



Montana

Insurance Licensing

CANDIDATE HANDBOOK

October 2024

STATE LICENSING INFORMATION

Candidates may contact the Montana Department of Insurance with questions about obtaining or maintaining a license after the examination has been passed.

Montana Department of Insurance

840 Helena Avenue
Helena, MT 59601

Phone

(406) 444-2040

Website

<http://csimt.gov>

Email

producerlicensing@mt.gov

EXAMINATION INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or about an upcoming examination.

Pearson VUE/Montana Insurance

Attn: Regulatory Program 5601 Green Valley Dr.
Bloomington, MN 55437

Phone

(800) 274-8906

Email

pearsonvuecustomerservice@pearson.com

Website

www.pearsonvue.com

QUICK REFERENCE

RESERVATIONS

Before making an exam reservation

Candidates should thoroughly review this handbook, which contains examination content outlines and important information regarding eligibility and the examination and licensing application process.

Making an exam reservation

Candidates may make a reservation by either visiting www.pearsonvue.com or calling Pearson VUE.

Candidates should make a reservation online at least twenty-four (24) hours before the desired examination date.

Walk-in examinations are not available.

SCHEDULES & FEES

Test Center locations

A list of test centers appears on the back cover of this handbook. Candidates should contact Pearson VUE to confirm specific locations and examination schedules.

Exam fees

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

EXAM DAY

What to bring to the exam

Candidates should bring to the examination two (2) forms of proper identification and other materials as dictated by the state licensing agency. A complete list appears in **What to Bring**.

Exam procedures

Candidates should report to the test center at least thirty (30) minutes before the examination begins to complete registration. The time allotted for the examinations is detailed in **Available Examinations**.

TABLE OF CONTENTS

OVERVIEW	1	EXAM DAY	8
INTRODUCTION	2	What to Bring	8
Contact Information	2	Score Reporting.....	9
Licensure Process	2	Retaking the Exam	9
Practice Tests.....	2	OnVUE Retake Policy	9
MONTANA INSURANCE		Review of Exams	9
LICENSING INFORMATION	3	Score Explanation	9
Licensure in Montana.....	3	Duplicate Score Reports	10
General Information.....	3	Questions or Comments About the Exam....	11
Licensure Exam	3	HOW TO PREPARE FOR THE EXAM	12
Resident Producer Qualifications	3	Helpful Hints.....	12
Nonresident Producer Qualifications.....	3	Content Outlines.....	12
Adjuster Qualifications.....	4	Study Manuals, Schools, and Programs.....	12
Available Examinations	4	CONTENT OUTLINES	13
License Fees.....	5		
Licensing Requirements Checklist.....	5		
EXAM RESERVATIONS	6		
Making an Examination Reservation.....	6		
Exam Fees	6		
Change/Cancel Policy	6		
Absence/Lateness Policy.....	7		
Weather Delays and Cancellations	7		
Accommodations	7		

OVERVIEW

The candidate handbook is a useful tool in preparing for an examination.

It is highly recommended that you review the Montana Insurance Candidate Handbook, with special attention to the content outlines, before taking the examination.

Individuals who wish to obtain an insurance license in the State of Montana must:

1. Make a reservation and pay the examination fee.

Make a reservation online or by phone with Pearson VUE for the examination. See Exam Reservations.

2. Go to the test center or prepare for your online proctored examination.

Go to the test center or prepare for your online proctored examination, bringing along all required materials. See Exam Day.

3. All Resident license applicants must be fingerprinted.

For more information on fingerprinting go to <http://csimt.gov/insurance/licensing>.

4. Apply for a license.

Apply online at www.nipr.com. After passing the examination, apply for your license by contacting the Montana Insurance. For more information regarding obtaining a license go to <http://csimt.gov/insurance/licensing>.

INTRODUCTION

CONTACT INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or an examination.

FOR EXAMINATIONS Pearson VUE/Montana Insurance Attn: Regulatory Program 5601 Green Valley Dr., Bloomington, MN 55437		
Phone: (800) 274-8906	Website: www.pearsonvue.com	Email: pearsonvuecustomerservice@pearson.com

Live Chat is available to address your support inquiries and is the quickest way to reach a customer service agent. It's available from 8:00 AM through 5:00 PM Central Time, Monday through Friday, subject to change during locally designated holidays.

