



# Massachusetts Division of Insurance Candidate Handbook

June 2026

## State Licensing Information

For questions about obtaining or maintaining a license after passing your exam, contact the Massachusetts Division of Insurance (DOI).

### Massachusetts Division of Insurance

One Federal Street, Suite 700  
Boston, MA 02110

### Phone

(617) 521-7794 (option 3)

### Email

producerupdate.mailbox@  
mass.gov

### Website

[https://www.mass.gov/  
info-details/individual-and-  
business-entity-licensing](https://www.mass.gov/info-details/individual-and-business-entity-licensing)

## Exam Information

For questions about this handbook or an upcoming exam, contact Pearson Professional Assessments.

### Pearson Professional Assessments

Attn: Regulatory Program  
5601 Green Valley Drive  
Bloomington, MN 55437

### Phone

(888) 674-1558

### Email

pearsonvuecustomerservice@  
pearson.com

### Website

[www.pearsonvue.com/us/en/  
ma/insurance.html](http://www.pearsonvue.com/us/en/ma/insurance.html)

## Quick Reference

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### Reservations

#### Before Making an Exam Reservation

Pearson recommends that you thoroughly review this handbook prior to making an exam reservation. It contains important information regarding eligibility for the examination and the licensing application process.

#### Making an Exam Reservation

You may make an exam reservation online by visiting [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance) or by calling Pearson at (888) 674-1558.

Exam reservations must be made at least 48 hours in advance.

**Walk-in examinations are not available.**

### Locations and Fees

#### Test Centers

Visit [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance) for a complete list of test center locations.

#### Exam Fees

The exam fee(s) must be paid at the time of reservation by credit card, debit card, or voucher.

**Fees will not be accepted at the test center. They are non-refundable and non-transferable, except as detailed in the Change/Cancel Policy.**

### Exam Day

#### What to Bring to the Exam

Bring proper identification as outlined in the **What to Bring** section.

#### Exam Procedures

You should report to the test center at least 30 minutes before your exam begins to complete registration. After testing, you will receive a score report for your exam.

# Table of Contents

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<b>Overview .....</b>	<b>1</b>	<b>Preparing for an Exam .....</b>	<b>8</b>
<b>Introduction .....</b>	<b>2</b>	Helpful Hints .....	8
About the Massachusetts Division of Insurance .....	2	Exam Content .....	8
Contact Information .....	2	Timed Examination .....	8
Licensure Process .....	3	Answering Exam Questions .....	8
Practice Tests.....	3	<b>Exam Day .....</b>	<b>9</b>
<b>Exam Reservations .....</b>	<b>4</b>	What to Bring .....	9
Test Center Locations.....	4	Exam Procedures.....	10
Making an Exam Reservation.....	4	Pearson Testing Policies.....	10
Exams and Fees .....	5	Examination Security.....	11
Change/Cancel Policy .....	6	Copyrighted Examination Questions .....	11
Absence/Lateness Policy .....	6	Score Reporting .....	11
Weather Delays and Cancellations .....	6	Retake Requirements .....	12
Pearson Holiday Schedule .....	6	Questions or Comments about the Exam ....	12
Accommodations.....	7	<b>Content Outlines.....</b>	<b>13</b>

# Overview

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This handbook provides information about the examination and licensing process for Massachusetts DOI testing candidates. It is highly recommended that you review this information and the examination content outlines before taking an exam.

**Individuals who wish to obtain an insurance license in Massachusetts must:**

**1. Make an exam reservation and pay the exam fee(s).**

To schedule your Massachusetts DOI exam, make a reservation (online or by phone) with Pearson to take your exam at a test center. Online reservations can be made at [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance).

All Massachusetts DOI licensing exams are administered in person at Pearson test centers. You must select a test center location at the time of scheduling.

**2. Go to the test center.**

Go to the test center on the day of your exam and bring along all required identification items. See **What to Bring** for details.

**3. Apply for a license with the Massachusetts DOI.**

After passing your exam, you must apply for licensure through the National Insurance Producer Registry (NIPR) at [www.nipr.com](http://www.nipr.com) and submit any required documentation and fees. Once submitted, your application status can be monitored through State Based Systems.

Passing your exam does not guarantee that a license will be issued; all applications are reviewed by the Massachusetts DOI, and licenses are issued upon approval of your application.

# Introduction

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## About the Massachusetts Division of Insurance

Massachusetts Division of Insurance (DOI) licensing examinations are administered for producer, adviser, and other license types, including public insurance adjuster and motor vehicle damage appraiser. Producer exams cover life, accident and health, property, casualty, personal lines, and limited lines credit. Adviser exams include life, accident and health, and property and casualty. Select producer exams are also available in Spanish. A complete list of exam codes, combinations, and fees is available on the Pearson Massachusetts Division of Insurance website ([www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance)).

## Contact Information

For questions about this handbook or an upcoming exam, contact Pearson.

### Pearson Professional Assessments

Attn: Regulatory Program  
5601 Green Valley Drive  
Bloomington, MN 55437

**Phone:** (888) 674-1558

**Email:** [pearsonvuecustomerservice@pearson.com](mailto:pearsonvuecustomerservice@pearson.com)

**Website:** [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance)

Live chat is available to address candidate support inquiries and is the quickest way to reach a customer service agent. It is available from 7:00 A.M. to 10:00 P.M. Central Time Monday through Friday, 7:00 A.M. to 4:00 P.M. Central Time on Saturday, and 9:00 A.M. to 3:00 P.M. Central Time on Sunday. Availability is subject to change on locally designated holidays.

Visit [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance) for more information.

For questions about obtaining or maintaining a license after examination, contact the Massachusetts Division of Insurance.

### Massachusetts Division of Insurance (DOI)

One Federal Street, Suite 700  
Boston, MA 02110

**Phone:** (617) 521-7794 (option 3)

**Email:** [producerupdate.mailbox@mass.gov](mailto:producerupdate.mailbox@mass.gov)

**Website:** <https://www.mass.gov/info-details/individual-and-business-entity-licensing>

## Licensure Process

The Massachusetts Division of Insurance (DOI) establishes licensing requirements to ensure individuals and business entities meet the standards necessary to conduct insurance business in the Commonwealth.

Certain license types may require pre-licensing education, experience, registration, approvals, supporting documentation, or other eligibility requirements before an examination can be scheduled or a license application can be submitted. Requirements vary by license type and may change over time.

For the most current licensing requirements, eligibility information, and application instructions, please visit the Massachusetts Division of Insurance website at [www.mass.gov/doi](http://www.mass.gov/doi).

## Practice Tests

Practice tests for the general portion of the exam are available exclusively online through Pearson, giving you an additional opportunity to succeed on your insurance exams. The practice tests help you prepare for the types of questions you will see on the general portion of the licensure exam and familiarize yourself with taking computer-based exams.

Pearson insurance practice tests are offered in the areas of Life, Health, and Property and Casualty and contain questions found in the general portion of the licensure examination. The tests closely reflect the format of the general portion of the licensure examination, and they are scored instantly to provide you with immediate feedback regarding correct and incorrect answers. You can purchase practice tests anytime by visiting <https://www.pearsonvue.com/us/en/practicetests/insurance.html>.

# Exam Reservations

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Schedule an exam appointment online at [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance) or by calling Pearson at (888) 674-1558.

## Test Center Locations

Pearson test centers are available throughout the United States and U.S. territories. Visit [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance) to find a local test center.

## Making an Exam Reservation

Online reservations ([www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance)) are the most efficient way to schedule your exams. You must make an online reservation at least 48 hours before the desired examination date. **Walk-in examinations are not available.**

If you wish to make a phone reservation at (888) 674-1558, you must do so at least 48 hours before the desired examination date.

Before making a reservation, you should have the following:

- Legal name, address, email address, daytime telephone number, and date of birth
- Name of the exam(s)
- Preferred examination date and test center location

All Massachusetts DOI licensing exams are administered in person at Pearson test centers. You must select a test center location at the time of scheduling.

After scheduling your exam and paying the exam fee, you will receive a confirmation email with your appointment details. Exams must be taken within the assigned eligibility period. If you do not test within that timeframe, your registration will expire, and you will be required to submit a new registration and pay a new exam fee. Fees vary by exam and are non-refundable and non-transferable, except as detailed in the **Change/Cancel Policy**. For more information, see **Exams and Fees**.

## Exams and Fees

The following is a list of the Massachusetts DOI licensing examinations offered by Pearson:

Exam Type	Exam Fee
Producer - Life Insurance Exam	\$37
Producer - Accident and Health, or Sickness Insurance Exam	\$37
Producer - Property Insurance Exam	\$37
Producer - Casualty Insurance Exam	\$37
Producer - Personal Lines of Insurance Exam	\$37
Producer - Limited Lines of Credit Insurance Exam	\$10
Advisor - Life Insurance Exam	\$10
Advisor - Accident and Health, or Sickness Insurance Exam	\$10
Advisor - Property and Casualty Insurance Exam	\$10
Public Adjuster Exam	\$10
Motor Vehicle Damage Appraiser Exam	\$0*

\*Payable to the Massachusetts DOI

### Exam Fees

Exam fees must be paid at the time of the reservation by credit card, debit card, or voucher. **Fees will not be accepted at the test center.** Exam fees are non-refundable and non-transferable, except as detailed in the **Change/Cancel Policy**.

### Vouchers

Vouchers offer another convenient way to pay for exams. They can be purchased online at <https://voucherstore.pearsonvue.com/order?clientCode=MADOI> by credit card, either individually or in bulk. To redeem a voucher as payment when scheduling an exam, select voucher as the payment method and provide the voucher number. All vouchers are prepaid, non-refundable, and non-returnable.

Vouchers expire 12 months from the date they are issued, and expiration dates cannot be extended. An exam must be taken by the expiration date printed on the voucher.

## Change/Cancel Policy

If you wish to cancel or reschedule your examination without penalty, you must do so **at least 48 hours before the examination**.

Visit [www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance) to cancel online or call Pearson at (888) 674-1558 to cancel by phone. If you wish to change or cancel a reservation and have provided proper notice, you may transfer the fees to a new reservation or request a refund. Refunds for credit or debit card payments are processed immediately while refunds for payments made with vouchers are processed within two to three weeks. **If you change or cancel your reservations without proper notice, you are responsible for the exam fee.**

You are individually liable for the full amount of the exam fee once a reservation has been made, whether paid individually or by a third party.

## Absence/Lateness Policy

If you are absent from or late to an exam, you may call Pearson within 14 days of the examination date to request an excused absence for the following reasons:

- Illness or illness of your immediate family member
- Death in your immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

A case number will be assigned, and instructions will be provided for you to email supporting documentation. If you are absent from or late to an exam and have not changed or canceled the reservation according to the **Change/Cancel Policy**, you will not be admitted to the exam and will forfeit the exam fee.

## Weather Delays and Cancellations

If severe weather or a natural disaster makes the Pearson test center inaccessible or unsafe, the examination may be delayed or canceled. Pearson will notify you and reschedule your exam in the case of severe weather.

## Pearson Holiday Schedule

Testing may be unavailable on U.S. federal holidays and, in some cases, holiday weekends.

## Accommodations

Pearson complies with the provisions of the Americans with Disabilities Act as amended. The purpose of accommodations is to provide candidates with full access to an exam. Accommodations are not a guarantee of improved performance or exam completion.

Pearson provides reasonable and appropriate accommodations to individuals who demonstrate a need for accommodations. Test accommodations may include things such as:

- Separate testing room
- Extra testing time
- Reader or recorder (for individuals with mobility or vision impairments who cannot read or write on their own)

Test accommodations are individualized and considered on a case-by-case basis. All candidates who are requesting accommodations because of a disability must provide appropriate documentation of their condition and how it is expected to affect their ability to test under standard conditions. This may include:

- Supporting documentation from the professional who diagnosed the condition, including the credentials that qualify the professional to make this diagnosis
- Description of past accommodations that the candidate has received

The steps to follow when requesting test accommodations vary, depending on the test program sponsor. To begin, visit <https://www.pearsonvue.com/accommodations> and select the test program sponsor from the alphabetized list. If you have additional questions concerning test accommodations, you may contact the ADA coordinator at [accommodationspearsonvue@pearson.com](mailto:accommodationspearsonvue@pearson.com).

**All registrations with accommodations must be rescheduled and/or canceled through the Pearson call center at (800) 466-0450, option 3.**

# Preparing for an Exam

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## Helpful Hints

- Double check the physical address of the test center to ensure that you can arrive 30 minutes prior to your exam time.
- Ensure that you have the proper identification for exam admission.

## Exam Content

Each examination is based on a content outline that identifies the topics covered and the percentage of questions devoted to each area. These outlines are available on the Pearson Massachusetts Division of Insurance website ([www.pearsonvue.com/us/en/ma/insurance](http://www.pearsonvue.com/us/en/ma/insurance)) and should be reviewed carefully before scheduling an exam. You may use study materials of your choice; however, the DOI does not approve or endorse specific providers.

## Timed Examination

Following a practice tutorial, you begin the timed examination. You should read all on-screen instructions carefully before beginning the exam. The exam time starts as soon as you look at the first question, and a digital clock on the screen indicates the time remaining on the exam. When the maximum allowed time is reached, the exam will terminate automatically.

One examination question is presented at a time, and answer choices to the question are identified as A, B, C, or D. You can type a letter on the keyboard or use the computer mouse to select the chosen response. You may navigate forward and backward through the exam, question by question, and may change answers as many times as desired during the exam time limit.

A question may be left unanswered and can be returned to later within the session, if needed. If not all questions have been answered, it is recommended that you use any time remaining to answer those questions. There is no penalty for guessing, so you should be sure to answer all questions before ending the exam.

## Answering Exam Questions

Exam questions are formatted as multiple-choice questions with four answer options. Questions may be presented as direct questions, incomplete statements, or formats asking you to identify the correct or incorrect statement. The number of questions and time limit vary by exam and can be found in the exam's content outline.

## Pretest Questions

In addition to the scored questions, many exams also include non-scored, pretest questions. You are asked to answer these questions, but they are not included in the scored examination result. Pretest questions are dispersed throughout the exam and are not identified separately from scored questions. This ensures that you answer pretest questions in the same manner as scored questions and allows the pretest questions to be validated as accurate and appropriate before they are included in future exams.

# Exam Day

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If you do not present the required items, you will be denied admission to the examination, will be considered absent, and will forfeit the exam fee.

## What to Bring

All candidates are required to bring identification that is deemed acceptable to the test center on the day of examination.

### Acceptable Forms of Identification

You must present **one form of current signature identification**. The identification must be government-issued and photo-bearing with a signature. Identification must be in English and exactly match the name used to register for the exam.

**If the name on the exam registration does not exactly match the name on the IDs presented, you will not be allowed to test, and the exam fees will be forfeited.**

The ID must have your first and last name; a recent, recognizable photo; and your signature. It must be the original document (not a photocopy or digital ID), valid (unexpired), and issued by the country in which you are testing (except for EU IDs, which are acceptable in any country within the EU Zone).

If you do not have a primary ID from the country in which you are testing, you must bring an international passport issued by your country of citizenship, and the information on the passport must be in Roman characters.

Examples of acceptable IDs:

- International passport
- Government-issued driver's license
- National/state/country identification card
- Military ID (including military IDs for spouses and dependents)
- Alien Registration Card (Green Card, Permanent Resident Visa)
- Government-issued local language ID (i.e., not in Roman characters)

**Note:** Government-issued local language IDs are acceptable only in the country from which the ID was issued.

If the ID presented has an embedded signature that is difficult or impossible to read or is not visible (microchip), you must present another form of identification from the ID list that contains a visible signature.

Pearson does not recognize grace periods. For example, if your driver's license expired yesterday, and the state allows a 30-day grace period for renewing the ID, the ID is considered to be expired and will not be accepted for testing. Newly renewed licenses which result in a temporary paper license will be accepted as long as the expired plastic license is also provided.

## Exam Procedures

You should report to the test center 30 minutes before the exam and check in with the test center administrator. Your identification and other documentation will be reviewed, and you will be photographed for the score report. You are required to review and sign a Candidate Rules Agreement form. If the Candidate Rules Agreement is not followed and/or cheating or tampering with the examination is suspected, it will be reported as such, and the appropriate action will be taken. The exam fee will not be refunded, the exam may be determined invalid, and/or the state may take further action, such as prohibiting you from retaking the exam and/or denying a license.

You will have an opportunity to take a tutorial on the computer on which the exam will be administered. The time spent on this tutorial will not reduce the examination time. The test administrators will answer questions, but you should be aware that administrators are not familiar with the content of the exams or with the state's licensing requirements. Test administrators have been instructed not to advise candidates on the requirements for licensure.

You may begin the exam once you are familiar with the computer. The examination begins as soon as you look at the first exam question. The examination will end automatically after the examination time has expired, and you will leave the test center with your official scores in hand.

## Pearson Testing Policies

The following policies are observed at each test center. **Candidates who violate any of these policies will not be permitted to finish the examination and will be dismissed from the test center, forfeiting the exam fee.**

- **No personal items are allowed in the testing room.** Personal items include but are not limited to: cellular phones, hand-held computers or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books and/or notes, pens, and pencils. Additional security screening steps are required at Pearson Professional Centers.
- Candidates must store all personal items in a secure area as indicated by the administrator or return items to their vehicle. All electronic devices must be turned off before storing them in a locker. **The test center is not responsible for lost, stolen, or misplaced personal items.**
- Studying is not allowed in the test center. Visitors, children, family, or friends are not allowed in the test center.
- Dictionaries, books, papers (including scratch paper), and reference materials are not permitted in the exam room (unless permitted by the exam sponsor), and candidates are strongly urged not to bring such materials to the test center. Upon entering and being seated in the testing room, the test administrator will provide the candidate with erasable notebooks to make notes or calculations and any other items specified by the exam sponsor. **The candidate may not write on these items before the exam begins or remove these items from the testing room.**
- Eating, drinking, chewing gum, smoking, and/or making noise that creates a disturbance for other candidates is prohibited during the exam.
- Break policies are established by the exam sponsor. Most sponsors allow unscheduled breaks. To request an unscheduled break, the candidate must raise their hand to get the administrator's attention. **The exam clock will not stop while the candidate is taking a break.**

- Candidates must leave the testing room for all breaks. However, **candidates are not permitted to leave the floor or building for any reason during this time, unless specified by the administrator and the exam sponsor.** If a candidate is discovered to have left the floor or building, they will not be permitted to proceed with the examination and may forfeit the exam fees.
- While taking a break, candidates are permitted to access personal items that are being stored during the exam only if necessary — for example, personal medication that must be taken at a specific time. However, **a candidate must receive permission from the administrator prior to accessing personal items that have been stored.** Candidates are not allowed to access other items, including but not limited to cellular phones, exam notes, and study guides, unless the exam sponsor specifically permits this.
- Any candidate discovered causing a disturbance of any kind or engaging in any kind of misconduct — giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing exam materials or notes from the testing room — will be summarily dismissed from the examination and will be reported to the state licensing agency. Decisions regarding disciplinary measures are the responsibility of the state licensing agency.

