (loss of use)**
 - B. Damages**
 - 1. Economic
 - 2. Non-economic
 - 3. Physical damage estimates
 - C. Valuation clause**
 - 1. Replacement cost
 - 2. Actual cash value
 - 3. Stated value
 - 4. Reproduction cost
 - 5. Agreed value
 - D. Proof of Loss**
 - E. Reserves/Reserving**
- VI. LINES OF INSURANCE/COVERAGES**
 - A. Major personal lines**
 - 1. Standard Fire Policy (SFP)
 - 2. Homeowners (HO)
 - 3. Auto
 - 4. Boatowners
 - 5. Inland marine
 - 6. Personal umbrella
 - B. Major commercial lines**
 - 1. Business auto
 - 2. Comprehensive general liability
 - 3. Building and personal property form
 - 4. Excess/umbrella
 - 5. Business interruption
- VII. TRADE PRACTICES**
 - A. Purpose**
 - B. Definitions**
 - 1. Notification of claim
 - 2. Third party claimant
 - 3. Insurer
 - 4. Insurance policy
 - C. Unfair claims settlement practices**
 - 1. Misrepresentation
 - 2. Failure to acknowledge pertinent communications
 - 3. Standards for prompt investigation of claims

- 4. Standards for prompt, fair, and equitable settlements applicable to all insurers
- 5. Standards for prompt, fair, and equitable settlements applicable to automobile insurance
- 6. Unfair practices with respect to vehicle insurance
- 7. Specific unfair claims settlement practice defined

VIII. WASHINGTON ADMINISTRATIVE CODE (WAC), TITLE 284-17-122, 123, 423; 284-21, 284-30; REVISED CODE OF WASHINGTON (RCW), TITLE 48.17.010, 410, 430, 460, 470, 560; 48.30.015, 48.30A.015, 48.30.230

WASHINGTON STATE SURETY EXAM CONTENT OUTLINE *(35 scoreable questions)*

- I. CONTRACT PRINCIPLES**
 - A. Essential elements of a contract**
 - B. Parties to a contract**
- II. FIDELITY AND SURETY CONTRACTS**
Ref. RCW 48.28.010 to .050
 - A. Differences between surety and insurance**
 - 1. Loss paying
 - 2. Two party agreement
 - 3. Cancellation
 - B. Definition of fidelity and surety**
 - C. Indemnity**
 - D. Obligation of the surety**
 - 1. Surety application
 - E. Parties to the surety**
 - 1. Principal
 - 2. Obligee
 - 3. Surety
 - F. Suretyship**
 - 1. Personal
 - 2. Corporate
 - G. Underwriting considerations**
 - H. Terms of obligations**
 - 1. Surety
 - 2. Fidelity
 - I. Claims**
Ref: WAC 284-30-300 through 380
 - J. Power of attorney**
- III. PURPOSE AND TYPE OF SURETY BONDS**
 - A. License and permit**
 - B. Public official**
 - C. Court**
 - 1. Judicial
Ref. RCW 48.28.030
 - 2. Fiduciary
Ref. RCW 48.28.020
 - D. Contract**
 - E. Miscellaneous**
- IV. PURPOSE AND TYPE OF FIDELITY BONDS**
 - A. Individual**
 - B. Schedule**
 - C. Blanket**
 - D. Financial institutions**

E. Public Official/Faithful performance

Ref. RCW 48.08, 48.28.040

V. BAIL BONDS

A. Surety bail bond

B. Property bail bond

C. Surety bond fee

D. Determination of bail

E. Types of bail

- 1. Property
- 2. Cash
- 3. Bail bond

F. Bail piece

G. Acceptable collateral

H. Appeal bonds

I. Appointing company's underwriting standard

J. Ethics

Ref: 48.01.030

- 1. Authorized/Unauthorized

E. Premiums, evidence of insurance

F. Surplus Lines tax

G. Conditions for procuring

H. Multi-State risks

I. Qualifications for Surplus Lines Insurers

- 1. Syndicates
- 2. Alien
- 3. Foreign

J. Disclosure

K. Premium Rates

L. Procurement

- 1. Payment
- 2. Affidavits
- 3. Exempt

M. Fees

N. Service of Suit

IV. FINANCIAL SECURITY.....30

A. Annual Statements...17

B. Financial

C. Bests

**WASHINGTON STATE SURPLUS LINES
CONTENT OUTLINE**

(100 Scoreable Questions)

**I. UNDERWRITING AND GENERAL INSURANCE TERMS AND
CONCEPTS.....20**

A. Commercial General Liability

B. Building and Personal Property

C. Claims Made

D. Extended coverage

E. Employee Dishonesty

F. Liability

- 1. Contingent
- 2. Umbrella
- 3. Contractual
- 4. Professional

G. Builder's Risk

H. Reinsurance

II. SURPLUS LINES MARKETS.....20

A. United States nonadmitted market

B. London market

- 1. Lloyd's brokers
- 2. United States trust fund
- 3. Underwriters

**C. Nonstandard (substandard lines or capacity
problems)**

- 1. Property
- 2. General liability
- 3. Professional liability

D. Insurance exchanges

E. Binding authorities

F. Risk retention

**III. WASHINGTON LAWS, RULES, AND REGULATIONS
PERTINENT TO SURPLUS LINES.....30**

A. Purpose

B. Reports, records

C. Coverage and Eligibility

D. Definitions