Please visit <https://www.pearsonvue.com/us/en/mt/insurance.html#contact> for further information.

Candidates may contact the Montana Department of Insurance with questions about obtaining or maintaining a license.

FOR STATE LICENSING Montana Department of Insurance 840 Helena Avenue, Helena, MT 59601		
Phone: (406) 444-2040	Website: http://csimt.gov/insurance/licensing	Email: producerlicensing@mt.gov

LICENSURE PROCESS

Licensure is the process by which an agency of state government or other jurisdiction grants permission to individuals to engage in the practice of, and prohibits all others from legally practicing, a particular profession, vocation, or occupation profession. By ensuring a minimum level of competence, the licensure process protects the general public. The state regulatory agency is responsible for establishing the acceptable level of safe practice and for determining whether an individual meets that standard.

The state of Montana has retained the services of Pearson VUE to develop and administer its insurance licensing examination program. Pearson VUE is a leading provider of assessment services to regulatory agencies and national associations.

PRACTICE TESTS

Practice tests are offered exclusively online at www.pearsonvue.com, giving candidates even more opportunity to succeed on insurance examinations. Our practice tests will not only help prepare candidates for the types of questions they will see on the licensure exam, but can also help familiarize them with taking computer-based examinations.

Pearson VUE offers practice tests in the areas of Life, Health, and Property, and Casualty that contain questions developed by subject matter experts using concepts found in the general portion of the licensure examination. The tests closely reflect the format of the real licensure examination, can be scored instantly, and provide immediate feedback to help candidates identify correct and incorrect answers. Candidates can purchase practice tests anytime at www.pearsonvue.com.

MONTANA INSURANCE LICENSING INFORMATION

LICENSURE IN MONTANA

Persons who would like to transact insurance business as an insurance producer in Montana must pass the appropriate examination, get fingerprinted, and apply for and be granted a license by the Montana Insurance Department.

GENERAL INFORMATION

1. No individual shall in this state act as or hold himself/herself out to be a producer or public adjuster as to subjects of insurance located, resident, or to be performed in this state unless licensed as such producer or public adjuster.
2. No producer shall solicit or take applications for, procure or place for others any kind of insurance for which he/she is not licensed.
3. No producer shall place any business with any insurer for which he/she does not hold a valid appointment.
4. For the protection of the people of this state, the Commissioner of Insurance shall not issue or extend any license to any individual less than eighteen (18) years of age.

LICENSURE EXAM

Each applicant for license as a producer, adjuster, or consultant shall, prior to the issuance of any such license, personally take and pass to the satisfaction of the Commissioner of Insurance an examination testing the applicant's qualifications and competence to act as such producer or public adjuster. If the license applicant is a partnership or corporation, the examination shall be taken by each individual who is to be named on the agency license as having authority to act for the license applicant in its insurance transactions under the license.

If you feel that you are exempt from testing, please email producerlicensing@mt.gov to confirm.

RESIDENT PRODUCER QUALIFICATIONS

To qualify for a producer license or authority under an agency license, an applicant must:

1. Be a resident of Montana
2. Have passed, within one year immediately preceding the application date, an exam for the type of insurance for which the applicant has applied to be licensed
3. Be fingerprinted
4. If applying for a life producer's license, must not be a funeral director, undertaker, or mortician operating in this or any other state, or an officer, employee, or representative thereof or hold an interest in or benefit from such a business in this or any other state

NONRESIDENT PRODUCER QUALIFICATIONS

A nonresident individual or business entity may be licensed if:

1. Pursuant to the law of the applicant's state of residence, a similar privilege is extended to Montana residents
2. The applicant for the nonresident license is licensed in his/her state of residence to act as producer for the kinds of insurance for which he/she applies for licensure in Montana

Additional information is available online at: <http://csimt.gov/insurance/licensing>.