## Examination Security

Pearson maintains examination administration and examination security standards designed to ensure that all candidates are given the same opportunity to demonstrate their abilities and to prevent any candidates from gaining an unfair advantage because of testing irregularities or misconduct. Pearson routinely reviews irregularities and exam scores believed to have been earned under unusual or non-standard circumstances.

Pearson maintains the right to question any exam score whose validity is in doubt because the score may have been obtained unfairly. Pearson first undertakes a confidential review of the circumstances contributing to the questions about score validity, and if there is sufficient cause to question the score, Pearson will refer the matter to the state licensing board, which makes the final decision on whether or not to cancel the score.

For security reasons, exam materials are not available to candidates for review.

## Copyrighted Examination Questions

All examination questions, each form of the examination, and any other examination materials are copyrighted and are the property of Pearson and/or the state licensing board. Consequently, any distribution of the examination content or materials through any form of reproduction or oral or written communication is strictly prohibited and punishable by law.

## Score Reporting

When you complete the examination, you receive a score report marked “pass” or “fail” before leaving the test center.

If you passed the exam, you will receive a score report with information on how to complete the licensure process with your state licensing board. If you failed the exam, you will receive a score report that includes a numeric score and diagnostic information for the exam as well information about reexamination.

## Scaled Score

There are multiple versions of each of the licensing examinations. These versions are known as forms.

Although all forms of an examination are developed based on the content outlines, the difficulty of the forms of an examination may vary slightly because different questions appear on each form. To ensure that no candidate is put at an unfair advantage or disadvantage due to the particular form of an examination that he or she is given, a statistical procedure known as equating is used to correct for differences in form difficulty.

With equating, scores are reported on a scale common to all forms of the examination (scaled score). On this converted scale, a passing score of 70 was set by the Massachusetts DOI (in conjunction with Pearson).

To avoid misuse of score information, numeric scores are only reported to candidates who failed the exam. The scaled score that is reported to candidates who passed the exam is neither the number of questions answered correctly nor the percentage of questions answered correctly.

## Duplicate Score Reports

You may log in to your Pearson account to obtain a duplicate score report.

## Retake Requirements

If you fail your exam and wish to retake it, you must reapply by visiting <https://www.pearsonvue.com/us/en/ma/insurance> and pay another exam fee. Fees for reexamination are non-refundable and non-transferable.

If your original exam was revoked due to a technical issue, you may be permitted to retake the exam without paying a new exam fee, but you must contact Pearson and request an override. Your case will be investigated, and your request for a retake will be granted or denied based upon the circumstances by which the original exam was revoked or terminated. **No retakes are permitted if your exam was revoked due to candidate misconduct.**

MVDA exam retakes require additional approval from the Automobile Damage Appraisers Licensing Board. See **Exam Eligibility** for details on requesting this approval.

## Questions or Comments about the Exam

If you have questions, comments, or concerns related to the exams, score, or score reports or wish to verify any data held in Pearson files, direct written inquiries to Pearson at the address provided at the beginning of this handbook. You may also email your questions directly to Pearson Customer Service at [pearsonvuecustomerservice@pearson.com](mailto:pearsonvuecustomerservice@pearson.com).

In all correspondence, you should provide your name and address information. If questions or comments concern an examination already taken, you should also include:

- the name of the examination
- the date the examination was taken
- the location of the test center

**MASSACHUSETTS**  
**Insurance Content Outlines**

Content Outlines: Effective July 22, 2026

## LIFE PRODUCER GENERAL KNOWLEDGE CONTENT OUTLINE

**Product Knowledge, Terms and Concepts**  
(50 scoreable questions plus 5 pretest questions)

### I. TYPES OF POLICIES 15

#### A. Traditional whole life products

1. Ordinary whole life
2. Limited-pay and single-premium life

#### B. Interest/market-sensitive/adjustable life products

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

#### C. Term life

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

#### D. Annuities

1. Single and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Indexed
5. Accumulation and Annuity Periods
6. Payout options

#### E. Combination plans and variations

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

### II. POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS..... 15

#### A. Policy riders

1. Waiver of premium and waiver of monthly deduction
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds
7. Long term care
8. Return of premium
9. Disability
10. 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. Common disaster
  - d. Minor beneficiaries
  - e. Designation by class
7. Premium Payment
  - a. Modes
  - b. Grace period
  - c. Automatic premium loan
  - d. Level or flexible
8. Reinstatement
9. Policy loans, withdrawals, partial surrenders
10. Non-forfeiture options
11. Dividends and dividend options (e.g. participating, non-participating)
12. Incontestability
13. Assignments
14. Suicide
15. Misstatement of age and gender
16. Settlement options
17. Accelerated death benefits

#### C. Policy exclusions

1. War
2. Aviation
3. Dangerous Occupation

### 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 (e.g., HIPAA, HIV consent)
8. USA PATRIOT Act/anti-money laundering
9. Gramm-Leach-Bliley Act (GLBA) Privacy

#### B. Underwriting

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

#### C. Delivering the policy

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

#### D. Contract law

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

2. Unique aspects of the insurance contract
  - a. Conditional
  - b. Unilateral
  - c. Adhesion
  - d. Aleatory

#### IV. RETIREMENT AND OTHER INSURANCE CONCEPTS 8

##### A. Third-party ownership

##### B. Life Settlements

##### C. Group life insurance

1. Conversion privilege
2. Contributory vs. noncontributory

##### D. Retirement plans

1. Qualified plans
2. Nonqualified plans

##### E. Life insurance needs analysis/suitability

1. Personal insurance needs
2. Business insurance needs
  - a. Key person
  - b. Buy sell

##### F. Social Security benefits

##### G. Tax treatment of insurance premiums, proceeds, and dividends

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

## LIFE PRODUCER MASSACHUSETTS SPECIFIC CONTENT OUTLINE

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

#### I. MASSACHUSETTS LAWS AND RULES PERTINENT TO ALL LINES OF INSURANCE.....15

##### A. Licensing

1. Process  
*Ref: 175:162G-X*
2. Types of licenses
  - a. Producers  
*Ref: 175:162H, L, M*
  - b. Business entity producers  
*Ref: 175:162L*
  - c. Nonresident producers  
*Ref: 175:162N, U*
  - d. Temporary  
*Ref: 175:162Q*
  - e. Advisers  
*Ref: 175:177A, B*
  - f. Reinsurance intermediaries  
*Ref: 175:177M-W*
  - g. Life settlement broker  
*Ref: 175:213*
  - h. Exemptions  
*Ref: 175:162J*
3. Maintenance and duration
  - a. Reinstatement and renewal  
*Ref: 175:162M(b-d), 177B, 177O*
  - b. Address change  
*Ref: 175:162M(f)*
  - c. Reporting of actions  
*Ref: 175:162V*

- d. Assumed names  
*Ref: 175:162P*
- e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*

#### 4. Disciplinary actions

- a. Cease and desist order  
*Ref: 176D:7*
- b. Hearings  
*Ref: 175:162R; 176D:6*
- c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
- d. Penalties and fines  
*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*

##### B. State Regulation

1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
2. Company regulation
  - a. Certificate of authority  
*Ref: 175:4, 33, 151*
  - b. Solvency  
*Ref: 175:6, 180A-L; 175J*
  - c. Rates  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3*
  - d. Policy forms  
*Ref: 175:2B, 192*
  - e. Examination of books and records  
*Ref: 175:4*
  - f. Producer appointments  
*Ref: 175:162S*
  - g. Termination of producer appointment  
*Ref: 175:162T*
  - h. Payment of claims
3. Producer regulation
  - a. Impersonation  
*Ref: 175:175*
  - b. Larceny  
*Ref: 175:176*
  - c. Unlicensed persons compensation  
*Ref: 175:177*
  - d. Commissions  
*Ref: 175:3*
  - e. Records Retention  
*Ref: 175:149R*
  - f. Insurance transactions  
*Ref: 175I:2*
4. Unfair or deceptive practices
  - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
  - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
  - c. Defamation of insurer  
*Ref: 176D:3(3)*
  - d. Boycott, coercion, intimidation  
*Ref: 176D:3(4), 3A*
  - e. False financial statements  
*Ref: 176D:3(5)*

- f. Failure to maintain a complaint record  
*Ref: 176D:3(10)*
- g. Unfair discrimination  
*Ref: 176D:3(7)*
- h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
- i. Rebating  
*Ref: 175:182-184; 176D:3(8)*
- 5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
- 6. Insurance Information and Privacy Protection  
*Ref: 175I*
- 7. Types of insurers
  - a. Foreign, alien, domestic  
*Ref: 175:1*
  - b. Authorized and unauthorized insurers  
*Ref: 175:45*
  - c. Stock and mutual insurers  
*Ref: 175:19T, 48, 48A*

**II. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO LIFE INSURANCE ..... 15**

**A. Life and Health Insurance Guaranty Association**

**Law**

*Ref: 175:146B*

**B. Producer Responsibilities**

- 1. Solicitation and sales presentations  
*Ref: 211 CMR 31.00, 31.07*
  - a. Policy summary  
*Ref: Reg 31.04*
  - b. Buyer's guide  
*Ref: Reg 31.05 (1)(a)*
  - c. Life insurance policy cost comparison methods  
*Ref: Reg 31.04, 31.05*
  - d. Replacement  
*Ref: Reg 34.01-34.09*
  - e. Use and disclosure of insurance information  
*Ref: Reg 31.05*
- 2. Field Underwriting
  - a. Notice of information practices  
*Ref: 175I:4*
  - b. Application procedures including backdating  
*Ref: 175:130*

**C. Individual underwriting by the insurer**

- 1. Information sources and regulation
  - a. Investigative consumer (inspection) report  
*Ref: 175I:7*
  - b. Medical examinations and lab tests including HIV  
*Ref: Reg 36.03*
- 2. Selection criteria and unfair discrimination  
*Ref: 175:120, 120 A-E*

**D. Life Insurance Policy Provisions, Options, and Riders**

- 1. Standard Provision
  - a. Ownership
  - b. Assignability  
*Ref: 175:134C*
  - c. Entire contract  
*Ref: 175:132(3)*
  - d. Right to examine (free look)  
*Ref: Reg 34.06(1)(d); 175:187H*

- e. Grace period  
*Ref: (175:132(1))*
- f. Reinstatement  
*Ref: 175:132(11)*
- g. Incontestability  
*Ref: 175:132(2)*
- h. Misstatement of age  
*Ref: 175:132 (4), (12)*
- i. Interest on insurance proceeds  
*Ref: 175:119A, 119C*
- 2. Nonforfeiture options
  - a. Cash surrender value  
*Ref: 175:144*
- 3. Policy loan and withdrawal options
  - a. Cash loans  
*Ref: 175:142*
- 4. Disability riders
  - a. Waiver of premium/waiver of stipulated premium (universal life)  
*Ref: 175:24*
- 5. Living benefit provisions/riders
  - a. Accelerated  
*Ref: Reg 55.01-.07, 55.100, 110*
  - b. Minimum standards  
*Ref: Reg 55.05*
  - c. Long-term care riders  
*Ref: Reg 65.00*
  - d. Children's term rider  
*Ref: 175:144(7)(iv)*
  - e. Accidental death  
*Ref: 175:24, 144(7)(i)*
- 6. Group life insurance
  - a. Conversion to individual policy  
*Ref: Reg 175:134(4), 134A*
- 7. Flexible Premium Policies
  - a. Variable life  
*Ref: Reg 211 CMR 95*
- 8. Whole Life Insurance
  - a. Equity index  
*Ref: Bulletin 98-17*

**E. Annuities**

- 1. Deferred annuities  
*Ref: 175:144A 1/2*
- 2. General account assets  
*Ref: 175:144A 1/2*
- 3. Equity indexed annuities  
*Ref: Bul 98-17*
- 4. Variable annuities  
*Ref: 175:132F, G, H*
  - a. Regulation of variable products (SEC, FINRA and Massachusetts)  
*Ref: Reg 95.03*

**E. Life Settlement Act**

- Ref: 175:212-223E*
  - 1. Life settlement broker authority  
*Ref: 175:213*
  - 2. Disclosure to customers  
*Ref: 175:220*
  - 3. Fraudulent acts  
*Ref: 175:223A*

4. Definitions  
*Ref: 175:212*

**ACCIDENT, HEALTH, OR SICKNESS  
 PRODUCER**

**GENERAL KNOWLEDGE  
 CONTENT OUTLINE**

**Product Knowledge, Terms and Concepts**

*(50 scoreable questions plus 5 pretest questions)*

**I. TYPES OF POLICIES**

**16**

**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 policy

**B. Accidental death and dismemberment**

**C. Medical expense insurance**

1. Basic hospital, medical, and surgical policies
2. Major medical policies
3. Health Maintenance Organizations (HMOs)
4. Preferred Provider Organizations (PPOs)
5. Point of Service (POS) plans
6. Flexible Spending Accounts (FSAs)
7. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)
8. Health Reimbursement Accounts (HRAs)

**D. Medicare supplement policies**

**E. Group insurance**

1. Differences between individual and group contracts
2. General characteristics
3. COBRA

**F. Individual/Group Long Term Care (LTC)**

1. Eligibility
2. Levels of care

**G. Other policies**

1. Dental
2. Vision
3. Cancer
4. Critical illness or specified disease
5. Worksite (employer-sponsored)
6. Hospital indemnity
7. Short-term medical
8. Accident

**II. POLICY PROVISIONS, CLAUSES, AND RIDERS 15**

**A. Mandatory and optional provisions**

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

14. Change of occupation
15. Illegal occupation
16. Relation of earnings to insurance

**B. Other provisions and clauses**

1. Insuring clause
2. Free look
3. Consideration clause
4. Probationary period
5. Elimination period
6. Waiver of premium
7. Exclusions and limitations
8. Preexisting conditions
9. Coinsurance
10. Deductibles
11. Eligible expenses
12. Copayments
13. Pre-authorizations and prior approval requirements
14. Usual, reasonable, and customary (URC) charges
15. Lifetime, annual, or per cause maximum benefit limits

**C. Riders**

1. Impairment/exclusions
2. Guaranteed insurability
3. Future increase option

**D. Rights of renewability**

1. Noncancelable
2. Cancelable
3. Guaranteed renewable

**III. SOCIAL INSURANCE ..... 6**

**A. Medicare (Parts A, B, C, D)**

**B. Medicaid**

**C. Social Security benefits**

**IV. OTHER INSURANCE CONCEPTS..... 5**

**A. Total, partial, recurrent, and residual disability**

**B. Owner's rights**

**C. Dependent children benefits**

**D. Primary and contingent beneficiaries**

**E. Modes of premium payments**

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

**G. Occupational vs. non-occupational**

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

**I. Managed care**

**J. Workers' Compensation**

**K. Subrogation**

**V. FIELD UNDERWRITING PROCEDURES ..... 8**

**A. Completing the application**

**B. Explaining sources of insurability and HIPAA privacy 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. Policy delivery**

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

**G. Replacement**

**H. Contract law**

- 1. Elements of a contract
- 2. Insurable interest
- 3. Warranties and representations
- 4. Unique aspects of the insurance contract
  - a. Conditional
  - b. Unilateral
  - c. Adhesion
  - d. Aleatory

**ACCIDENT, HEALTH OR SICKNESS  
PRODUCER  
MASSACHUSETTS SPECIFIC  
CONTENT OUTLINE**

**State Statutes, Rules and Regulations**

*(30 scoreable questions plus 5 pretest questions)*

**I. MASSACHUSETTS LAWS AND RULES PERTINENT TO ALL LINES OF INSURANCE.....15**

**A. Licensing**

- 1. Process  
*Ref: 175:162G-X*
- 2. Types of licenses
  - a. Producers  
*Ref: 175:162H, L, M*
  - b. Business entity producers  
*Ref: 175:162L*
  - c. Nonresident producers  
*Ref: 175:162N, U*
  - d. Temporary  
*Ref: 175:162Q*
  - e. Advisers  
*Ref: 175:177A, B*
  - f. Reinsurance intermediaries  
*Ref: 175:177M-W*
  - g. Exemptions  
*Ref: 175:162J*
- 3. Maintenance and duration
  - a. Reinstatement and renewal  
*Ref: 175:162M(b-d), 177B, 177O*
  - b. Address change  
*Ref: 175:162M(f)*
  - c. Reporting of actions  
*Ref: 175:162V*
  - d. Assumed names  
*Ref: 175:162P*
  - e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*
- 4. Disciplinary actions
  - a. Cease and desist order  
*Ref: 176D:7*
  - b. Hearings  
*Ref: 175:162R; 176D:6*
  - c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
  - d. Penalties and fines  
*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*