ADJUSTER QUALIFICATIONS

To qualify for a public, multi-line or crop adjuster's license, an individual must meet the following requirements:

1. Be a resident of Montana
2. Have and maintain in Montana an office accessible to the public and keep therein the usual and customary records pertaining to transactions under the license
3. Successfully complete an exam unless, as a nonresident applicant, the applicant furnishes verification of good standing in his/her resident state and has passed a written examination in this state; and
4. File the bond required by A.R.M. 6.6.1611, in the amount of \$5,000 (public adjusters only)

AVAILABLE EXAMINATIONS

LICENSE TYPE	EXAM	TIME ALLOTTED
Resident Producer: Life	General: Life	1 hour 15 minutes
	State: Life	45 minutes
Disability	General: Accident & Disability	1 hour 15 minutes
	State: Disability	1 hour
Property	General: Property	1 hour 15 minutes
	State: Property	45 minutes
Casualty	General: Casualty	1 hour 15 minutes
	State: Casualty	1 hour
Multi-line Adjuster	Multi-Line Adjuster	1 hour 45 minutes
Crop Adjuster	Crop Adjuster	1 hour
Public Adjuster	Public Adjuster	60 minutes
Limited Lines Credit	Limited Lines Credit	45 minutes
Surety	Surety	30 minutes
Surety Bail Bond	Bail Bond	60 minutes
Title	Title	45 minutes
Life and Disability Consultant	L/D Consultant	2 hours
Property and Casualty Consultant	P/C Consultant	2 hours
Prepaid Legal	Prepaid Legal	1 hour

A public adjuster has authority under his/her license only to investigate and report to his/her principal. Public adjusters are allowed to adjust first-party physical damage claims only.

LICENSE FEES

NOTE: Producer, adjuster and consultant licenses renew biannually on a schedule designated by the Commissioner.

Resident Producer:

Appointment of producer, each insurer no fee

Nonresident Producer:

Appointment of producer, each insurer no fee

Biennial renewal for nonresident license \$50

Adjuster:

Application for license \$50

Biennial renewal of license \$100

Consultant:

Application for license \$50

Biennial renewal of license \$100

An applicant whose Application for License is not approved will be contacted by the Montana Insurance Department.

LICENSING REQUIREMENTS CHECKLIST

ALL RESIDENT APPLICANTS MUST:

- 1. Pass licensing examination administered by Pearson VUE.
- 2. Be fingerprinted.
- 3. Apply to the Montana Insurance Department online at www.nipr.com.

EXAM RESERVATIONS

WALK-IN EXAMINATIONS ARE NOT AVAILABLE, SO CANDIDATES MUST MAKE A RESERVATION. CANDIDATES ARE RESPONSIBLE FOR KNOWING WHICH EXAMINATION THEY MUST TAKE..

MAKING AN EXAMINATION RESERVATION

Walk-in examinations are not available. Online reservations are the most efficient way for candidates to schedule their examination. Candidates **must** go to <https://www.pearsonvue.com/us/en/mt/insurance.html> to make an online reservation for an examination. First-time users are required to create an account. The candidate will need to fill in all required fields, which are preceded by an asterisk (*), on the online form in order to create an ID and be assigned a password. Step-by-step instructions will lead the candidate through the rest of the examination reservation process.

Candidates **must** make an online reservation at least twenty-four (24) hours before the desired examination date. Candidates who wish to make a phone reservation at (800) 274-8906 must do so at least twenty-four (24) hours before the desired examination date.

Before making a reservation, candidates should have the following:

- Legal name, address, Social Security number, daytime telephone number, and date of birth.
- The name(s) of the examination(s).
- The preferred examination date(s) and test center location(s) (a list of test centers appears on the back cover of this handbook).

EXAM FEES

The examination fee of \$59 must be paid at the time of reservation by credit card, debit card, or voucher. **Fees will not be accepted at the test center.** Examination fees are non-refundable and non-transferable, except as detailed in the **Change/Cancel Policy**.

Vouchers

Vouchers offer another convenient way to pay for tests. Vouchers can be purchased online at <https://voucherstore.pearsonvue.com/order?clientCode=MTINS> by credit card either singly or in volume. To redeem a voucher as payment when scheduling a test, simply indicate voucher as the payment method and provide the voucher number. **All vouchers are pre-paid. Vouchers are non-refundable and non-returnable.**

Vouchers expire twelve (12) months from the date they are issued. Voucher expiration dates cannot be extended. The exam must be taken by the expiration date printed on the voucher.

CHANGE/CANCEL POLICY

Candidates should call (800) 274-8906 at least forty-eight (48) hours before the examination to change or cancel a reservation. Candidates who change or cancel a reservation with proper notice may either transfer the fee to a new reservation or request a refund. **Candidates who change or cancel their reservations without proper notice will forfeit the examination fee.**

Candidates are individually liable for part of the examination fee once a reservation has been made, whether individually or by a third party.

ABSENCE/LATENESS POLICY

Candidates who are late or absent from an exam may call Pearson VUE within 14 days of the exam date to request an excused absence for the following reasons:

- Illness of the candidate or of the candidate's immediate family member
- Death in their immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

A case number will be assigned and instructions provided for emailing supporting documentation.

Candidates absent from or late to an exam who have not changed or canceled the reservation according to the Change/Cancel Policy 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 VUE test center inaccessible or unsafe, the examination may be delayed or canceled. Pearson VUE will notify and reschedule candidates in the case of severe weather.

ACCOMMODATIONS

Pearson VUE complies with the provisions of the Americans with Disabilities Act as amended. The purpose of accommodations is to provide candidates with full access to the test. Accommodations are not a guarantee of improved performance or test completion. Pearson VUE provides reasonable and appropriate accommodations to individuals with documented disabilities who demonstrate a need for accommodations.

Test accommodations may include things such as:

- A separate testing room
- Extra testing time
- A Reader or Recorder, for individuals with mobility or vision impairments and 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 take the 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
- A description of past accommodations the candidate has received

The steps to follow when requesting test accommodations vary, depending on your test program sponsor. To begin, go to <https://www.pearsonvue.com/us/en/test-takers/accommodations.html>, and then select your test program sponsor from the alphabetized list. Candidates who have additional questions concerning test accommodations may contact the ADA Coordinator at accommodationspearsonvue@pearson.com.

EXAM DAY

REQUIRED ITEMS

Candidates who do not present the required items will be denied admission to the examination, will be considered absent, and will forfeit the examination fee.

WHAT TO BRING

Required Materials

All candidates are required to bring identification that is deemed acceptable, listed under **Acceptable Forms of Candidate Identification**, to the test center on the day of examination.

Acceptable Forms of Candidate Identification

Candidates must present **two (2) forms** of current signature identification. The name on the identification must exactly match the name on the registration. The primary identification must be government-issued and photo-bearing with a signature, and the secondary identification must contain a valid signature. Identification must be in English.

Primary ID (photograph, and signature, not expired)

- Government-issued Driver's License
- U.S. Dept. of State Drivers License
- U.S. Learner's Permit (plastic card only with photo and signature)
- National/State/Country identification card
- Passport
- Passport cards
- Military ID
- Military ID for spouses and dependents
- Alien Registration Card (Green Card, Permanent Resident Visa)

Secondary ID (signature, not expired)

- U.S. Social Security card
- Debit (ATM) or Credit card
- Any form of ID on the Primary list

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

Pearson VUE does not recognize grace periods. For example, if a candidate's 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.

EXAM PROCEDURES

At Physical Test Location

Candidates should report to the test center thirty (30) minutes before the examination and check in with the test center administrator. The candidate's identification and other documentation will be reviewed and they will be photographed for the score report.

Candidates 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, the incident will be reported as such and the appropriate action will be taken. The examination fee will not be refunded, the exam may be determined invalid, and/or the state may take further action such as prohibiting candidates from retaking the examination and/or denying a license.

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

Candidates may begin the examination once they are familiar with the computer. The examination begins the moment a candidate looks at the first examination question. The time allotted for each examination is detailed in **Available Examinations**.

OnVUE online procedures

If you are testing online and not in a physical Pearson VUE testing location, you should first review the materials and watch the short video at <https://www.pearsonvue.com/us/en/test-takers/onvue-online-proctoring.html> before you begin your online exam.

SCORE REPORTING

When candidates complete the examination at a physical test center, they will receive a score report marked "pass" or "fail." For exams taken online, please log into your Pearson VUE account to obtain your score report. Candidates who pass the examination will receive a score report that includes information on how to apply for a license.