**B. State Regulation**

- 1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
- 2. Company regulation
  - a. Certificate of authority  
*Ref: 175:4, 33, 151*
  - b. Solvency  
*Ref: 175:6, 180A-L; 175J*
  - c. Rates  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3*
  - d. Policy forms  
*Ref: 175:2B, 192*
  - e. Examination of books and records  
*Ref: 175:4*
  - f. Producer appointments  
*Ref: 175:162S*
  - g. Termination of producer appointment  
*Ref: 175:162T*
- 3. Producer regulation
  - a. Impersonation  
*Ref: 175:175*
  - b. Larceny  
*Ref: 175:176*
  - c. Unlicensed persons compensation  
*Ref: 175:177*
  - d. Commissions  
*Ref: 175:3*
  - e. Records Retention  
*Ref: 175:149R*
  - f. Insurance transactions  
*Ref: 175I:2*
- 4. Unfair or deceptive practices
  - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
  - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
  - c. Defamation of insurer  
*Ref: 176D:3(3)*
  - d. Boycott, coercion, intimidation  
*Ref: 176D:3(4), 3A*
  - e. False financial statements  
*Ref: 176D:3(5)*
  - f. Failure to maintain a complaint record  
*Ref: 176D:3(10)*
  - g. Unfair discrimination  
*Ref: 176D:3(7)*
  - h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
  - i. Rebating  
*Ref: 175:182-184; 176D:3(8)*
- 5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
- 6. Insurance Information and Privacy Protection  
*Ref: 175I*
- 7. Types of Insurers
  - a. Foreign, Alien, Domestic  
*Ref: 175:1*
  - b. Authorized and unauthorized insurers  
*Ref: 175:45*
  - c. Stock and mutual insurers  
*Ref: 175:19T,48, 48A*

**II. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO ACCIDENT, HEALTH OR SICKNESS INSURANCE ONLY .....15**

**A. Life and Health Insurance Guaranty Association Law**

*Ref: 175:146B*

**B. Producer responsibilities in individual accident, health or sickness insurance .....**

1. Advertising

*Ref: 175:110E*

a. Sales presentations

b. Outline of coverage

*Ref: Reg 42.09*

c. Disclosure of information about individuals

*Ref: 175:108E; Reg 42.09.*

**C. Individual underwriting by the insurer**

1. Medical examinations and lab tests (including HIV consent)

*Ref: Reg 36.03*

2. Genetic information

*Ref: 175:108H, 108I*

**D. Replacement of Accident, Health, or Sickness Insurance**

1. Massachusetts replacement requirements

*Ref: 175:110(N)(3)(a); Reg 42.08, 42.11*

2. Massachusetts individual mandate for minimum creditable coverage requires individual to have health insurance even if the person has accident/sickness

*Ref: RL Title XVI M.G.L.C. 111M 956 CMR 5.00*

**E. Required Policy Provisions**

*Ref: 175:108(3)(a)(1–12)*

1. Entire contract; changes

2. Time limit on certain defenses

3. Grace period

4. Reinstatement

5. Claim procedures

6. Physical examinations and autopsy

7. Legal actions

8. Change of beneficiary

9. Right to examine (free look)

*Ref: 175:187H*

**F. Optional Policy Provisions**

*Ref: 175:108(3)(b)(1–10)*

1. Change of occupation

2. Misstatement of age

3. Other insurance in this insurer

4. Expense-incurred basis

5. Other benefits

6. Unpaid premium

7. Conformity with state statutes

8. Illegal occupation

**G. Health Insurance Provisions**

1. Massachusetts eligibility requirements (Open enrollment)

*Ref: 176J (4)(1)(3)*

a. Dependent child age limit

*Ref: 175:108(3)(a). (2)(a)(3); 175:110(P);*

*176A:8BB; 176B:4BB; 176G:4T*

b. Disabled adult children

*Ref: 176A:8D; 176B:6(c); 176G:4T*

c. Newborn child coverage

*Ref: 175:47C; 176A:8B; 176G:4*

d. Coverage of adopted children

*Ref: 175:47C; 176A:8B; 176B:4C; 176G:4*

2. Affordable Care Act (ACA) and Massachusetts Health Connector

*Ref: Section 1201*

a. Guaranteed issue

*Ref: PHS 2708*

b. Guaranteed renewability

*Ref: PHS 2703*

c. Preventive care

*Ref: PHS 2713*

d. Emergency services

*Ref: PHS 2719 A(b)*

e. Health status (no discrimination)

*Ref: PHS 2705*

f. EHB coverage

*Ref: PHS 2707 & 2711*

3. Massachusetts Mental Health Parity

*Ref: 175:47B, 176A:8A, M.G.L. c. 176B:4A*

*176G:4M - Bul 2013-02*

4. Employer group health insurance

a. Nondiscrimination

*Ref: 175:108C; 176A:3A; 176A:8E; 176B:4E;*

*176B:5A; 176G:19*

b. Eligibility for coverage

*Ref: 175:110*

c. Employee eligibility

*Ref: Reg 66.04*

d. Coordination of benefits provision (COB)

*Ref: Reg 38.01–.08*

e. Continuation of coverage under COBRA and Massachusetts specific rules

*Ref: 175:110D; 110G, 110I*

5. Small employer and individual medical plans

a. Definition of small employer

*Ref: 176J:1; Reg 66.04*

b. Availability and eligibility rating rules

*Ref: Reg 66.05, 66.08*

c. Restrictions relating to premiums

*Ref: 176J:2; Reg 66.08*

d. Small group continuation

*Ref: 176J:9*

e. Renewability

*Ref: Reg 66.06*

**H. Medicare supplement policies**

1. Open enrollment

*Ref: 176K:3; Reg 71.10*

2. Standardized Medicare supplement plans

*Ref: Reg 71.08*

a. Core benefits, Supplement 1

*Ref: Reg 71.90 Appen A, 71.91 Appen B, 71.92 Appen C*

3. Massachusetts regulations and required provisions Advertising

*Ref: Reg 71.17*

4. Standards for marketing

*Ref: Reg 71.16*

5. Permitted compensation

*Ref: Reg 71.18*

6. Appropriateness of recommended purchase and

- excessive insurance  
*Ref: Reg 71.15*
- 7. Required disclosure provisions  
*Ref: Reg 40.15, 71.13*
- 8. Reporting of multiple policies  
*Ref: Reg 71.19*
- 9. Buyer's guide  
*Ref: Reg 40.15, 71.13*
- 10. Right to return  
*Ref: Reg 71.13*
- 11. Replacement  
*Ref: Reg 71.13*
- 12. Benefit standards  
*Ref: Reg 71.08*
- 13. Pre-existing conditions  
*Ref: Reg 176K:3(b)*
- 14. Renewability  
*Ref: Reg 71.07*
- 15. Outline of coverage  
*Ref: Reg 71.13, 71.98 Appen F*
- I. MassHealth**  
*Ref: RL Title XVII 118E:9A*
  - 1. Eligibility
  - 2. Benefits
- J. Long-Term Care (LTC) Insurance**  
*Ref: 211 CMR 65.00*
  - 1. Home health care  
*Ref: Reg 65.05(2)(c), 65.06(3)*
  - 2. Exclusions  
*Ref: Reg 65.05(3)*
  - 3. Massachusetts regulations and required provisions
    - a. Standards for marketing  
*Ref: Reg 65.08*
    - b. Suitability of recommended purchase  
*Ref: Reg 65.09(4)(b)*
    - c. Your Options for Financing Long-Term Care  
*Ref: Reg 65.09(3)(a)*
    - d. Outline of coverage  
*Ref: Reg 65.09(3)(c), 101*
    - e. Non-forfeiture benefit offer  
*Ref: Reg 65.06(2)*
    - f. Required disclosure provisions  
*Ref: Reg 65.09*
    - g. Right to return  
*Ref: Reg 65.101(5)*
    - h. Policy illustration  
*Ref: Reg 65.09(3)(b), 65.100*
    - i. Inflation adjustment benefit  
*Ref: Reg 65.06(1)*
    - j. MassHealth exemption  
*Ref: RR 515.014*
    - k. Benefit triggers  
*Ref: Reg 65.05(1)*
    - l. Unintentional lapse  
*Ref: Reg 65.10*

## PROPERTY PRODUCER GENERAL KNOWLEDGE CONTENT OUTLINE

### Product Knowledge, Terms and Concepts

*(50 scoreable questions plus 5 pretest questions)*

**Note:** To the extent that the specific contracts, forms, and endorsements 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. PROPERTY: TYPES OF POLICIES.....22**

##### **A. Homeowners**

1. HO-2
2. HO-3
3. HO-4
4. HO-5
5. HO-6
6. HO-8

##### **B. Dwelling policies**

1. DP-1
2. DP-2
3. DP-3

##### **C. Commercial lines**

1. Commercial Package Policy (CPP)
2. Commercial property
  - a. Commercial building and business personal property form
  - b. Causes of loss forms
  - c. Business income
  - d. Extra expense
  - e. Equipment breakdown
3. Business Owners Policy (BOP)
4. Builders Risk
5. Cyber First-Party Coverage

##### **D. Inland marine**

1. Personal Articles floaters
2. Commercial Property floaters

##### **E. National Flood Insurance Program**

##### **F. Others**

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Farm Owners
5. Windstorm

#### **II. PROPERTY: INSURANCE TERMS AND RELATED CONCEPTS..... 15**

##### **A. Insurance**

1. Law of Large Numbers

##### **B. Insurable interest**

##### **C. Risk**

1. Pure vs. Speculative Risk

##### **D. Hazard**

1. Moral
2. Morale
3. Physical

##### **E. Peril**

##### **F. Loss**

1. Direct
2. Indirect

**G. Loss Valuation**

- 1. Actual cash value
- 2. Replacement cost
- 3. Market value
- 4. Stated/agreed value
- 5. Salvage value

**H. Proximate cause**

**I. Deductible**

**J. Indemnity**

**K. Limits of liability**

**L. Coinsurance/Insurance to value**

**M. Occurrence**

**N. Cancellation**

**O. Nonrenewal**

**P. Vacancy and unoccupancy**

**Q. Liability**

- 1. Absolute
- 2. Strict
- 3. Vicarious

**R. Negligence**

**S. Binder**

**T. Endorsements**

**U. Blanket vs. Specific**

**III. PROPERTY: POLICY PROVISIONS AND CONTRACT LAW.....13**

**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. Subrogation**

**N. Elements of a contract**

**O. Warranties, representations, and concealment**

**P. Sources of underwriting information**

**Q. Fair Credit Reporting Act**

**R. Privacy Protection (Gramm Leach Bliley)**

**S. Policy Application**

**T. Terrorism Risk Insurance Act (TRIA)**

**U. Territory**

*Ref: 175:162H, L, M*

**b. Business entity producers**

*Ref: 175:162L*

**c. Nonresident producers**

*Ref: 175:162N, U*

**d. Temporary**

*Ref: 175:162Q*

**e. Special brokers**

*Ref: 175:168*

**f. Advisers**

*Ref: 175:177A, B*

**g. Public insurance adjusters**

*Ref: 175:172*

**h. Reinsurance intermediaries**

*Ref: 175:177M-W*

**i. Portable Electronics Insurance Limited license**

*Ref: 175:162Y*

**j. Exemptions**

*Ref: 175:162J*

**3. Maintenance and duration**

**a. Reinstatement and renewal**

*Ref: 175:162M(b-d), 177B, 177O*

**b. Address change**

*Ref: 175:162M(f)*

**c. Reporting of actions**

*Ref: 175:162V*

**d. Assumed names**

*Ref: 175:162P*

**e. Continuing education requirements, exemptions and penalties**

*Ref: 175:177E; Reg 211 CMR 50.00*

**4. Disciplinary actions**

**a. Cease and desist order**

*Ref: 176D:7*

**b. Hearings**

*Ref: 175:162R; 176D:6*

**c. Probation, suspension, revocation, refusal to issue or renew**

*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*

**d. Penalties and fines**

*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*

**B. State Regulation**

**1. Commissioner's general duties and powers**

*Ref: 175:3A; 176D:5*

**2. Company regulation**

**a. Certificate of authority**

*Ref: 175:4, 33, 151*

**b. Solvency**

*Ref: 175:6, 180A-L; 175J*

**c. Policy forms**

*Ref: 175:2B, 192*

**d. Examination of books and records**

*Ref: 175:4*

**e. Producer appointments**

*Ref: 175:162S*

**f. Termination of producer appointment**

*Ref: 175:162T*

**3. Producer regulation**

**a. Impersonation**

*Ref: 175:175*

**PROPERTY PRODUCER  
MASSACHUSETTS SPECIFIC  
CONTENT OUTLINE**

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

**I. MASSACHUSETTS LAWS AND RULES PERTINENT TO ALL LINES OF INSURANCE..... 20**

**A. Licensing**

**1. Process**

*Ref: 175:162G-X*

**2. Types of licenses**

**a. Producers**

- b. Larceny  
*Ref: 175:176*
- c. Unlicensed persons compensation  
*Ref: 175:177*
- d. Commissions  
*Ref: 175:3*
- e. Records Retention  
*Ref: 175:149R*
- f. Insurance transactions  
*Ref: 175I:2*
- 4. Unfair or deceptive practices
  - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
  - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
  - c. Defamation of insurer  
*Ref: 176D:3(3)*
  - d. Boycott, coercion, intimidation  
*Ref: 176D:3(4), 3A*
  - e. False financial statements  
*Ref: 176D:3(5)*
  - f. Failure to maintain a complaint record  
*Ref: 176D:3(10)*
  - g. Unfair discrimination  
*Ref: 176D:3(7)*
  - h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
  - i. Rebating  
*Ref: 175:182-184; 176D:3(8)*
- 5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
- 6. Insurance Information and Privacy Protection  
*Ref: 175I*
- 7. Types of Insurers
  - a. Foreign, alien, domestic  
*Ref: 175:1*
  - b. Authorized and unauthorized insurers  
*Ref: 175:4*
  - c. Stock and mutual insurers  
*Ref: 175:19T,48, 48A*

**II. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY...10**

**A. Massachusetts laws, regulations, and required provisions**

- 1. Massachusetts Insurers Insolvency Fund  
*Ref: 175D:1-17*
- 2. Cancellation and nonrenewal  
*Ref: 175:99, 187C, 187D, 193P*
- 3. Concealment, misrepresentation or fraud  
*Ref: 175:99, 170, 186*
- 4. Appraisal  
*Ref: 175:99*
- 5. Rates  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3*

**B. Massachusetts standard fire policy**

*Ref: 175:99*

**C. Homeowners Policy**

- 1. Lead paint liability abatement  
*Ref: 211 CMR 131.00*
- 2. Massachusetts requirements for flood insurance

*Ref: 183:69, Bulletin 2015-07*

- 3. Massachusetts Property Insurance Underwriting Association (MPIUA) known as the Massachusetts (FAIR) Plan  
*Ref: 175C:4*

**D. Commercial inland marine**

- 1. Nationwide marine definition  
*Ref: Reg 211 CMR 10.00*

**E. Surplus lines**

- 1. Definitions and markets  
*Ref: 175:168*

**CASUALTY PRODUCER  
GENERAL KNOWLEDGE  
CONTENT OUTLINE  
Product Knowledge, Terms and Concepts  
(50 scored and 5 pretest questions)**

**Note:** To the extent specific contracts, forms, and endorsements 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. CASUALTY: TYPES OF POLICIES, BONDS, AND RELATED TERMS..... 23**

**A. Commercial general liability**

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

**B. Automobile: personal auto and business auto**

- 1. Liability
  - a. Bodily Injury
  - b. Property Damage
  - c. Split Limits
  - d. Combined Single Limit
- 2. Medical Payments
- 3. Physical Damage (collision; other than collision; specified perils)
- 4. Uninsured motorists
- 5. Underinsured motorists
- 6. Who is an insured
- 7. Types of Auto
  - a. Owned
  - b. Non-owned
  - c. Hired
  - d. Temporary Substitute
  - e. Newly Acquired Autos
  - f. Transportation Expense and Rental Reimbursement Expense

- 8. Auto Dealers Coverage Form, including Garagekeepers Insurance
- 9. Exclusions
- 10. Individual Named Insured and Drive Other Car (DOC)
- 11. Mobile equipment

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

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

- 1. Standard policy concepts
  - a. Who is an employee/employer
  - b. Compensation
- 2. Work-related vs. non-work-related
- 3. Other states' insurance
- 4. Employers Liability
- 5. Exclusive remedy
- 6. Premium Determination

**D. Crime**

- 1. Employee Dishonesty
- 2. Theft
- 3. Robbery
- 4. Burglary
- 5. Forgery and Alteration
- 6. Mysterious disappearance

**E. Bonds**

- 1. Surety
- 2. Fidelity

**F. Professional liability**

- 1. Errors and Omissions
- 2. Medical Malpractice
- 3. Directors and Officers (D&O)
- 4. Employment Practices Liability (EPLI)
- 5. Cyber liability and data breach, funds transfer
- 6. Liquor liability

**G. Umbrella/Excess Liability**

**H. Business Owners Policy (BOP)**

**II. CASUALTY: INSURANCE TERMS AND RELATED CONCEPTS.....15**

**A. Risk**

**B. Hazards**

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

**C. Indemnity**

**D. Insurable interest**

**E. Loss valuation**

- 1. Actual cash value
- 2. Replacement cost
- 3. Market value
- 4. Stated/agreed value
- 5. Salvage value

**F. Negligence**

**G. Liability**

**H. Occurrence**

**I. Binders**

**J. Warranties**

**K. Representations**

**L. Concealment**

**M. Deposit Premium/Audit**

**N. Certificate of Insurance**

**O. Law of Large Numbers**

**P. Pure vs. Speculative Risk**

**Q. Endorsements**

**R. Damages**

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

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

**III. 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. Supplementary payments**

**I. Proof of loss**

**J. Notice of claim**

**K. Arbitration**

**L. Other insurance**

**M. Subrogation**

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

**O. Terrorism Risk Insurance Act (TRIA)**

**CASUALTY PRODUCER  
MASSACHUSETTS SPECIFIC  
CONTENT OUTLINE**

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

**I. MASSACHUSETTS LAWS AND RULES PERTINENT TO ALL LINES OF INSURANCE..... 15**

**A. Licensing**

- 1. Process  
*Ref: 175:162G-X*
- 2. Types of licenses
  - a. Producers  
*Ref: 175:162H, L, M*
  - c. Business entity producers  
*Ref: 175:162L*
  - d. Nonresident producers  
*Ref: 175:162N, U*
  - e. Temporary  
*Ref: 175:162Q*
  - f. Special brokers  
*Ref: 175:168*
  - g. Advisers  
*Ref: 175:177A, B*
  - h. Public insurance adjusters  
*Ref: 175:172*
  - i. Reinsurance intermediaries  
*Ref: 175:177M-W*
  - j. Exemptions  
*Ref: 175:162J*