Candidates who fail the examination will receive a score report that includes a numeric score and diagnostic information relating to the general portion of the examination, as well as information about reexamination. Reservations for reexamination cannot be made at the test center, and **candidates must wait 24 hours before making one**.

Candidates who fail Part 1 of a Life, Accident and Disability, Property and/or Casualty examination receive general diagnostic information relevant to each major area of the examination. Diagnostic information is intended to help failing candidates identify their areas of strength and weakness in order to prepare for future examinations. Candidates may use the content outlines in this handbook to interpret the diagnostic information on a failing score report.

Examination results are confidential and are released only to the candidate and the state licensing agency. To protect the candidate's privacy and to maintain the confidentiality of examination results, Pearson VUE does not give score information over the telephone.

RETAKE THE EXAM

Candidates who fail an examination and wish to retake it must retake the entire examination, i.e., Parts 1 and 2.

ONVUE RETAKE POLICY

Candidates taking an online examination are allowed two attempts per exam. All subsequent examination attempts will have to be taken at a Pearson VUE testing center.

REVIEW OF EXAMS

For security reasons, examination material is not available to candidates for review.

SCORE EXPLANATION

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.

The passing score of an examination was set by the Montana Department of Insurance (in conjunction with Pearson VUE) after a comprehensive study was completed for each examination. Raw scores are converted into scaled scores. To avoid misuse of score information, numeric scores are only reported to failing candidates. The scaled score that is reported to you is neither the number of questions you answered correctly nor the percentage of questions you answered correctly. With a passing score of 75, any score below 75 indicates how close the candidate came to passing, rather than the actual number or percentage of questions the candidates answered correctly.

DUPLICATE SCORE REPORTS

To obtain your score report, log into your Pearson VUE account. For test center exams prior to April 27, 2021, contact customer service at (800) 274-8906 to request your score report.

PEARSON VUE TESTING POLICIES

Test Center Location

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 examination 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, or pencils.
- 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 examination room, 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 materials 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 access to other items, including, but not limited to, cellular phones, exam notes, and study guides.
- 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 examination materials or notes from the examination 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.

OnVUE Testing

There are a few simple requirements for candidates to take an OnVUE online proctored exam:

- Quiet, private location
- Reliable device with a webcam
- Strong internet connection

For more information, please go to <https://www.pearsonvue.com/us/en/test-takers/onvue-online-proctoring.html>.

QUESTIONS OR COMMENTS ABOUT THE EXAM

For security reasons, examination material is not available to candidates for review. Candidates who have questions, comments, or concerns about the examinations, or who wish to verify any data held in Pearson VUE files, should direct written inquiries to the address provided on the inside front cover of this handbook.

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

- Name of the examination
- Date the examination was taken
- Location of the test center

HOW TO PREPARE FOR THE EXAM

HELPFUL HINTS

Testing in a physical Pearson VUE testing location

- Double check physical address to ensure you can arrive 30 minutes prior to your exam time.
- Ensure you have the proper identification for exam entrance.

OnVUE testing

- If you are testing online and not in a physical Pearson VUE testing location, you should first review the materials and watch the short video at <https://www.pearsonvue.com/us/en/test-takers/onvue-online-proctoring.html> before you begin your online exam.
- Please familiarize yourself with the disciplines expected of a candidate testing online. This would include remaining in screen view of the proctor during the entire session, workspace preparation, cell phones being placed out of reach and general candidate behaviors.
- There are no unscheduled breaks in the exam therefore be prepared to commit your full time and attention during the entire exam to avoid the exam being revoked.

CONTENT OUTLINES

Each examination is based on a detailed content outline of topics, subtopics, and references to applicable state laws, statutes and regulations. These content outlines are provided to publishers of study materials and to state-approved education providers for their use in developing and updating their educational materials and programs. Content outlines are updated periodically to reflect changes in practice, state laws and regulations. Montana offers these content outlines as a part of this online handbook at <https://www.pearsonvue.com/us/en/mt/insurance.html>.

STUDY MANUALS, SCHOOLS, AND PROGRAMS

The content outlines are the blueprints used to construct the examinations. Candidates should be sure that the training materials they use to prepare for their examinations cover all the topics included in the content outlines.

The State Auditor's Office does not issue study material for use in preparation for licensing examinations. However, actual state insurance laws and regulations provide an invaluable source of information in preparation for Part 2 of the major line examinations, and current insurance textbooks and policy forms provide the bases for preparation for Part 1 of the major line examinations. In addition, a number of publishers' and suppliers' training courses are available. Neither the State Auditor's Office nor Pearson VUE can recommend or endorse any particular manual or course or provide information regarding costs or fees. Candidates should contact sources directly for further information about publications or training courses.

Neither the State Auditor's Office nor Pearson VUE takes any responsibility for inaccurate, misleading, incomplete, or outdated study materials.

MONTANA

Insurance Content Outlines

Content Outlines: Effective February 16, 2024

LIFE – 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. LIFE PROVISIONS, RIDERS, 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 or 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 legal 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)

2. Nonresident/reciprocal producer
Ref: 33-17-401, 406 — 411; 33-17-201; 33-20-1303

3. Consultant

Ref: 33-17-501-505, 511—513

4. Administrator

Ref: 33-17-602 — 618

5. Continuing education

Ref: 33-17-1203 — 1207

6. Temporary licenses

Ref: 33-17-216 — 217

7. Eligibility for license

Ref: 33-17-201, 211

8. Suspension, revocation, and termination of licenses

Ref: 33-17-1001, 1002, 1004

9. Producer appointment/contract cancellation

Ref: 33-17-231 — 232, 236

10. Resident producer

Ref: 33-17-201, 220, 1005; 33-20-1303

D. Unfair Trade Practices

Ref: 33-18-101—1006

1. False advertising
2. Rebating
3. Twisting
4. Misrepresentation
5. Defamation

6. Excess fees/charges

Ref: 33-2-306, 33-15-102, 33-18-212

7. Unfair discrimination

Ref: 33-18-206, 49-2-309; ARM 6.6.2101--2106

8. Unfair claims practices

Ref: 33-1-1205; 33-18-201, 232

E. Licensee Responsibilities

1. Fiduciary capacity

Ref: 33-17-1102

2. Commission sharing

Ref: 33-17-1103

3. Place of business/display of license/identification/recordkeeping

Ref: 33-17-1101

4. Principal producer relationship

Ref: 28-10-101 — 704

F. Rate and Form Regulations

Ref: 33-1-501 — 502; 33-16-101 — 103, 201 — 204

G. Life and Health Insurance Guaranty Association

Ref: 33-10-201 — 205, 210, 224, 227

H. Insurance Information & Privacy Protection Act

Ref: 33-19-102 — 409

I. Basic Contract Language

Ref: 33-15-101 — 103

J. Insurance Fraud protection Act

Ref: 33-1-1201 — 1211

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

A. Replacement/Disclosure Requirements

1. Purpose, definitions, exceptions
Ref: ARM 6.6.202, 203, 205, 206, 209, 303, 304
2. Duties of producers
Ref: ARM 6.6.206, .305

3. Duties of insurers

Ref: ARM 6.6.306 — 309

B. Individual Life: Required/Standard provisions

LIFE – MONTANA SPECIFIC CONTENT OUTLINE

State, Statutes, and Rules

(36 scoreable plus 5 pretest questions)

I. MONTANA STATUTES AND RULES COMMON TO LIFE, DISABILITY (A&H), PROPERTY AND CASUALTY INSURANCE25

A. Insurance Commissioner/Department

1. Broad powers and duties
Ref: 33-1-301 — 306; 33-18-1003 — 1005
2. Examination of records
Ref: 33-1-311; 401-402, 408-411, 413; 33-17-1101
3. Cease and desist orders
Ref: 33-1-313 — 316; 33-1-701, 705, 707, 711; 33-18-1004 — 1005
4. Penalties
Ref: 33-1-317

B. General Definitions

1. Domestic, foreign, alien
Ref: 33-1-201
2. Insurance transactions
Ref: 33-1-201
3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104
4. Fraternal and their producers
Ref: 33-7-525; 33-7-105