3. Maintenance and duration
  - a. Reinstatement and renewal  
*Ref: 175:162M(b-d), 177B, 177O*
  - b. Address change  
*Ref: 175:162M(f)*
  - c. Reporting of actions  
*Ref: 175:162V*
  - d. Assumed names  
*Ref: 175:162P*
  - e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*

4. Disciplinary actions
  - a. Cease and desist order  
*Ref: 176D:7*
  - b. Hearings  
*Ref: 175:162R; 176D:6*
  - c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
  - d. Penalties and fines  
*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*

**B. State Regulation**

1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
2. Company regulation
  - a. Certificate of authority  
*Ref: 175:4, 33, 151*
  - b. Solvency  
*Ref: 175:6, 180A-L; 175J*
  - c. Policy forms  
*Ref: 175:2B, 192*
  - d. Examination of books and records  
*Ref: 175:4*
  - e. Producer appointments  
*Ref: 175:162S*
  - f. Termination of producer appointment  
*Ref: 175:162T*
3. Producer regulation
  - a. Impersonation  
*Ref: 175:175*
  - b. Larceny  
*Ref: 175:176*
  - c. Unlicensed persons compensation  
*Ref: 175:177*
  - d. Commissions  
*Ref: 175:3*
  - e. Records retention  
*Ref: 175: 149R*
  - f. Insurance transactions  
*Ref: 175I:2*
4. Unfair or deceptive practices
  - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
  - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
  - c. Defamation of insurer  
*Ref: 176D:3(3)*
  - d. Boycott, coercion, intimidation  
*Ref: 176D:3(4), 3A*

- e. False financial statements  
*Ref: 176D:3(5)*
- f. Failure to maintain a complaint record  
*Ref: 176D:3(10)*
- g. Unfair discrimination  
*Ref: 176D:3(7)*
- h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
- i. Rebating  
*Ref: 175:182-184; 176D:3(8)*

5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
6. Insurance Information and Privacy Protection  
*Ref: 175I*
7. Types of Insurers
  - a. Foreign, alien, domestic  
*Ref: 175:1*
  - b. Authorized and unauthorized insurers  
*Ref: 175:4*
  - c. Stock and mutual insurers  
*Ref: 175:19T,48, 48A*

**II. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY.....15**

**A. Massachusetts laws, regulations, and required provisions**

1. Massachusetts Insurers Insolvency Fund  
*Ref: 175D:1-17*
2. Cancellation and nonrenewal  
*Ref: 175:187C, 187D*
3. Concealment, misrepresentation, or fraud  
*Ref: 175:170, 186; RL Title 1 266:27A*
4. Rates  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3*

**B. Massachusetts law specific to auto insurance**

1. Massachusetts Compulsory Motor Vehicle Liability Insurance  
*Ref: 175:113A-L,N-V; RL Title XIV 90:34A-K,M-R*
  - a. Required limits of liability  
*Ref: RL Title XIV 90:34A, 34O*
  - b. Required proof of insurance  
*Ref: RL Title XIV 90:34A, 34B*
2. Massachusetts Automobile Insurance Assigned Risk Plan (MAIP)/CAR  
*Ref: 175:113H*
  - a. Notice of eligibility in the plan  
*Ref: 175:113F*
3. Personal injury protection  
*Ref: RL Title XIV 90:34A, M*
  - a. Medical
  - b. Loss of income/Lost Wages
  - c. Death
  - d. Funeral
  - e. Replacement services
4. Uninsured/underinsured motorist  
*Ref: 175:111D, 113L*
  - a. Bodily injury
  - b. Required limits
5. Cancellation/nonrenewal  
*Ref: 90:34K; 175:22C, 113A*
  - a. Grounds  
*Ref: 175:22C, 112*
  - b. Notice

- Ref: 175:22C, 113F; RL Title XIV 90:34K*
6. Aftermarket parts regulation  
*Ref: Reg 211 CMR 133.04; RL Title XIV 90:34R*
  7. Regulation of rates for motor vehicle insurance  
*Ref: Ch. 175A, E*
  8. Private passenger motor vehicle insurance rates  
*Ref: Reg 211 CMR 79.00*
  9. Appraisal  
*Ref: 175:113O*

**C. Commercial general liability**

1. Defense within limits versus open limits  
*Ref: Filing Guidance Notice 2011-A*

**D. Workers' Compensation**

1. Massachusetts Workers' Compensation Act  
*Ref: RL Title XXI Ch 152*
  - a. Exclusive remedy  
*Ref: RL Title XXI 152:24, 26, 71*
  - b. Employment covered (required, voluntary)  
*Ref: RL Title XXI 152:1, 25A*
  - c. Covered injuries  
*Ref: RL Title XXI 152:1, 29*
    - d. Occupational disease  
*Ref: RL Title XXI 152:1(7A)*
  - e. Benefits provided  
*Ref: RL Title XXI 152:27, 28–30, 30G–30I, 31–34, 34A, 34B, 35, 35A–E, 36*
    - f. Subsequent injury fund  
*Ref: RL Title XXI 152:37*
  - g. Subrogation  
*Ref: 152:15*
2. Other sources of coverage
  - a. Assigned risk plan  
*Ref: RL Title XXI 152:65A–D, G–M, O*
  - b. Self-insured employers and employer groups  
*Ref: RL Title XXI 152:25A–U*
  - c. Massachusetts Workers' Compensation Trust Fund  
*Ref: RL Title XXI 152:65*

**E. Other Coverages and Options**

1. Surplus lines
  - a. Definitions and markets  
*Ref: 175:168*
2. Residual markets
  - a. Hospitality Mutual (Joint Underwriting Association) – Liquor Liability  
*Ref: 175:112A-B; 175:113W*

**PERSONAL LINES PRODUCER  
GENERAL KNOWLEDGE  
CONTENT OUTLINE**

**Product Knowledge, Terms and Concepts**

*(75 scoreable questions plus 5 pretest questions)*

**I. TYPES OF PROPERTY POLICIES 10**

**A. Homeowners**

1. HO-2
2. HO-3
3. HO-4
4. HO-5
5. HO-6
6. HO-8

**B. Dwelling policies**

1. DP-1
2. DP-2
3. DP-3

**C. Inland marine**

1. Personal Articles floaters

**D. National Flood Insurance Program**

**E. Others**

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Windstorm

**II. TYPES OF CASUALTY POLICIES 13**

**A. Automobile: personal auto**

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

**B. Umbrella/Excess liability**

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

**A. Insurance**

1. Law of Large Numbers

**B. Insurable interest**

**C. Risk**

1. Pure vs. Speculative Risk

**D. Hazard**

1. Moral
2. Morale
3. Physical

**E. Peril**

**F. Loss**

1. Direct
2. Indirect

**G. Loss Valuation**

1. Actual cash value
2. Replacement cost
3. Market value
4. Stated value
5. Salvage value

**H. Proximate cause**

**I. Deductible**

**J. Indemnity**

**K. Limits of liability**

**L. Coinsurance/Insurance to value**

- M. Occurrence
- N. Cancellation
- O. Nonrenewal
- P. Vacancy and unoccupancy
- Q. Liability
  - 1. Absolute
  - 2. Strict
  - 3. Vicarious
- R. Negligence
- S. Binder
- T. Endorsements
- U. Blanket vs. Specific
- V. Burglary, Robbery, Theft, and Mysterious Disappearance
- W. Warranties
- X. Representations
- Y. Concealment
- Z. Deposit Premium/Audit
- AA. Certificate of Insurance
- BB. Damages
  - 1. Compensatory
    - a. General
    - b. Special
  - 2. Punitive
- CC. Compliance with Provisions of Fair Credit Reporting Act

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

- A. Declarations
- B. Insuring agreement
- C. Conditions
- D. Exclusions
- E. Definition of the insured
- F. Duties of the insured 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 Provision
- M. Subrogation
- N. Elements of a contract
- O. Sources of underwriting information
- P. Fair Credit Reporting Act
- Q. Privacy Protection (Gramm Leach Bliley)
- R. Policy Application
- S. Terrorism Risk Insurance Act (TRIA)
- T. Cancellation and nonrenewal provisions
- U. Supplementary payments
- V. Loss settlement provisions including consent to settle a loss
- W. Territory

**PERSONAL LINES PRODUCER  
MASSACHUSETTS SPECIFIC  
CONTENT OUTLINE**

**State Laws, Rules and Regulations**  
(30 scorable and 5 pretest questions)

- I. MASSACHUSETTS LAWS AND RULES PERTINENT TO ALL LINES OF INSURANCE..... 15

- A. Licensing
  - 1. Process
    - Ref: 175:162G-X
  - 2. Types of licenses
    - a. Producers
      - Ref: 175:162H, L, M
    - b. Business entity producers
      - Ref: 175:162L
    - c. Nonresident producers
      - Ref: 175:162N, U
    - d. Temporary
      - Ref: 175:162Q
    - e. Special brokers
      - Ref: 175:168
    - f. Advisers
      - Ref: 175:177A, B
    - g. Public insurance adjusters
      - Ref: 175:172
    - h. Reinsurance intermediaries
      - Ref: 175:177M-W
    - i. Portable Electronics Insurance Limited Lines license
      - Ref: 175:162Y
    - j. Exemptions
      - Ref: 175:162J
  - 3. Maintenance and duration
    - a. Reinstatement and renewal
      - Ref: 175:162M(b-d), 177B, 177O
    - b. Address change
      - Ref: 175:162M(f)
    - c. Reporting of actions
      - Ref: 175:162V
    - d. Assumed names
      - Ref: 175:162P
    - e. Continuing education requirements, exemptions and penalties
      - Ref: 175:177E; Reg 211 CMR 50.00
  - 4. Disciplinary actions
    - a. Cease and desist order
      - Ref: 176D:7
    - b. Hearings
      - Ref: 175:162R; 176D:6
    - c. Probation, suspension, revocation, refusal to issue or renew .....
      - Ref: 175:162R, 177B; 176D:7, 10; 30A:13
    - d. Penalties and fines
      - Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10
- B. State Regulation
  - 1. Commissioner's general duties and powers
    - Ref: 175:3A; 176D:5
  - 2. Company regulation
    - a. Certificate of authority
      - Ref: 175:4, 33, 151
    - b. Solvency
      - Ref: 175:6, 180A-L; 175J
    - c. Policy forms
      - Ref: 175:2B, 192
    - d. Examination of books and records
      - Ref: 175:4
    - e. Producer appointments

- Ref: 175:162S*
- f. Termination of producer appointment  
*Ref: 175:162T*
- 3. Producer regulation
  - a. Impersonation  
*Ref: 175:175*
  - b. Larceny  
*Ref: 175:176*
  - c. Unlicensed persons compensation  
*Ref: 175:177*
  - d. Commissions  
*Ref: 175:3*
  - e. Records Retention  
*Ref: 175: 149R*
  - f. Insurance transactions  
*Ref: 175I:2*
- 4. Unfair or deceptive practices
  - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
  - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
  - c. Defamation of insurer  
*Ref: 176D:3(3)*
  - d. Boycott, coercion, intimidation  
*Ref: 176D:3(4), 3A*
  - e. False financial statements  
*Ref: 176D:3(5)*
  - f. Failure to maintain a complaint record  
*Ref: 176D:3(10)*
  - g. Unfair discrimination  
*Ref: 176D:3(7)*
  - h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
  - i. Rebating  
*Ref: 175:182-184; 176D:3(8)*
- 5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
- 6. Insurance Information and Privacy Protection  
*Ref: 175I*
- 7. Types of Insurers
  - a. Foreign, alien, domestic  
*Ref: 175:1*
  - b. Authorized and unauthorized insurers  
*Ref: 175:4*
  - c. Stock and mutual insurers  
*Ref: 175:19T,48, 48A*

**II. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO PROPERTY AND CASUALTY INSURANCE.....2**

- A. Massachusetts Insurers Insolvency Fund**  
*Ref: 175D:1-17*
- B. Concealment, misrepresentation, or fraud**  
*Ref: 175:99, 170, 186, RL Title I 266:27A*
- C. Appraisal**  
*Ref: 175:99, 175:113O*
- D. Rates**  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3*

**III. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO PROPERTY INSURANCE ONLY....5**

- A. Cancellation and nonrenewal**  
*Ref: 175:99, 187C, 187D, 193P*

**B. Massachusetts standard fire policy**

*Ref: 175:99*

**C. Homeowners Policy**

- 1. Lead paint liability abatement  
*Ref: 211 CMR 131.00*
- 2. Massachusetts requirements for flood insurance  
*Ref: 183:69, Bulletin 2015-07*
- 3. Massachusetts Property Insurance Underwriting Association (MPIUA) known as the Massachusetts (FAIR) Plan  
*Ref: 175C:4*

**IV. MASSACHUSETTS LAWS AND REGULATIONS PERTINENT TO CASUALTY INSURANCE ONLY.....8**

**A. Massachusetts law specific to auto insurance**

- 1. Massachusetts Compulsory Motor Vehicle Liability Insurance  
*Ref: 175:113A-L,N-V; RL Title XIV 90:34A-K, M-R*
  - a. Required limits of liability  
*Ref: RL Title XIV 90:34A, 34O*
  - b. Required proof of insurance  
*Ref: RL Title XIV 90:34A, 34B*
- 2. Massachusetts Automobile Insurance Assigned Risk Plan (MAIP)/CAR  
*Ref: 175:113H*
  - a. Notice of eligibility in assigned risk plan  
*Ref: 175:113F*
- 3. Personal injury protection  
*Ref: RL Title XIV 90:34A, M*
  - a. Medical
  - b. Loss of income/Lost wages
  - c. Death
  - d. Funeral
  - e. Replacement services
- 4. Uninsured/underinsured motorist  
*Ref: 175:111D, 113L*
  - a. Bodily injury
  - b. Required limits
- 5. Cancellation/nonrenewal  
*Ref: 90:34K; 175:22C, 113A*
  - a. Grounds  
*Ref: 175:22C, 112*
  - b. Notice  
*Ref: 175:22C, 113F; RL Title XIV 90:34K*
- 6. Aftermarket parts regulation  
*Ref: Reg 211 CMR 133.04; RL Title XIV 90:34R*
- 7. Regulation of rates for motor vehicle insurance  
*Ref: Ch. 175A, E*
- 8. Private passenger motor vehicle insurance rates  
*Ref: Reg 211 CMR 79.00*

**B. Surplus lines**

- 1. Definitions and markets  
*Ref: 175: 168*

**ADVISER'S LIFE EXAM**

*(100 scoreable and 5 pretest questions)*

**I. INSURANCE REGULATION .....15**

**A. Licensing**

- 1. Process  
*Ref: 175:162G-X*
- 2. Types of licensees
  - a. Producers  
*Ref: 175:162H, L, M*
  - b. Business entity producers  
*Ref: 175:162L*

- c. Nonresident producers  
*Ref: 175:162N, U*
  - d. Advisers  
*Ref: 175:177A, B*
  - e. Reinsurance intermediaries  
*Ref: 175:177M–W*
  - f. Life settlement broker  
*Ref: 175:212–223E*
  - 3. Maintenance and duration
    - a. Reinstatement and renewal  
*Ref: 175:162M(b–d), 177B, 177O*
    - b. Address change  
*Ref: 175:162M(f)*
    - c. Reporting of actions  
*Ref: 175:162V*
    - d. Assumed names  
*Ref: 175:162P*
    - e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*
  - 4. Disciplinary actions
    - a. Cease and desist order  
*Ref: 176D:7*
    - b. Hearings  
*Ref: 175:162R; 176D:6*
    - c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
    - d. Penalties and fines  
*Ref: 175:162R(b–e), 170, 174–177, 194; 176D:7, 10*
- B. State regulation**
- 1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
  - 2. Company regulation
    - a. Certificate of authority  
*Ref: 175:4, 32, 151*
    - b. Solvency  
*Ref: 175:6, 180A–L; 175J*
    - c. Rates
    - d. Policy forms  
*Ref: 175:2B, 192*
    - e. Examination of books and records  
*Ref: 175:4*
    - f. Producer appointments  
*Ref: 175:162S*
    - g. Termination of producer appointment  
*Ref: 175:162T*
  - 3. Producer regulation
    - a. Impersonation  
*Ref: 175:175*
    - b. Larceny  
*Ref: 175:176*
    - c. Unlicensed persons compensation  
*Ref: 175:177*
  - 4. Unfair or deceptive insurance practices
    - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1),(11)*
    - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
    - c. Defamation of insurer  
*Ref: 176D:3(3)*
    - d. Boycott, coercion and intimidation  
*Ref: 176D:3(4), 3A*
  - e. False financial statements  
*Ref: 176D:3(5)*
  - f. Failure to maintain complaint record  
*Ref: 176D:3(10)*
  - g. Unfair discrimination  
*Ref: 176D:3(7)*
  - h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
  - i. Rebating  
*Ref: 175:182–184; 176D:3(8)*
- 5. Insurance fraud regulation  
*Ref: 175:170; 176D:3*
  - 6. Insurance Information and Privacy Protection  
*Ref: 175I*
- C. Federal regulation**
- 1. Fair Credit Reporting Act  
*Ref: 15 USC 1681–1681d*
  - 2. Fraud and false statements including 1033 waiver  
*Ref: 18 USC 1033, 1034*
- II. GENERAL INSURANCE .....13**
- A. Concepts**
- 1. Risk management key terms
  - 2. Risk
  - 3. Exposure
  - 4. Hazard
  - 5. Peril
  - 6. Loss
- B. Methods of handling risk**
- 1. Avoidance
  - 2. Retention
  - 3. Sharing
  - 4. Reduction
  - 5. Transfer
  - 6. Elements of insurable risks
  - 7. Adverse selection
  - 8. Law of large numbers
  - 9. Reinsurance
- C. Insurers**
- 1. Types of insurers
    - a. Stock companies
    - b. Mutual companies
    - c. Fraternal benefit societies
    - d. Risk retention and risk purchasing groups
    - e. Self-insurance groups
  - 2. Private versus government insurers
  - 3. Admitted versus nonadmitted insurers
  - 4. Domestic, foreign and alien insurers
  - 5. Financial status (independent rating services)
  - 6. Marketing (distribution) systems
- D. Producers and general rules of agency**
- 1. Insurer as principal
  - 2. Producer/insurer relationship
  - 3. Authority and powers of producers
    - a. Express
    - b. Implied
    - c. Apparent
  - 4. Responsibilities to the applicant/insured