C. Licensing Requirements

1. Definitions
Ref: 33-17-102 — 103, 236

1. Life insurance policies
Ref: 33-15-415, 501 — 504; 33-20-101 — 142; 33-20-201 — 247
2. Annuities
Ref: 33-20-301 — 307
3. Exempt contracts
Ref: 33-20-103
- C. Credit Life**
Ref: 33-18-501; 33-20-1105; 33-21-102 — 207; ARM 6.6.1101
- D. Group Life**
 1. Eligible groups
Ref: 33-20-1101 — 1102
 2. Conversion/continuation rights
Ref: 33-20-1111, 1209 — 1212
 3. Standard/required provisions and coverages
Ref: 33-20-1001; 33-20-1201 — 1209, 1211
- E. Viaticals**
Ref: 33-20-1301-18

ACCIDENT & HEALTH – 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

1. Impact on health insurance benefits

- K. Subrogation
- L. Cost containment

V. FIELD UNDERWRITING PROCEDURES8

- 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 – MONTANA SPECIFIC CONTENT OUTLINE State, Statutes, and Rules

(42 scoreable questions plus 5 pretest questions)

I. MONTANA STATUTES AND RULES COMMON TO LIFE, DISABILITY (A&H) INSURANCE25

A. Insurance Commissioner/Department

- 1. Broad powers and duties
Ref: 33-1-301 — 306; 33-18-1003 — 1005
- 2. Examination of records
Ref: 33-1-311; 401- 402, 408-411, 413; 33-17-1101
- 3. Cease and desist orders
Ref: 33-1-313 — 316, 701,705, 707, 711; 33-18-1004 — 1005
- 4. Penalties
Ref: 33-1-317

B. General Definitions

- 1. Domestic, foreign, alien
Ref: 33-1-201
- 2. Insurance transactions
Ref: 33-1-201
- 3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104
- 4. Fraternal and their producers
Ref: 33-7-525; 33-7-105

C. Licensing Requirements

- 1. Definitions
Ref: 33-17-102 — 103, 236, 241 — 244
- 2. Nonresident/reciprocal producer
Ref: 33-17-401, 406 — 411; 33-17-201; 33-20-1303
- 3. Consultant
Ref: 33-17-501, 505, 511 — 513
- 4. Administrator

Ref: 33-17-602 — 618

- 5. Continuing education
Ref: 33-17-1203 — 1207
- 6. Temporary licenses
Ref: 33-17-216 — 217
- 7. Eligibility for license
Ref: 33-17-201, 211
- 8. Suspension, revocation, and termination of licenses
Ref: 33-17-1001, 1002, 1004
- 9. Producer appointment/contract cancellation
Ref: 33-17-231 — 232, 236
- 10. Resident producer
Ref: 33-17-201, 220, 1005

D. Unfair Trade Practices

- Ref: 33-18-101—1006*
- 1. False advertising
 - 2. Rebating
 - 3. Twisting
 - 4. Misrepresentation
 - 5. Defamation
 - 6. Excess fees/charges
Ref: 33-2-306, 33-15-102, 33-18-212
 - 7. Unfair claims practices
Ref: 33-1-1205; 33-18-201, 232

E. Licensee Responsibilities

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

F. Rate and Form Regulations

Ref: 33-1-501 — 502; 33-16-101 — 103, 201 — 204

G. Life and Health Insurance Guaranty Association

Ref: 33-10-201 — 205, 210, 224, 227

H. Insurance Information & Privacy Protection Act

Ref: 33-19-102 — 409

I. Basic Contract Language

Ref: 33-15-101 — 103

J. Insurance Fraud protection Act

Ref: 33-1-1201 — 1211

II. MONTANA STATUTES AND RULES PERTINENT TO DISABILITY (A&H) INSURANCE ONLY.....17

A. Required Coverage and Provisions

- 1. Newborn and adopted children
Ref: 33-22-301, 130; 504
- 2. Disabled dependents
Ref: 33-22-304
- 3. Continuation of coverage
Ref: 33-22-306 — 311, 507 — 510; ARM 6.6.2104
- 4. Maternity
Ref: 49-2-309 MCA (Human Rights Div.), ARM 6.6.2104
- 5. Home health care
Ref: 33-22-1001 — 1003
- 6. Mental illness, alcoholism, and drug abuse treatment
Ref: 33-22-515, 701 — 706
- 7. Policy provisions