**E. Contracts**

- 1. Elements of a legal contract
  - a. Offer and acceptance
  - b. Consideration
  - c. Competent parties
  - d. Legal purpose
- 2. Distinct characteristics of an insurance contract
  - a. Contract of adhesion
  - b. Aleatory contract
  - c. Personal contract
  - d. Conditional contract
- 3. Legal interpretations affecting contracts
  - a. Ambiguities in a contract of adhesion
  - b. Reasonable expectations
  - c. Indemnity
  - d. Utmost good faith
  - e. Representations/misrepresentations
  - f. Warranties
  - g. Concealment
  - h. Fraud
  - i. Waiver and estoppel

**III. LIFE INSURANCE BASICS.....18**

**A. Insurable interest**

**B. Personal uses of life insurance**

- 1. Survivor protection
- 2. Estate creation
- 3. Cash accumulation
- 4. Security
- 5. Liquidity
- 6. Estate conservation

**C. Life Settlement Act**

*Ref: 175:212-223E*

- 1. Life settlement broker authority and licensing  
*Ref: 175:213*
- 2. Disclosure to customers  
*Ref: 175:220*
- 3. Fraudulent acts  
*Ref: 175:223A*
- 4. Definitions  
*Ref: 175:212*

**D. Determining amount of personal life insurance**

- 1. Human life value approach
- 2. Needs approach
  - a. Types of information gathered
  - b. Determining lump-sum needs
  - c. Planning for income needs

**E. Business uses of life insurance**

- 1. Buy-sell funding
- 2. Key person
- 3. Executive bonuses
- 4. Deferred compensation funding
- 5. Split Dollar Plans
- 6. Corporate-owned life insurance
- 7. Change of insured rider

**F. Classes of life insurance policies**

- 1. Group versus individual
- 2. Permanent versus term
- 3. Ordinary versus industrial (home service)
- 4. Participating versus nonparticipating
- 5. Fixed versus variable life insurance and annuities
- 6. Regulation of variable products (SEC, FINRA and Massachusetts)  
*Ref: Reg 95.03*

**G. Premiums**

- 1. Factors in premium determination
  - a. Mortality
  - b. Interest
  - c. Expense
- 2. Premium concepts
  - a. Net single premium
  - b. Gross annual premium
- 3. Premium payment mode

**H. Producer responsibilities**

- 1. Solicitation and sales presentations  
*Ref: 211 CMR 31.07*
    - a. Advertising  
*Ref: 176D:3*
    - b. Life and Health Insurance Guaranty Association Law  
*Ref: 175:146B(19)*
    - c. Policy summary  
*Ref: Reg 31.04*
    - d. Buyer's guide  
*Ref: Reg 31.05 (1)(a)*
    - e. Life insurance policy cost comparison methods  
*Ref: Reg 31.04, 31.05*
    - f. Replacement  
*Ref: Reg 34.01-34.09*
    - g. Use and disclosure of insurance information  
*Ref: Reg 31.05*
  - 2. Field underwriting
    - a. Notice of information practices
    - b. Application procedures including backdating  
*Ref: 175:130*
  - 3. Delivery
    - a. Policy review
    - b. Effective date of coverage
    - c. Premium collection
    - d. Statement of good health
    - e. Delivery receipt requirement
- I. Individual underwriting by the insurer**
- 1. Information sources and regulation
    - a. Application
    - b. Producer report
    - c. Attending physician statement
    - d. Investigative consumer (inspection) report  
*Ref: 175I:7*
    - e. Medical Information Bureau (MIB)
    - f. Medical examinations and lab tests including HIV  
*Ref: Reg 36.03*
  - 2. Selection criteria and unfair discrimination  
*Ref: 175:120, 120A-E*
  - 3. Classification of risks
    - a. Preferred
    - b. Standard
    - c. Substandard

**IV. LIFE INSURANCE POLICIES .....12**

**A. Term life insurance**

1. Level term
  - a. Annual renewable term
  - b. Level premium term
  - c. Life expectancy contract
  - d. Term-to-65 (or older) contract
2. Decreasing term

**B. Whole life insurance**

1. Continuous premium (straight life)
2. Limited payment
3. Single premium
4. Graded premium
5. Modified life
6. Interest sensitive
7. Equity index  
*Ref: Bulletin 98-17*

**C. Flexible premium policies**

1. Adjustable life
2. Universal life
3. Equity index
4. Variable life  
*Ref: 211 CMR 95*

**D. Specialized policies**

1. Joint life (first-to-die)
2. Survivorship life (second-to-die)
3. Juvenile life

**E. Group life insurance**

1. Characteristics of group plans
2. Types of plan sponsors
3. Group underwriting requirements
4. Conversion to individual policy  
*Ref: 175:134(4), 134A*

**F. Credit life insurance (individual versus group)**

**V. LIFE INSURANCE POLICY PROVISIONS, OPTIONS AND RIDERS .....10**

**A. Standard provisions**

1. Ownership
2. Assignability  
*Ref: 175:134C*
3. Entire contract  
*Ref: 175:132(3)*
4. Modifications
5. Right to examine (free look)  
*Ref: Reg 34.06(1)(d); 175:187H*
6. Payment of premiums
7. Grace period  
*Ref: 175:132(1)*
8. Reinstatement  
*Ref: 175:132(11)*
9. Incontestability  
*Ref: 175:132(2)*
10. Misstatement of age  
*Ref: 175:132(4, 12)*
11. Exclusions
12. Interest on insurance proceeds  
*Ref: 175:119A, 119C*

**B. Beneficiaries**

1. Designation options
  - a. Individuals
  - b. Classes
  - c. Estates
  - d. Minors
  - e. Trusts
2. Succession
3. Facility of payment clause
4. Revocable versus irrevocable
5. Common disaster clause
6. Spendthrift clause

**C. Settlement options**

1. Cash payment

2. Interest only
3. Fixed-period installments
4. Fixed-amount installments
5. Life income
  - a. Single life
  - b. Joint and survivor

**D. Nonforfeiture options**

- Ref: 175:144*
1. Cash surrender value
  2. Extended term
  3. Reduced paid-up insurance

**E. Policy loan and withdrawal options**

1. Cash loans  
*Ref: 175:142*
2. Automatic premium loans
3. Withdrawals or partial surrenders

**F. Dividend options**

1. Cash payment
2. Reduction of premium payments
3. Accumulation at interest
4. One-year term option
5. Paid-up additions

**G. Disability riders**

1. Waiver of premium/waiver of stipulated premium (universal life)  
*Ref: 175:24*
2. Waiver of cost of insurance
3. Disability income benefit
4. Payor benefit life/disability (juvenile insurance)

**H. Living benefit provisions/riders**

1. Accelerated  
*Ref: Reg 55.01-.07, 55.100, 110*
  - a. Conditions for payment
  - b. Effect on death benefit
2. Minimum standards  
*Ref: Reg 55.05*
  - a. Conditions for payment
  - b. Effect on death benefit
3. Long term care riders  
*Ref: Reg 65.00*

**I. Riders covering additional insureds**

1. Spouse/other-insured term rider
2. Children's term rider  
*Ref: 175:144(7)(iv)*
3. Family term rider

**J. Riders affecting the death benefit amount**

1. Accidental death  
*Ref: 175:24, 144(7)(i)*
2. Guaranteed insurability
3. Cost of living
4. Return of premium
5. Long term care riders  
*Ref: Reg 65.00*

**VI. ANNUITIES ..... 10**

**A. Annuity principles and concepts**

1. Accumulation period versus annuity period
2. Owner, annuitant and beneficiary
3. Insurance aspects of annuities

**B. Immediate versus deferred annuities**

1. Single premium immediate annuities (SPIAs)
2. Deferred annuities  
*Ref: 175:144A 1/2*

- a. Premium payment options
- b. Nonforfeiture
- c. Surrender and withdrawal charges
- d. Death benefits

**C. Annuity (benefit) payment options**

- 1. Life contingency options
  - a. Pure life versus life with guaranteed minimum
  - b. Single life versus multiple life
- 2. Annuities certain (types)

**D. Annuity products**

- 1. Fixed annuities
  - a. General account assets  
*Ref: 175:144A 1/2*
  - b. Interest rate guarantees (minimum versus current)
  - c. Level benefit payment amount
- 2. Equity indexed annuities  
*Ref: Bul 98-17*
- 3. Market value adjusted annuities (modified guaranteed annuities)
- 4. Variable annuities  
*Ref: 175:132FGH*

**E. Uses of annuities**

- 1. Lump-sum settlements
- 2. Qualified retirement plans
  - a. Group versus individual annuities
- 3. Personal uses
  - a. Individual retirement annuities (IRAs)
  - b. Tax-deferred growth
  - c. Retirement income
  - d. Education funds

**VII. FEDERAL TAX CONSIDERATIONS FOR LIFE AND ANNUITIES.....10**

**A. Taxation of personal life insurance**

- 1. Amounts available to policyowner
  - a. Cash value increases
  - b. Dividends
  - c. Policy loans
  - d. Surrenders
- 2. Amounts received by beneficiary
  - a. General rule and exceptions
  - b. Settlement options
- 3. Values included in insured's estate

**B. Modified endowment contracts (MECs)**

- 1. Modified endowment versus life insurance
- 2. Seven-pay test
- 3. Distributions

**C. Taxation of non-qualified annuities**

- 1. Individually-owned
  - a. Accumulation phase (tax issues related to withdrawals)
  - b. Annuity phase and the exclusion ratio
  - c. Distributions at death
  - d. Premature distributions (including taxation issues)
- 2. Corporate-owned

**D. Taxation of individual retirement annuities (IRAs)**

- 1. Traditional IRAs
  - a. Contributions and deductible amounts
  - b. Premature distributions (including taxation issues)
  - c. Annuity phase benefit payments
  - d. Values included in the annuitant's estate
  - e. Amounts received by beneficiary
- 2. Roth IRAs
  - a. Contributions and limits
  - b. Distributions

**E. Rollovers and transfers (IRAs and qualified plans)**

**F. Section 1035 exchanges**

**VIII. QUALIFIED PLANS..... 12**

**A. General requirements**

**B. Federal tax considerations**

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

**C. Plan types, characteristics and purchasers**

- 1. Simplified employee pensions (SEPs)
- 2. Self-employed plans (HR 10 or Keogh plans)
- 3. Profit-sharing and 401(k) plans
- 4. SIMPLE plans
- 5. Pension plans
- 6. Section 457 deferred compensation
- 7. 403(b) tax-sheltered annuities (TSAs)

**D. Special Rules for life insurance**

- 1. Incidental limitation
- 2. Taxation of economic benefit
- 3. Taxation of life insurance distributions

**ADVISER'S ACCIDENT, HEALTH OR SICKNESS EXAM**

*(100 scoreable and 5 pretest questions)*

**I. INSURANCE REGULATION.....9**

**A. Licensing**

- 1. Process  
*Ref: 175:162G-X*
- 2. Types of licensees
  - a. Producers  
*Ref: 175:162H, L, M*
  - b. Business entity producers  
*Ref: 175:162L*
  - c. Nonresident producers  
*Ref: 175:162N, U*
  - d. Temporary  
*Ref: 175:162Q*
  - e. Advisers  
*Ref: 175:177A, B*
  - f. Reinsurance intermediaries  
*Ref: 175:177M-W*
- 3. Maintenance and duration
  - a. Reinstatement and renewal  
*Ref: 175:162M(b-d), 177B, 177O*

- b. Address change  
*Ref: 175:162M(f)*
  - c. Reporting of actions  
*Ref: 175:162V*
  - d. Assumed names  
*Ref: 175:162P*
  - e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*
  - 4. Disciplinary actions
    - a. Cease and desist order  
*Ref: 176D:7*
    - b. Hearings  
*Ref: 175:162R; 176D:6*
    - c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
    - d. Penalties and fines  
*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*
- B. State regulation**
- 1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
  - 2. Company regulation
    - a. Certificate of authority  
*Ref: 175:4, 32, 151*
    - b. Solvency  
*Ref: 175:6, 180A-L; 175J*
    - c. Rates  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3; 176M:4*
    - d. Policy forms  
*Ref: 175:2B, 192*
    - e. Examination of books and records  
*Ref: 175:4*
    - f. Producer appointments  
*Ref: 175:162S*
    - g. Termination of producer appointment  
*Ref: 175:162T*
  - 3. Producer regulation
    - a. Impersonation  
*Ref: 175:175*
    - b. Larceny  
*Ref: 175:176*
    - c. Unlicensed persons compensation  
*Ref: 175:177*
  - 4. Unfair or deceptive insurance practices
    - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
    - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
    - c. Defamation of insurer  
*Ref: 176D:3(3)*
    - d. Boycott, coercion and intimidation  
*Ref: 176D:3(4), 3A*
    - e. False financial statements  
*Ref: 176D:3(5)*
    - f. Failure to maintain complaint record  
*Ref: 176D:3(10)*

- g. Unfair discrimination  
*Ref: 176D:3(7)*
- h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
- i. Rebating  
*Ref: 175:182-184; 176D:3(8)*
- 5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
- 6. Insurance Information and Privacy Protection  
*Ref: 175I*

**C. Federal regulation**

- 1. Fair Credit Reporting Act  
*Ref: 15 USC 1681-1681d*
- 2. Fraud and false statements including 1033 waiver  
*Ref: 18 USC 1033, 1034*

**II. GENERAL INSURANCE.....8**

**A. Concepts**

- 1. Risk management key terms
  - a. Risk
  - b. Exposure
  - c. Hazard
  - d. Peril
  - e. Loss
- 2. Methods of handling risk
  - a. Avoidance
  - b. Retention
  - c. Sharing
  - d. Reduction
  - e. Transfer
- 3. Elements of transferable risk
- 4. Adverse selection
- 5. Law of large number
- 6. Reinsurance

**B. Insurers**

- 1. Types of insurers
  - a. Stock companies
  - b. Mutual companies
  - c. Fraternal benefit societies
  - d. Risk retention and risk purchasing groups
  - e. Self-insurance groups
- 2. Private versus government insurers
- 3. Admitted versus nonadmitted insurers
- 4. Domestic, foreign and alien insurers
- 5. Financial status (independent rating services)
- 6. Marketing (distribution) systems

**C. Producers and general rules of agency**

- 1. Insurer as principal
- 2. Producer/insurer relationship
- 3. Authority and powers of producers
  - a. Express
  - b. Implied
  - c. Apparent
- 4. Responsibilities to the applicant/insured

**D. Contracts**

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

- d. Legal purpose
- 2. Distinct characteristics of an insurance contract
  - a. Contract of adhesion
  - b. Aleatory contract
  - c. Personal contract
  - d. Conditional contract
- 3. Legal interpretations affecting contracts
  - a. Ambiguities in a contract of adhesion
  - b. Reasonable expectations
  - c. Indemnity
  - d. Utmost good faith
  - e. Representations/misrepresentations
  - f. Warranties
  - g. Concealment
  - h. Fraud
  - i. Waiver and estoppel

**III. Accident, Health, or Sickness Insurance Basics**  
 .....11

**A. Definitions of accident, health or sickness insurance perils**

- 1. Accidental injury
- 2. Sickness

**B. Principal types of accident, health or sickness insurance losses and benefits**

- 1. Loss of income from disability
- 2. Hospital/medical expense
- 3. Dental/vision expense
- 4. Long-term care expense/home health care

**C. Classes of health insurance policies**

- 1. Individual versus group
- 2. Private versus government
- 3. Limited versus comprehensive

**D. Limited policies, which are considered as accident/sickness policies rather than health insurance policies, in Massachusetts**

- 1. Limited benefits
- 2. Required notice to insured
- 3. Types of limited policies
  - a. Accidental death or dismemberment
  - b. Specified (dread) disease
  - c. Hospital indemnity (income)
  - d. Credit disability
  - e. Blanket insurance (teams, passengers, other)
  - f. Prescription drugs
  - g. Dental
  - h. Vision care
  - i. Medicare supplements

**E. Common non-insurance exclusions from coverage**

- 1. Government plans
- 2. Medical savings accounts (MSAs)
  - a. Definition
  - b. Eligibility
  - c. Contribution limits
- 3. Health Savings Accounts (HSAs)
- 4. Massachusetts child health insurance program

**F. Producer responsibilities in individual accident, health or sickness insurance**

- 1. Marketing requirements  
*Ref: Reg 40.00*

- a. Advertising  
*Ref: 175:110E*
- b. Life and Health Insurance Guaranty Association  
*Ref: 175:146B(19)*
- c. Sales presentations
- d. Outline of coverage  
*Ref: Reg 42.09*

**2. Field underwriting for accident/sickness policies or large-group health insurance policies only: nature and purpose**

- a. Disclosure of information about individuals  
*Ref: 175:108E; Reg 42.09*

- b. Application procedures
- c. Requirements at delivery of policy

**3. Common situations for errors/omissions**

**G. Individual underwriting by the insurer for accident/sickness policies only**

**1. Underwriting criteria**

**2. Sources of underwriting information**

- a. Application
- b. Producer report
- c. Attending physician statement
- d. Investigative consumer (inspection) report
- e. Medical Information Bureau (MIB)
- f. Medical examinations and lab tests (including HIV consent)  
*Ref: Reg 36.05*
- g. Genetic information  
*Ref: 175:108H, 108I*

**3. Classification of risks**

- a. Preferred
- b. Standard
- c. Substandard

**H. Considerations in replacing accident, health or sickness insurance**

- 1. Benefits, limitations and exclusions
- 2. Pre-existing conditions - waiting periods for accident/sickness policies or large-group health insurance policies only
- 3. Underwriting requirements
- 4. For accident/sickness policies or large-group health insurance policies only Producer liability for errors and omissions
- 5. Massachusetts replacement requirements  
*Ref: 175:110(N)(3)(a); Reg 42.08, 42.11*
- 6. Massachusetts individual mandate for minimum creditable coverage requires individual to have health insurance even if the person has accident/sickness  
*Ref: RL Title XVI M.G.L.C. 111M 956 CMR 5.00*

**IV. Individual Accident, Health or Sickness Insurance Policy General Rights.....8**

**A. Required provisions**

*Ref: 175:108(3)(a)(1--12)*

- 1. Entire contract; changes
- 2. Time limit on certain defenses
- 3. Grace period
- 4. Reinstatement
- 5. Claim procedures

6. Physical examinations and autopsy
7. Legal actions
8. Change of beneficiary
9. Right to examine (free look)  
*Ref: 175:187H*

**B. Optional provisions**

*Ref: 175:108(3)(b)(1-10)*

1. Change of occupation
2. Misstatement of age
3. Other insurance in this insurer
4. Insurance with other insurers
  - a. Expense-incurred basis
  - b. Other benefits
5. Unpaid premium
6. Conformity with state statutes
7. Illegal occupation

**C. Other general provisions**

1. Insuring clause
2. Consideration clause
3. Renewability clause
  - a. Noncancelable
  - b. Guaranteed renewable
  - c. Conditionally renewable
  - d. Renewable at option of insurer
4. Military suspense provision

**V. Disability Income and Related Insurance .....8**

**A. Qualifying for disability benefits**

1. Inability to perform duties  
*Ref: Reg 42.05(1)(g)*
  - a. Own occupation
  - b. Any occupation
2. Pure loss of income (income replacement contracts)
3. Presumptive disability
4. Requirement to be under physician care

**B. Individual disability income insurance**

1. Massachusetts minimum benefit standards
2. Basic total disability plan
  - a. Income benefits (monthly indemnity)
  - b. Elimination and benefit periods
  - c. Waiver of premium feature
3. Coordination with social insurance and workers compensation benefits
  - a. Additional monthly benefit (AMB)
  - b. Social insurance supplement (SIS)
  - c. Occupational versus nonoccupational coverage
4. At-work benefits
  - a. Partial disability benefit
  - b. Residual disability benefit
5. Other provisions affecting income benefits
  - a. Cost of living adjustment (COLA) rider
  - b. Future increase option (FIO) rider
  - c. Relation of earnings to insurance
  - d. Annual renewable term rider

6. Other cash benefits
  - a. Accidental death and dismemberment
  - b. Rehabilitation benefit
  - c. Medical reimbursement benefit (nondisabling injury)

7. Refund provisions

- a. Return of premium
- b. Cash surrender value

8. Exclusions

**C. Unique aspects of individual disability underwriting**

1. Occupational considerations
2. Benefit limits
3. Policy issuance alternatives

**D. Group disability income insurance**

1. Group versus individual plans
2. Short-term disability (STD)
3. Long-term disability (LTD)

**E. Business disability insurance**

1. Key person disability income
2. Disability buy-sell policy
3. Business overhead expense policy
4. Disability reducing term policy

**F. Social Security disability**

1. Qualification for disability benefits
2. Definition of disability
3. Waiting period
4. Disability income benefits

**G. Workers compensation**

1. Eligibility
2. Benefits

**VI. Health Insurance Plans.....20**

**A. Medical plan concepts**

1. Fee-for-service basis versus prepaid basis
2. Specified coverages may be accident/sickness (limited) insurance, versus comprehensive care, which is health insurance
3. Benefit schedule versus usual/reasonable/customary charges
4. Any provider versus limited choice of providers
5. Insureds versus subscribers/participants

**B. Types of providers and plans**

1. HIPAA (Health Insurance Portability and Accountability Act) requirements
  - a. Eligibility
  - b. Guaranteed issue
  - c. Preexisting conditions (only for large-group, not individual or small-group health insurance)
  - d. Creditable coverage
  - e. Renewability
2. Blue Cross and Blue Shield Plans (BCBS)
  - a. Contracts with insureds and providers
  - b. Reimbursement of providers
  - c. Basic medical, major medical and HMO plans
3. Commercial Insurers and Fraternal — open network

- a. Characteristics
  - b. Provider plans offered
  - c. Other services
  - d. Open enrollment
  - e. Qualified providers
  - f. Choice of provider
  - g. Disclosure of benefits
4. Health Maintenance Organizations (HMOs) — closed network
- a. General characteristics
  - b. Preventive care services
  - c. Primary care physician versus referral (specialty) physician
  - d. Emergency care
  - e. Hospital services
  - f. Other basic services
5. Insured preferred provider plans
- a. General characteristics
  - b. Preventive care services - Open panel
  - c. Applicability  
*Ref: Reg 51.03*
  - d. Nature and purpose
  - e. PCP referral (gatekeeper PPO) vs. nongatekeeper PPO
  - f. Indemnity plan features
- C. Cost containment in health care delivery**
- 1. Cost-saving services
  - 2. Cost Transparency Tools  
*Ref: 1760:23, Bulletin 2013-10*
    - a. Preventive care
    - b. Hospital outpatient benefits
    - c. Alternatives to hospital services
  - 3. Utilization management
    - a. Prospective review
    - b. Concurrent review
    - c. Retrospective review
    - d. Adverse Determination Notice
    - e. Internal Appeal Rights  
*Ref: 1760:12 and 13, Bulletin 2016-02*
    - f. External Appeal Rights 1760:14
- D. Massachusetts eligibility requirements (Open enrollment)**  
*Ref: 176J(4)(1)(3)*
- 1. Dependent child age limit  
*Ref: 175:108(2)(a)(3); 175:110(P); 176A:8BB; 176B:4BB; 176G:4T*
  - 2. Disabled adult children  
*Ref: 175:108(2)(a)(3); 176A:8(d); 176B:6(c)*
  - 3. Newborn child coverage  
*Ref: 175:47C; 176A:8B; 176G:4*
  - 4. Coverage of adopted children  
*Ref: 175:47C; 176A:8B; 176B:4C; 176G:4*
- E. Affordable Care Act (ACA)**  
*Ref: Section 1201*
- 1. Guaranteed issue  
*Ref: PHS 2708*

- 2. Guaranteed renewability  
*Ref: PHS 2703*
- 3. Preventive care  
*Ref: PHS 2713*
- 4. Emergency services  
*Ref: PHS 2719 A(b)*
- 5. Health status (no discrimination)  
*Ref: PHS 2705*
- 6. EHB coverage  
*Ref: PHS 2707 & 2711*
- 7. Cost Sharing  
*Ref: 2707 (b)*
- 8. Advanced premium tax credit  
*Ref: PPACA 1401*

**F. Mental Health Parity**

- 1. Federal: Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA)
- 2. Massachusetts  
*Ref: 175:47B, 176A:8A, M.G.L. c. 176B:4A 176G:4M, Bulletin 2013-02*

**VII. Large Group Health Insurance .....15**

**A. Characteristics of group insurance**

- 1. Group contract
- 2. Certificate of coverage
- 3. Experience rating versus community rating

**B. Types of eligible groups**

- 1. Employment-related groups
  - a. Individual employer groups

**C. Marketing considerations**

- 1. Advertising
- 2. Regulatory jurisdiction/place of delivery

**D. Employer group health insurance**

- 1. Insurer underwriting criteria
  - a. Nondiscrimination  
*Ref: 175:108C; 176A:3A; 176A:8E; 176B:4E; 176B:5A; 176G:19*
  - b. Characteristics of group
  - c. Plan design factors
  - d. Persistency factors
  - e. Administrative capability
- 2. Eligibility for coverage  
*Ref: 175:110*
  - a. Annual open enrollment
  - b. Employee eligibility  
*Ref: Reg 66.04*
  - c. Dependent eligibility
- 3. Coordination of benefits provision (COB)  
*Ref: Reg 38.01-.08*
- 4. Change of insurance companies or loss of coverage
  - a. Coinsurance and deductible carryover
  - b. No-loss no-gain
  - c. Events that terminate coverage
  - d. Extension of benefits
  - e. Continuation of coverage under COBRA and Massachusetts specific rules  
*Ref: 175:110D; 110G, 110I*

**E. Small employer and individual medical plans**

1. Definition of small employer  
*Ref: 176J:1; Reg 66.04*
  2. Benefit plans offered
  3. Availability and eligibility rating rules  
*Ref: Reg 66.05, 66.08*
    - a. Restrictions relating to premiums  
*Ref: 176J:2; Reg 66.08*
    - b. Small group continuation  
*Ref: 176J:9*
  4. Renewability  
*Ref: Reg 66.06*
- F. Regulation of employer group insurance plans**
1. Civil Rights Act/Pregnancy Discrimination Act
    - a. Applicability
    - b. Guidelines
  2. Relationship with Medicare
    - a. Medicare secondary rules
    - b. Medicare carve-outs and supplements
- VIII. Dental Insurance.....2**
- A. Types of dental treatment**
1. Diagnostic and preventive
  2. Restorative
- B. Indemnity plans**
1. Choice of providers
  2. Scheduled versus nonscheduled plans
  3. Benefit categories
    - a. Diagnostic/preventive services
    - b. Basic services
    - c. Major services
  4. Deductibles and coinsurance
  5. Combination plans
  6. Exclusions
  7. Limitations
  8. Predetermination of benefits
- C. Employer group dental expense**
1. Integrated deductibles versus stand-alone plans
  2. Minimizing adverse selection
- IX. Insurance for Senior Citizens and Special Needs Individuals .....15**
- A. Medicare**
1. Nature, financing and administration
  2. Part A — Hospital Insurance
    - a. Individual eligibility requirements
    - b. Enrollment
    - c. Coverages and cost-sharing amounts
  3. Part B — Medical Insurance
    - a. Individual eligibility requirements
    - b. Enrollment
    - c. Coverages and cost-sharing amounts
    - d. Exclusions
    - e. Claims terminology and other key terms
  4. Part C — Medicare Advantage
  5. Part D — Prescription Drug Insurance
- B. Medicare supplements**
1. Purpose
  2. Open enrollment  
*Ref: 176K:3; Reg 71.10*
  3. Standardized Medicare supplement plans  
*Ref: Reg 71.08*
    - a. Core benefits, Supplement 1  
*Ref: Reg 71.90 Appen A, 71.91 Appen B, 71.92 Appen C*
    - b. Additional benefits
  4. Massachusetts regulations and required provisions
    - a. Advertising  
*Ref: Reg 71.17*
    - b. Standards for marketing  
*Ref: Reg 71.16*
    - c. Permitted compensation  
*Ref: Reg 71.18*
    - d. Appropriateness of recommended purchase and excessive insurance  
*Ref: Reg 71.15*
    - e. Required disclosure provisions  
*Ref: Reg 40.15, 71.13*
    - f. Reporting of multiple policies  
*Ref: Reg 71.19*
    - g. Buyer's guide  
*Ref: Reg 40.15, 71.13*
    - h. Right to return  
*Ref: Reg 71.13*
    - i. Replacement  
*Ref: Reg 71.13*
    - j. Benefit standards  
*Ref: Reg 71.08*
    - k. Pre-existing conditions  
*Ref: Reg 176K:3(b)*
    - l. Renewability  
*Ref: Reg 71.07*
    - m. Outline of coverage  
*Ref: Reg 71.13, 71.98 Appen F*
- C. Other options for individuals with Medicare**
1. Employer group health plans
    - a. Disabled employees
    - b. Employees with kidney failure
    - c. Individuals age 65 or older
  2. MassHealth  
*Ref: RL Title XVII 118E:9A*
    - a. Eligibility
    - b. Benefits
- D. Long-term care (LTC) insurance  
*Ref: 211 CMR 65.00***
1. Eligibility for benefits
  2. Levels of care
    - a. Home health care  
*Ref: Reg 65.05(2)(c), 65.06(3)*
    - b. Assisted living care
    - c. Adult day care
    - d. Respite care
  3. Benefit periods
  4. Benefit amounts

5. Optional benefits
  - a. Guarantee of insurability
  - b. Return of premium
6. Qualified LTC plans
7. Exclusions  
*Ref: Reg 65.05(3)*
8. Underwriting considerations
9. Massachusetts regulations and required provisions
  - a. Standards for marketing  
*Ref: Reg 65.08*
  - b. Suitability of recommended purchase  
*Ref: Reg 65.09(4)(b)*
  - c. Your Options for Financing Long-Term Care  
*Ref: Reg 65.09(3)(a)*
  - d. Outline of coverage  
*Ref: Reg 65.09(3)(c), 101*
  - e. Non-forfeiture benefit offer  
*Ref: Reg 65.06(2)*
  - f. Required disclosure provisions  
*Ref: Reg 65.09*
  - g. Right to return  
*Ref: Reg 65.101(5)*
  - h. Policy illustration  
*Ref: Reg 65.09(3)(b), 65.100*
  - i. Inflation adjustment benefit  
*Ref: Reg 65.06(1)*
  - j. MassHealth exemption  
*Ref: RR 515.014*
  - k. Benefit triggers  
*Ref: Reg 65.05(1)*
  - l. Unintentional lapse  
*Ref: Reg 65.10*

**X. Federal Tax Considerations for Health Insurance**  
.....4

- A. Personally-owned health insurance**
  1. Disability income insurance
  2. Medical expense insurance
  3. Long-term care insurance
- B. Employer group health insurance**
  1. Disability income (STD, LTD)
  2. Benefits subject to FICA
  3. Medical and dental expense
  4. Long-term care insurance
  5. Accidental death and dismemberment
- C. Medical expense coverage for sole proprietors, partners and limited liability corporations**
- D. Business disability insurance**
  1. Key person disability income
  2. Buy-sell policy

## ADVISER'S PROPERTY AND CASUALTY EXAM

*(150 scoreable and 5 pretest questions)*

**I. MASSACHUSETTS LAWS AND RULES PERTINENT TO ALL LINES OF INSURANCE..... 10**

- A. Licensing**
  1. Process  
*Ref: 175:162G-X*
  2. Types of licenses
    - a. Producers  
*Ref: 175:162H, L, M*
    - b. Business entity producers  
*Ref: 175:162L*
    - c. Nonresident producers  
*Ref: 175:162N, U*
    - d. Temporary  
*Ref: 175:162Q*
    - e. Special brokers  
*Ref: 175:168*
    - f. Advisers  
*Ref: 175:177A, B*
    - g. Public insurance adjusters  
*Ref: 175:172*
    - h. Reinsurance intermediaries  
*Ref: 175:177M-W*
    - i. Portable Electronics Insurance Limited Lines license  
*Ref: 175:162Y*
  2. Maintenance and duration
    - a. Reinstatement and renewal  
*Ref: 175:162M(b-d), 177B, 177O*
    - b. Address change  
*Ref: 175:162M(f)*
    - c. Reporting of actions  
*Ref: 175:162V*
    - d. Assumed names  
*Ref: 175:162P*
    - e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*
  3. Disciplinary actions
    - a. Cease and desist order  
*Ref: 176D:7*
    - b. Hearings  
*Ref: 175:162R; 176D:6*
    - c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
    - d. Penalties and fines  
*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*
- B. State Regulation**
  1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
  2. Company regulation
    - a. Certificate of authority  
*Ref: 175:4, 33, 151*
    - b. Solvency  
*Ref: 175:6, 180A-L; 175J*
    - c. Rates

Ref: 175:113B; 175A; 175E; 176H:6

d. Policy forms

Ref: 175:2B, 192

e. Examination of books and records

Ref: 175:4

f. Producer appointments

Ref: 175:162S

g. Termination of producer appointment

Ref: 175:162T

3. Producer regulation

a. Impersonation

Ref: 175:175

b. Larceny

Ref: 175:176

c. Unlicensed persons compensation

Ref: 175:177

4. Unfair or deceptive practices

a. Misrepresentation

Ref: 175:181, 186; 176D:3(1), (11)

b. False advertising

Ref: 175:181; 176D:3(1),(2)

c. Defamation of insurer

Ref: 176D:3(3)

d. Boycott, coercion, intimidation

Ref: 176D:3(4), 3A

e. False financial statements

Ref: 176D:3(5)

f. Failure to maintain a complaint record

Ref: 176D:3(10)

g. Unfair discrimination

Ref: 176D:3(7)

h. Unfair claims settlement practices

Ref: 176D:3(9)

i. Rebating

Ref: 175:182-184; 176D:3(8)

4. Insurance fraud regulation

Ref: 175:170, 181; 176D:3

5. Insurance Information and Privacy Protection

Ref: 175I

**II. GENERAL INSURANCE.....9**

**A. Concepts**

1. Risk management key terms

a. Risk

b. Exposure

c. Hazard

d. Peril

e. Loss

2. Methods of handling risk

a. Avoidance

b. Retention

c. Sharing

d. Reduction

e. Transfer

3. Elements of transferable risk

4. Adverse selection

5. Law of large number

6. Reinsurance

**B. Insurers**

1. Types of insurers

a. Stock companies

b. Mutual companies

c. Fraternal benefit societies

d. Risk retention and risk purchasing groups

e. Self-insurance groups

2. Private versus government insurers

3. Admitted versus nonadmitted insurers

4. Domestic, foreign and alien insurers

5. Financial status (independent rating services)

6. Marketing (distribution) systems

**C. Producers and general rules of agency**

1. Insurer as principal

2. Producer/insurer relationship

3. Authority and powers of producers

a. Express

b. Implied

c. Apparent

4. Responsibilities to the applicant/insured

**D. Contracts**

1. Elements of a legal contract

a. Offer and acceptance

b. Consideration

c. Competent parties

d. Legal purpose

2. Distinct characteristics of an insurance contract

a. Contract of adhesion

b. Aleatory contract

c. Personal contract

d. Conditional contract

3. Legal interpretations affecting contracts

a. Ambiguities in a contract of adhesion

b. Reasonable expectations

c. Indemnity

d. Utmost good faith

e. Representations/misrepresentations

f. Warranties

g. Concealment

h. Fraud

i. Waiver and estoppel

**III. Property and Casualty Insurance Basics .....15**

**A. Principles and concepts**

1. Insurable interest

2. Underwriting

a. Function

b. Expense ratio, combined ratio

c. Loss ratio

3. Rates

a. Types

b. Loss costs

c. Components

4. Hazards

a. Physical

b. Moral

c. Morale

5. Negligence

a. Elements of a negligent act

b. Defenses against negligence

6. Damages

- a. Compensatory — special versus general
- b. Punitive
- 7. Absolute liability
- 8. Strict liability
- 9. Vicarious liability
- 10. Attractive nuisance
- 11. Causes of loss (perils)
- 12. Named perils versus special (open) perils
- 13. Direct loss
- 14. Consequential or indirect loss
- 15. Blanket versus specific insurance
- 16. Basic types of construction
- 17. Loss valuation
  - a. Actual cash value
  - b. Replacement cost
  - c. Functional replacement cost
  - d. Market value
  - e. Agreed value
  - f. Stated amount
  - g. Valued policy
- B. Policy structure**
  - 1. Declarations
  - 2. Definitions
  - 3. Insuring agreement or clause
  - 4. Additional/supplementary coverage
  - 5. Conditions
  - 6. Exclusions
  - 7. Endorsements
- C. Common policy provisions**
  - 1. Insureds — named, first named, additional
  - 2. Policy period
  - 3. Policy territory
  - 4. Cancellation and nonrenewal
  - 5. Deductibles
  - 6. Other insurance
    - a. Nonconcurrency
    - b. Primary and excess
    - c. Pro rata share
    - d. Contribution by equal shares
  - 7. Policy limits
  - 8. Limits of liability
    - a. Per occurrence (accident)
    - b. Per person
    - c. Aggregate — general versus products — completed operations
    - d. Split
    - e. Combined single
  - 9. Restoration/nonreduction of limits
  - 10. Coinsurance
  - 11. Vacancy or unoccupancy
  - 12. Named insured provisions
    - a. Duties after loss
    - b. Assignment
    - c. Abandonment
  - 13. Insurer provisions
    - a. Liberalization
    - b. Subrogation
    - c. Salvage
    - d. Claim settlement options
    - e. Duty to defend
  - 14. Third-party provisions
    - a. Standard mortgage clause
    - b. Loss payable clause
    - c. No benefit to the bailee
- D. Massachusetts laws, regulations and required provisions**
  - 1. Massachusetts Insurers Insolvency Fund  
*Ref: 175D:1-17*
  - 2. Massachusetts standard fire policy  
*Ref: 175:99*
  - 3. Cancellation and nonrenewal  
*Ref: 175:99, 187C, 187D, 193P*

- 4. Concealment, misrepresentation or fraud  
*Ref: 175:99, 170, 186; RL Title 1 266:27A*
- 5. Appraisal  
*Ref: 175:99, 113O*
- 6. Federal Terrorism Insurance Program  
*Ref: 15 USC 6701; Public Law 107-297, 109-144, 110-160*
- IV. Dwelling Policy.....5**
  - A. Characteristics and purpose**
  - B. Coverage forms — Perils insured against**
    - 1. Basic
    - 2. Broad
    - 3. Special
  - C. Property coverages**
    - 1. Coverage A — Dwelling
    - 2. Coverage B — Other structures
    - 3. Coverage C — Personal property
    - 4. Coverage D — Fair rental value
    - 5. Coverage E — Additional living expense
    - 6. Other coverages
  - D. General exclusions**
  - E. Conditions**
  - F. Selected endorsements**
    - 1. Special provisions — Massachusetts  
*Ref: DP 01 20*
    - 2. Automatic increase in insurance  
*Ref: DP 04 11*
    - 3. Broad theft coverage  
*Ref: DP 04 72*
    - 4. Dwelling under construction  
*Ref: DP 11 43*
  - G. Personal liability supplement**
- V. Homeowners Policy.....10**
  - A. Coverage forms**
    - 1. HO-2 through HO-6
  - B. Definitions**
  - C. Section I — Property coverages**
    - 1. Coverage A — Dwelling
    - 2. Coverage B — Other structures
    - 3. Coverage C — Personal property
    - 4. Coverage D — Loss of use
    - 5. Additional coverages
  - D. Section II — Liability coverages**
    - 1. Coverage E — Personal liability
    - 2. Coverage F — Medical payments to others
    - 3. Additional coverages
  - E. Perils insured against**
  - F. Exclusions**
  - G. Conditions**
  - H. Selected endorsements**
    - 1. Special provisions — Massachusetts  
*Ref: HO 01 20*
    - 2. Limited fungi, wet or dry rot, or bacteria coverage  
*Ref: HO 05 39, HO 05 38, HO 05 37*
    - 3. Permitted incidental occupancies — residence premises  
*Ref: HO 04 42*
    - 4. Earthquake  
*Ref: HO 04 54*
    - 5. Identity fraud expense  
*Ref: HO 04 55*
    - 6. Scheduled personal property  
*Ref: HO 04 61*
    - 7. Personal property replacement cost  
*Ref: HO 04 90*
    - 8. Home day care  
*Ref: HO 04 97*
    - 9. Tenants relocation expense — Massachusetts  
*Ref: HO 23 71*
    - 10. Lead poisoning exclusion — Massachusetts  
*Ref: HO 24 41; Reg 211 CMR 131.00*
    - 11. Coverage for lead poisoning — Massachusetts  
*Ref: HO 24 42*

12. Business pursuits

Ref: HO 24 71

13. Watercraft

Ref: HO 24 75

14. Personal injury

Ref: HO 24 82

**VI. Auto Insurance.....14**

**A. Laws**

1. Massachusetts Compulsory Motor Vehicle Liability Insurance

Ref: 175:113A-L, N-V; RL Title XIV 90:34A-K, M-R

a. Required limits of liability

Ref: RL Title XIV 90:34A, 34O

b. Required proof of insurance

Ref: RL Title XIV 90:34A, 34B

2. Massachusetts Assigned Risk Plan

Ref: 175:113H

3. Personal injury protection

Ref: RL Title XIV 90:34A, M

a. Medical

b. Loss of income/Lost wages

c. Death

d. Funeral

e. Replacement services

4. Uninsured/underinsured motorist

Ref: 175:111D, 113L

a. Definitions

b. Bodily injury

c. Required limits

5. Cancellation/nonrenewal

Ref: 90:34K; 175:22C, 113A

a. Grounds

Ref: 175:22C, 112

b. Notice

Ref: 175:22C, 113F; RL Title XIV 90:34K

c. Notice of eligibility in assigned risk plan

Ref: 175:113F

6. Aftermarket parts regulation

Ref: Reg 211 CMR 133.04; RL Title XIV 90:34R

7. Regulation of rates for motor vehicle insurance

Ref: Ch. 175A, E

8. Private passenger motor vehicle insurance rates

Ref: Reg 211 CMR 79.00

**B. Massachusetts auto insurance policy (2008 edition)**

1. Definitions

2. Compulsory coverage

a. Bodily injury to others

b. Personal injury protection

c. Damage to someone else's property

3. Uninsured/underinsured motorist

4. Coverage for damage to your auto

a. Medical payments

b. Collision

c. Limited collision

d. Comprehensive

e. Deductibles

f. Substitute transportation

g. Towing and labor

5. General provisions

6. Duties after an accident or loss

7. Selected endorsements

a. Use of other autos — vehicles furnished or available for regular use

Ref: M-0051-S

b. Coverage for anyone renting an auto to you additional insured — lessor

Ref: M-0070-S

c. Massachusetts mandatory endorsement

Ref: M-0099-S

d. Mobile home

Ref: MPY-0002-S

e. Waiver of deductible

Ref: MPY-0016-S

**C. Commercial auto**

1. Commercial auto coverage forms

a. Business auto

b. Garage

c. Truckers

2. Coverage form sections

a. Covered autos

b. Liability coverage

c. Garagekeepers coverage

d. Trailer interchange coverage

e. Physical damage coverage

f. Exclusions

g. Conditions

h. Definitions

3. Selected endorsements

a. Individual named insured

Ref: CA 99 17

b. Mobile equipment

Ref: MM 20 11

c. Lessor — additional insured and loss payee — Massachusetts

Ref: MM 20 26

d. Drive other car coverage

Ref: MM 99 22

4. Commercial carrier regulation

a. The Motor Carrier Act of 1980

b. Endorsement for motor carrier policies of insurance for public liability

Ref: MCS-90

**VII. Commercial Package Policy (CPP).....30**

**A. Components of a commercial policy**

1. Common policy declarations

2. Common policy conditions

3. Interline endorsements

4. One or more coverage parts

**B. Commercial general liability**

1. Commercial general liability coverage forms

a. Bodily injury and property damage liability

b. Personal and advertising injury liability

c. Medical payments

d. Exclusions

e. Supplementary payments

f. Who is an insured

g. Limits of insurance

h. Conditions

i. Definitions

2. Occurrence versus claims-made

3. Claims-made features

a. Trigger

b. Retroactive date

c. Extended reporting periods — basic versus supplemental

d. Claim information

4. Premises and operations

5. Products and completed operations

6. Owners and contractors protective liability coverage form

7. Pollution liability

a. Pollution liability coverage form

b. Pollution liability limited coverage form

c. Pollution liability coverage extension endorsement

8. Selected endorsements

a. Limited fungi or bacteria coverage

Ref: CG 24 25

**C. Commercial property**

1. Commercial property conditions form

2. Coverage forms

a. Building and personal property

b. Condominium association

c. Condominium commercial unit-owners

- d. Builders risk
  - e. Business income
  - f. Legal liability
  - g. Extra expense
  - 3. Causes of loss forms
    - a. Basic
    - b. Broad
    - c. Special
  - 4. Selected endorsements
    - a. Ordinance or law  
*Ref: CP 04 05*
    - b. Spoilage  
*Ref: CP 04 40*
    - c. Peak season limit of insurance  
*Ref: CP 12 30*
    - d. Value reporting form  
*Ref: CP 13 10*
- D. Commercial crime**
- 1. General definitions
    - a. Burglary
    - b. Theft
    - c. Robbery
  - 2. Crime coverage forms
    - a. Commercial crime coverage forms (discovery/loss sustained)
    - b. Government crime coverage forms (discovery/loss sustained)
  - 3. Coverages
    - a. Employee theft
    - b. Forgery or alteration
    - c. Inside the premises — theft of money and securities
    - d. Inside the premises — robbery or safe burglary of other property
    - e. Outside the premises
    - f. Computer fraud
    - g. Funds transfer fraud
    - h. Money orders and counterfeit money
  - 4. Other crime coverages
    - a. Kidnap/ransom and extortion  
*Ref: CR 00 40*
    - b. Extortion — commercial entities  
*Ref: CR 04 03*
    - c. Lessees of safe deposit boxes  
*Ref: CR 04 09*
    - d. Securities deposited with others  
*Ref: CR 04 10*
    - e. Guests' property  
*Ref: CR 04 11*
    - f. Safe depository  
*Ref: CR 04 12*
- E. Commercial inland marine**
- 1. Nationwide marine definition  
*Ref: Reg 211 CMR 10.00*
  - 2. Commercial inland marine conditions form
  - 3. Inland marine coverage forms
    - a. Accounts receivable
    - b. Bailee's customer
    - c. Commercial articles
    - d. Contractors equipment floater
    - e. Electronic data processing
    - f. Equipment dealers
    - g. Installation floater
    - h. Jewelers block
    - i. Signs
    - j. Valuable papers and records
  - 4. Transportation coverages
    - a. Common carrier cargo liability
    - b. Motor truck cargo forms
    - c. Transit coverage forms
- F. Equipment breakdown**
- 1. Equipment breakdown protection coverage form  
*Ref: EB 00 20*
  - 2. Selected endorsement
    - a. Actual cash value  
*Ref: EB 99 59*
- G. Farm coverage**
- 1. Farm property coverage form
    - a. Coverage A — Dwellings
    - b. Coverage B — Other private structures
    - c. Coverage C — Household personal property
    - d. Coverage D — Loss of use
    - e. Coverage E — Scheduled farm personal property
    - f. Coverage F — Unscheduled farm personal property
    - g. Coverage G — Other farm structures
  - 2. Farm liability coverage form
    - a. Coverage H — Bodily injury and property damage liability
    - b. Coverage I — Personal and advertising injury liability
    - c. Coverage J — Medical payments
  - 3. Mobile agricultural machinery and equipment coverage form
  - 4. Livestock coverage form
  - 5. Definitions
  - 6. Cause of loss (basic, broad and special)
  - 7. Conditions
  - 8. Exclusions
  - 9. Limits
  - 10. Additional coverages
- VIII. Businessowners Policy.....14**
- A. Characteristics and purpose**
- B. Businessowners Section I — Property**
- 1. Coverage
  - 2. Exclusions
  - 3. Limits of insurance
  - 4. Deductibles
  - 5. Loss conditions
  - 6. General conditions
  - 7. Optional coverages
  - 8. Definitions
- C. Business Section II — Liability**
- 1. Coverages
  - 2. Exclusions
  - 3. Who is an insured
  - 4. Limits of insurance
  - 5. General conditions
  - 6. Definitions
- D. Businessowners Section III — Common Policy**
- 1. Conditions
- E. Selected endorsements**
- 1. Hired auto and non-owned auto liability  
*Ref: BP 04 04*
  - 2. Protective safeguards  
*Ref: BP 04 30*
  - 3. Utility services — direct damage  
*Ref: BP 04 56*
  - 4. Utility services — time element  
*Ref: BP 04 57*
- IX. Workers Compensation Insurance.....22**
- A. Workers compensation laws**
- 1. Types of laws
    - a. Monopolistic versus competitive
    - b. Compulsory versus elective
  - 2. Massachusetts Workers Compensation Act  
*Ref: RL Title XXI Ch 152*
    - a. Exclusive remedy  
*Ref: RL Title XXI 152:24, 26, 71*

- b. Employment covered (required, voluntary)  
*Ref: RL Title XXI 152:1, 25A*
  - c. Covered injuries  
*Ref: RL Title XXI 152:1, 29*
  - d. Occupational disease  
*Ref: RL Title XXI 152:1(7A)*
  - e. Benefits provided  
*Ref: RL Title XXI 152:27, 28–30, 30G–30I, 31–34, 34A, 34B, 35, 35A–E, 36*
  - f. Subsequent injury fund  
*Ref: RL Title XXI 152:37*
  - g. Large deductible programs  
*Ref: 211 CMR 115.01–.06; 152:25A*
  - h. Subrogation  
*Ref: 152:15*
  - 3. Federal workers compensation laws
    - a. Federal Employers Liability Act (FELA)  
*Ref: 45 USC 51–60*
    - b. U.S. Longshore and Harbor Workers' Compensation Act  
*Ref: 33 USC 904*
    - c. The Jones Act  
*Ref: 46 USC 30104*
- B. Workers compensation and employers liability insurance policy**
- 1. General section
  - 2. Part One — Workers compensation insurance
  - 3. Part Two — Employers liability insurance
  - 4. Part Three — Other states insurance
  - 5. Part Four — Your duties if injury occurs
  - 6. Part Five — Premium
  - 7. Part Six — Conditions
  - 8. Selected endorsement
    - a. Voluntary compensation
- C. Premium computation**
- 1. Job classification — payroll and rates
  - 2. Experience modification factor
  - 3. Premium discounts
  - 4. Participation (dividend) plans
  - 5. Retrospective rating
  - 6. Massachusetts Department of Industrial Accidents
- D. Other sources of coverage**
- 1. Assigned risk plan  
*Ref: RL Title XXI 152:65A–D, G–M, O*
  - 2. Self-insured employers and employer groups  
*Ref: RL Title XXI 152:25A–U*
  - 3. Massachusetts Workers' Compensation Trust Fund  
*Ref: RL Title XXI 152:65*
  - 4. Differences in premium computation  
*Ref: RL Title XXI 152:53A(5)*
- X. Other Coverages and Options.....21**
- A. Umbrella/excess liability policies**
- 1. Personal  
*Ref: DL 98 01*
  - 2. Commercial  
*Ref: CU 00 01*
- B. Specialty liability insurance**
- 1. Errors and omissions
  - 2. Professional liability
  - 3. Directors and officers liability
  - 4. Fiduciary liability
  - 5. Liquor liability
  - 6. Employment practices liability
  - 7. Employee benefits liability
- C. Surplus lines**  
*Ref: 175:168*
- 1. Definitions and markets
  - 2. Licensing requirements
- D. Surety bonds**

- 1. Principal, obligee, surety
  - 2. Contract bonds
  - 3. License and permit bonds
  - 4. Judicial bonds
- E. Aviation insurance**
- 1. Aircraft hull
  - 2. Aircraft liability
  - 3. Airport liability
  - 4. Hangarkeepers legal liability
- F. Ocean marine insurance**
- 1. Major coverages
    - a. Hull insurance
    - b. Cargo insurance
    - c. Freight insurance
    - d. Protection and indemnity
  - 2. Implied warranties
  - 3. Perils
  - 4. General and particular average
- G. National Flood Insurance Program**
- 1. "Write your own" versus government
  - 2. Eligibility
  - 3. Coverages
  - 4. Limits
  - 5. Deductibles
- H. Other policies**
- 1. Boatowners
    - a. Personal watercraft
    - b. Recreational vehicles
  - 2. Difference in conditions
- I. Residual markets**
- 1. Joint underwriting and reinsurers association (FAIR) plan  
*Ref: 175C:4*
  - 2. Joint Underwriting Association — Liquor Liability  
*Ref: 175:112A–B*
- J. Alternative funding mechanisms**
- 1. Self-insured
  - 2. Pooling
  - 3. Risk retention groups
  - 4. Captives

## PUBLIC INSURANCE ADJUSTER CONTENT OUTLINE

(100 scoreable and 5 pretest questions)

- I. Insurance Regulation.....10**
- A. Licensing requirements**  
*Ref: 175:162*
- 1. Qualifications  
*Ref: 175:172*
  - 2. Process  
*Ref: 175:172*
  - 3. Fees  
*Ref: 175:14*
- B. Maintenance and duration**
- 1. Renewal  
*Ref: 175:172*
  - 2. Contract requirements  
*Ref: 175:172*
  - 3. Continuing education requirements  
*Ref: 175:172*
- C. Disciplinary actions**
- 1. Cease and desist orders  
*Ref: 176D:7*
  - 2. Suspension and revocation  
*Ref: 175:172*

3. Penalties and fines <i>Ref: 175:172; 176D:7, 10</i>	3. Concealment, misrepresentation or fraud <i>Ref: 175:99, 186</i>
<b>D. Claim settlement laws and regulations</b> <i>Ref: 176D:3(9)</i>	4. Certificate of municipal lien <i>Ref: 175:97A</i>
<b>E. State regulation</b>	5. Federal Terrorism Insurance Program <i>Ref: 15 USC 6701; Public Law 107–297, 109–144, 110–160</i>
1. Unfair or deceptive insurance practices <i>Ref: 176D:3</i>	
<b>II. Insurance Basics.....10</b>	<b>III. Adjusting Losses.....20</b>
<b>A. Contract basics</b>	<b>A. Role of the adjuster</b>
1. Elements of a legal contract	1. Duties and responsibilities
a. Offer and acceptance	2. Independent adjuster versus public adjuster
b. Consideration	3. Relationship to the legal profession
c. Competent parties	<b>B. Property losses</b>
d. Legal purpose	1. Duties of insured after a loss
2. Distinct characteristics of an insurance contract	a. Notice to insurer <i>Ref: 175:102</i>
a. Contract of adhesion	b. Minimizing the loss
b. Aleatory contract	c. Proof of loss
c. Personal contract	d. Special requirements
d. Conditional contract	e. Production of books and records
3. Legal interpretations affecting contracts	f. Abandonment
a. Ambiguities in a contract of adhesion	2. Determining value and loss
b. Reasonable expectations	a. Burden of proof of value and loss
c. Indemnity	b. Estimates
d. Utmost good faith	c. Depreciation
e. Representations/misrepresentations	d. Salvage
f. Warranties	3. Claim settlement options
g. Concealment	4. Payment and discharge
h. Fraud	<b>C. Claims adjustment procedures</b>
i. Waiver and estoppel	1. Subrogation procedures
<b>B. Insurance principles and concepts</b>	2. Alternative dispute resolution <i>Ref: 175:99, 100, 101</i>
1. Insurable interest	<b>IV. Dwelling Policy.....12</b>
2. Direct loss	<b>A. Characteristics and purpose</b>
3. Basic types of construction	<b>B. Coverage forms — Perils insured against</b>
4. Loss valuation	1. Basic
a. Actual cash value	2. Broad
b. Replacement cost	3. Special
c. Functional replacement cost	<b>C. Property coverages</b>
d. Market value	1. Coverage A — Dwelling
e. Agreed value	2. Coverage B — Other structures
f. Stated amount	3. Coverage C — Personal property
g. Valued policy	4. Coverage D — Fair rental value
<b>C. Policy structure</b>	5. Coverage E — Additional living expense
1. Declarations	6. Other coverages
2. Definitions	<b>D. General exclusions</b>
3. Insuring agreement or clause	<b>E. Conditions</b>
4. Additional/supplementary coverage	<b>F. Selected endorsements</b>
5. Conditions	1. Special provisions — Massachusetts <i>Ref: DP 01 20</i>
6. Exclusions	2. Automatic increase in insurance <i>Ref: DP 04 11</i>
7. Endorsements	3. Broad theft coverage <i>Ref: DP 04 72</i>
<b>D. Common policy provisions</b>	4. Dwelling under construction <i>Ref: DP 11 43</i>
1. Policy period	<b>V. Homeowners Policy — Section I.....18</b>
2. Policy territory	<b>A. Coverage forms</b>
3. Cancellation and nonrenewal	1. HO-2 through HO-6
4. Deductibles	<b>B. Definitions</b>
5. Other insurance	<b>C. Section I — Property coverages</b>
a. Nonconcurrency	1. Coverage A — Dwelling
b. Primary and excess	2. Coverage B — Other structures
c. Pro rata	3. Coverage C — Personal property
6. Policy limits	4. Coverage D — Loss of use
7. Restoration/nonreduction of limits	5. Additional coverages
8. Coinsurance	<b>D. Perils insured against</b>
9. Vacancy or unoccupancy	<b>E. Exclusions</b>
10. Assignment	<b>F. Conditions</b>
11. Liberalization	<b>G. Selected endorsements</b>
12. Third-party provisions	1. Special provisions — Massachusetts <i>Ref: HO 01 20</i>
a. Standard mortgage clause	
b. Loss payable clause	
<b>E. Massachusetts laws, regulations and required provisions</b>	
1. Massachusetts Insurers Insolvency Fund <i>Ref: 175D:1–17</i>	
2. Massachusetts standard fire policy <i>Ref: 175:99</i>	

2. Limited fungi, wet or dry rot, or bacteria coverage  
*Ref: HO 05 37, HO 05 38, HO 05 39*
3. Permitted incidental occupancies — residence premises  
*Ref: HO 04 42*
4. Earthquake  
*Ref: HO 04 54*
5. Scheduled personal property  
*Ref: HO 04 61*
6. Personal property replacement cost  
*Ref: HO 04 90*
7. Home day care  
*Ref: HO 04 97*

**VI. Commercial Package Policy (CPP).....14**

**A. Components of a commercial policy**

1. Common policy declarations
2. Common policy conditions
3. Interline endorsements
4. One or more coverage parts

**B. Commercial property**

1. Commercial property conditions form
2. Coverage forms
  - a. Building and personal property
  - b. Condominium association
  - c. Condominium commercial unit-owners
  - d. Builders risk
  - e. Business income
  - f. Extra expense
3. Cause of loss forms
4. Selected endorsements
  - a. Ordinance or law  
*Ref: CP 04 05*
  - b. Spoilage  
*Ref: CP 04 40*
  - c. Peak season limit of insurance  
*Ref: CP 12 30*
  - d. Value reporting form  
*Ref: CP 13 10*

**C. Commercial crime**

1. General definitions
  - a. Burglary
  - b. Theft
  - c. Robbery
2. Coverages
  - a. Employee theft
  - b. Forgery or alteration
  - c. Inside the premises — theft of money and securities
  - d. Inside the premises — robbery or safe burglary of other property
  - e. Outside the premises
  - f. Computer fraud
  - g. Funds transfer fraud
  - h. Money orders and counterfeit money
3. Other crime coverages
  - a. Kidnap/ransom and extortion  
*Ref: CR 00 40*
  - b. Extortion — commercial entities  
*Ref: CR 04 03*
  - c. Lessees of safe deposit boxes  
*Ref: CR 04 09*
  - d. Securities deposited with others  
*Ref: CR 04 10*
  - e. Guests' property  
*Ref: CR 04 11*
  - f. Safe depository  
*Ref: CR 04 12*

**D. Commercial inland marine**

1. Nationwide marine definition  
*Ref: Reg 211 CMR 10.00*
2. Commercial inland marine conditions form

3. Inland marine coverage forms
  - a. Accounts receivable
  - b. Contractors equipment floater
  - c. Electronic data processing
  - d. Equipment dealers
  - e. Installation floater
  - f. Signs
  - g. Valuable papers and records

**E. Equipment breakdown**

1. Equipment breakdown protection coverage form  
*Ref: EB 00 20*
2. Selected endorsement
  - a. Actual cash value  
*Ref: EB 99 59*

**VII. Businessowners Policy — Property.....15**

**A. Characteristics and purpose**

**B. Businessowners Section I — Property**

1. Coverage
2. Exclusions
3. Limits of insurance
4. Deductibles
5. Loss conditions
6. General conditions
7. Optional coverages
8. Definitions

**C. Businessowners Section III — Common Policy**

1. Conditions

**D. Selected endorsements**

1. Protective safeguards  
*Ref: BP 04 30*
2. Utility services — direct damage  
*Ref: BP 04 56*
3. Utility services — time element  
*Ref: BP 04 57*

**VIII. Other Coverages and Options.....1**

**A. National Flood Insurance Program**

1. "Write your own" versus government
2. Eligibility
3. Coverages
4. Limits

**LIMITED LINES CREDIT INSURANCE  
EXAM CONTENT OUTLINE**

*(50 scoreable and 5 pretest questions)*

**I. Insurance Regulation.....3**

**A. Licensing**

1. Process  
*Ref: 175:162G–X*
2. Types of licenses
  - a. Producers  
*Ref: 175:162H, L, M*
  - b. Business entity producers  
*Ref: 175:162L*
  - c. Nonresident producers  
*Ref: 175:162N, U*
  - d. Temporary  
*Ref: 175:162Q*
3. Maintenance and duration
  - a. Reinstatement and renewal  
*Ref: 175:162M(b–d), 177B, 177O*
  - b. Address change  
*Ref: 175:162M(f)*
  - c. Reporting of actions  
*Ref: 175:162V*
  - d. Assumed names  
*Ref: 175:162P*
  - e. Continuing education requirements, exemptions and penalties  
*Ref: 175:177E; Reg 211 CMR 50.00*

4. Disciplinary actions
  - a. Cease and desist order  
*Ref: 176D:7*
  - b. Hearings  
*Ref: 175:162R; 176D:6*
  - c. Probation, suspension, revocation, refusal to issue or renew  
*Ref: 175:162R, 177B; 176D:7, 10; 30A:13*
  - d. Penalties and fines  
*Ref: 175:162R(b-e), 170, 174, 175, 176, 177, 194; 176D:7, 10*

**B. State regulation**

1. Commissioner's general duties and powers  
*Ref: 175:3A; 176D:5*
2. Company regulation
  - a. Certificate of authority  
*Ref: 175:4, 32, 151*
  - b. Solvency  
*Ref: 175:6, 180A-L; 175J*
  - c. Rates  
*Ref: 175:113B; 175A; 175E; 176A:6; 176H:6; 176J:3; 176M:4*
  - d. Policy forms  
*Ref: 175:2B, 192*
  - e. Examination of books and records  
*Ref: 175:4*
  - f. Producer appointments  
*Ref: 175:162S*
  - g. Termination of producer appointment  
*Ref: 175:162T*
3. Producer regulation
  - a. Impersonation  
*Ref: 175:175*
  - b. Larceny  
*Ref: 175:176*
  - c. Unlicensed persons compensation  
*Ref: 175:177*
4. Unfair or deceptive insurance practices
  - a. Misrepresentation  
*Ref: 175:181, 186; 176D:3(1), (11)*
  - b. False advertising  
*Ref: 175:181; 176D:3(1),(2)*
  - c. Defamation of insurer  
*Ref: 176D:3(3)*
  - d. Boycott, coercion and intimidation  
*Ref: 176D:3(4), 3A*
  - e. False financial statements  
*Ref: 176D:3(5)*
  - f. Failure to maintain complaint record  
*Ref: 176D:3(10)*
  - g. Unfair discrimination  
*Ref: 176D:3(7)*
  - h. Unfair claims settlement practices  
*Ref: 176D:3(9)*
  - i. Rebating  
*Ref: 175:182-184; 176D:3(8)*
5. Insurance fraud regulation  
*Ref: 175:170, 181; 176D:3*
6. Insurance Information and Privacy Protection  
*Ref: 175I*

**C. Federal regulation**

1. Fair Credit Reporting Act  
*Ref: 15 USC 1681-1681d*
2. Fraud and false statements including 1033 waiver  
*Ref: 18 USC 1033, 1034*

**II. General Insurance.....2**

**A. Concepts**

1. Risk management key terms
  - a. Risk
  - b. Exposure
  - c. Hazard
  - d. Peril

- e. Loss
2. Methods of handling risk
  - a. Avoidance
  - b. Retention
  - c. Sharing
  - f. Reduction
  - g. Transfer
3. Elements of insurable risks
4. Adverse selection
5. Law of large numbers
6. Reinsurance

**B. Insurers**

1. Types of insurers
  - a. Stock companies
  - b. Mutual companies
  - c. Fraternal benefit societies
  - d. Risk retention and risk purchasing groups
  - e. Self-insurance groups
2. Private versus government insurers
3. Admitted versus nonadmitted insurers
4. Domestic, foreign and alien insurers
5. Financial status (independent rating services)
6. Marketing (distribution) systems

**C. Producers and general rules of agency**

1. Insurer as principal
2. Producer/insurer relationship
3. Authority and powers of producers
  - a. Express
  - b. Implied
  - c. Apparent
4. Responsibilities to the applicant/insured

**D. Contracts**

1. Elements of a legal contract
  - a. Offer and acceptance
  - b. Consideration
  - c. Competent parties
  - d. Legal purpose
2. Distinct characteristics of an insurance contract
  - a. Contract of adhesion
  - b. Aleatory contract
  - c. Personal contract
  - d. Conditional contract
3. Legal interpretations affecting contracts
  - a. Ambiguities in a contract of adhesion
  - b. Reasonable expectations
  - c. Indemnity
  - d. Utmost good faith
  - e. Representations/misrepresentations
  - f. Warranties
  - g. Concealment
  - h. Fraud
  - i. Waiver and estoppel

**III. Consumer Credit Insurance Basics.....23**

**A. Nature of consumer credit insurance**

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

**B. Coverage characteristics**

1. Group coverage
2. Underwriting considerations

- a. Eligibility of groups  
*Ref: 175:110, 133*
  - b. Underwriting of the debtor/insured (group and individual)
  - c. Evidence of insurability
  - 3. Premiums
    - a. Single premium versus monthly premium
    - b. Basis and payment of premiums
  - 4. Group policy general provisions
    - a. Grace period  
*Ref: 175:132(1)*
    - b. Incontestability  
*Ref: 175:132(2)*
    - c. Entire contract  
*Ref: 175:132(3)*
    - d. Misstatement of age  
*Ref: 175:132(4)*
    - e. Policy maximums  
*Ref: 175:110(A)(j), 133(c)*
    - f. Autopsy provision
  - 5. Benefit payments
    - a. Effect on insured's debt
    - b. Payment of excess benefits
  - C. Regulation**
    - 1. Massachusetts regulation
      - a. Approval of forms  
*Ref: 175:2B*
      - b. Amounts to be insured  
*Ref: RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26*
      - c. Term of insurance  
*Ref: RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26(C)*
      - d. Premium rates  
*Ref: 175:117C, RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26(C)*
      - e. Premium refunds  
*Ref: RL Title IV 255:12G, 255B:10, 255C:14A, 255D:26*
      - f. Choice of insurer
      - g. Life and Health Insurance Guaranty Association  
*Ref: 175:146B(19)*
      - h. Evidence of coverage  
*Ref: Reg 143.00*
      - i. Termination of group coverage
      - j. Claims processing
      - k. Prohibited transactions
    - 2. Federal regulation
      - a. Consumer Credit Protection Act (Truth-in-Lending Act)  
*Ref: RL Title XX 140D:4; Title IV 255C:23*
  - D. Disclosure requirements**  
*Ref: Reg 143.01-.02, RL Title IV 255D:26(C)*
- IV. Types of Consumer Credit Insurance .....22**
  - A. Credit life insurance**
    - 1. Eligibility of the individual insured
    - 2. Contributory versus non-contributory
    - 3. Gross coverage versus net payoff coverage
    - 4. Types of insurance coverages
      - a. Decreasing term
      - b. Level term
      - c. Monthly outstanding balance
      - d. Joint credit life
      - e. Truncated life
    - 5. Suicide clause
  - B. Credit disability insurance (30-day non-retroactive only)**
    - 1. Eligibility of the individual insured
    - 2. Qualifying for benefits
      - a. Sickness or injury
      - b. Definition of disability (own occupation versus any occupation)

- c. Elimination period
- d. Benefit period
- 3. Benefit amount
- 4. Special types of coverage
  - a. Critical period
- 5. Common exclusions
  - a. Pre-existing conditions
  - b. Intentionally self-inflicted injury
  - c. Normal pregnancy
  - d. Act of War
- C. Credit unemployment insurance**  
*Ref: 175:117D, 255:12G, 255B:10, 255C:14A, 255D:26*
  - 1. Eligibility of the individual insured
  - 2. Qualifying for benefits
    - a. Definition of involuntary unemployment
    - b. Elimination period
  - 3. Benefit period
  - 4. Benefit amount
  - 5. Special types of coverage
    - a. Joint unemployment
    - b. Limited Benefit
    - c. Truncated unemployment

## MOTOR VEHICLE DAMAGE APPRAISER CONTENT OUTLINE

*(60 scoreable and 5 pretest questions)*

- I. Insurance Regulation.....8**
  - A. Authority of the Auto Damage Appraiser Licensing Board**  
*Ref: M.G.L. C. 26 Sec. 8G; 212 CMR 2.01*
  - B. Licensing requirements**
    - 1. Qualifications  
*Ref: M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(2)*
    - 2. Process  
*Ref: M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(3)*
    - 3. Display  
*Ref: M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(1)*
  - C. Maintenance and duration**  
*Ref: M.G.L. C. 26 Sec. 8G; 212 CMR 2.02(1)(4)*
  - D. Disciplinary actions**
    - 1. Suspension, revocation, refusal to issue or renew  
*Ref: M.G.L. C. 26 Sec. 8G; 212 CMR 2.02*
    - 2. Penalties and fines  
*Ref: 211 CMR 123.08, 133.08; 212 CMR 2.05*
  - E. Appraiser laws and regulations**  
*Ref: Reg 211 CMR 123.01-.08, .10; 133.01-.09; M.G.L. C. 26 Sec. 8G*
- II. Insurance Basics.....4**
  - A. Common auto policy provisions**
    - 1. Insureds — named, first named, additional
    - 2. Deductibles
    - 3. Policy limits
    - 4. Loss payable clause
    - 5. Insurer provisions
      - a. Subrogation
      - b. Salvage
- III. Appraising Auto Physical Damage Claims.....48**
  - A. Role of the (appraiser)**
  - B. Determining value and loss**
    - 1. Salvage
    - 2. Appraisal
    - 3. Depreciation/betterment
    - 4. Repair or replacement
      - a. Repair options and procedures
      - b. "Like kind and quality"
      - c. Aftermarket parts regulation  
*Ref: Reg 211 CMR 133.04; M.G.L. C. 90 Sec. 34R*

5. Total loss
6. Contract repair
- C. Vehicle inspection**
  1. Proper vehicle identification and options ID
  2. Evaluate with regard to circumstances of accident
  3. Estimate of repairs form
- D. Vehicle parts and construction**
  1. Body
    - a. Front end
    - b. Rear body
    - c. Quarter panels
    - d. Doors
    - e. Roof
    - f. Bumpers/urethane repairs
    - g. Lamps
    - h. Cowl
    - i. Firewall
    - j. Floor pan
    - k. Rocker panels
    - l. Pillars
  2. Substructure
    - a. Frame
    - b. Unibody
  3. Mechanical
    - a. Engine
    - b. Cooling system
    - c. Electrical system/computers
    - d. Exhaust system
    - e. Fuel system
    - f. Heating and air conditioning systems
    - g. Brakes/ABS
    - h. Steering
    - i. Suspension
    - j. Transmission
    - k. Air bags/SRS (seat belts)
  4. Glass
  5. Tires
  6. Interior
  7. Paint