Ref: 33-22-203 — 232

8. Explanation of charges

Ref: 33-15-308

9. Continuity of coverage

Ref: 33-22-307; 508-10, 513

10. Disclosure standards

Ref: 33-22-244, 521

11. Elder Abuse Prevention Act

Ref: MCA 52-3-801 — 825

B. Medicare Supplements

1. Policy provisions

Ref: 33-22-904; ARM 6.6.503 — 507

2. Disclosure requirements

Ref: 33-22-908; ARM 6.6.509

3. Replacement regulations

Ref: ARM 6.6.510

C. Group Disability

1. Required coverages and provisions

Ref: 33-22-501 — 513

2. Coordination of benefits (COB)

Ref: ARM 6.6.2401 — 2405

D. Health Maintenance Organizations (HMO)

Ref: 33-31-101 — 102, 301–303; ARM 6.6.2501 — 2509

E. Health Service Organizations

Ref: 33-30-101, 311, 1001 — 1101

F. Special Policies

1. Credit Disability

Ref: 33-21-102 — 207; ARM 6.6.1101 — 1111

2. Blanket Disability

Ref: 33-22-601 — 604

G. Preferred Provider Agreements Act

Ref: 33-22-1701 — 1706

H. Freedom of Choice in Selection of Practitioners

Ref: 33-22-111

I. Coverage for Insureds in Special Circumstances

1. Residents of state institutions

Ref: 33-22-112

2. Public assistance recipients

Ref: 33-22-113

J. Long-term Care

1. Activities of daily living

Ref: 33-22-1107

2. Nonforfeiture

Ref: 33-22-1116

3. Pre-existing conditions

Ref: 33-22-110, 246, 514, 1108

**PROPERTY – GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms, and Concepts

(50 scoreable questions plus 5 pretest questions)

I. TYPES OF POLICIES22

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. 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. 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

PROPERTY – MONTANA SPECIFIC CONTENT OUTLINE

States, Statutes, and Rules

(32 scoreable questions plus 5 pretest questions)

I. MONTANA STATUTES AND RULES COMMON TO PROPERTY AND CASUALTY INSURANCE25

A. Insurance Commissioner/Department

- 1. Broad powers and duties
Ref: 33-1-301 — 306; 33-18-1003 — 1005
- 2. Examination of records
Ref: 33-1-311; 401 — 402, 408-411, 413; 33-17-1101
- 3. Cease and desist orders
Ref: 33-1-313 — 316; 33-1-701 — 711
- 4. Penalties
Ref: 33-1-317; 33-18-1004 — 1005

B. General Definitions

- 1. Domestic, foreign, alien
Ref: 33-1-201
- 2. Insurance transactions
Ref: 33-1-201
- 3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104
- 4. Fraternal and their producers
Ref: 33-7-105, 525

C. Licensing Requirements

- 1. Definitions
Ref: 33-17-102 — 103, 236
- 2. Nonresident/reciprocal producer
Ref: 33-17-201, 401, 406 — 411; 33-20-1303
- 3. Consultant
Ref: 33-17-501 — 505, 511 — 513
- 4. Administrator
Ref: 33-17-602 — 618
- 5. Surplus lines producer
Ref: 33-2-301
- 6. Continuing education
Ref: 33-17-1203 — 1207

- 7. Adjuster
Ref: 33-17-301; ARM 6.6.1601 — 1616
- 8. Premium financing
Ref: 33-14-102 — 305
- 9. Temporary licenses
Ref: 33-17-216 — 217
- 10. Eligibility for license
Ref: 33-17-201, 211
- 11. Suspension, revocation, and termination of licenses
Ref: 33-17-1001, 1002, 1004
- 12. Producer appointment/contract cancellation
Ref: 33-17-231 — 232, 236
- 13. Resident producer
Ref: 33-17-201; 33-17-220, 1005

D. Unfair Trade Practices

- Ref: 33-18-101–1006*
- 1. False advertising
- 2. Rebating
- 3. Twisting
- 4. Misrepresentation
- 5. Defamation
- 6. Excess fees/charges
Ref: 33-2-306, 33-15-102, 33-18-212
- 7. Unfair discrimination
Ref: 49-2-309; ARM 6.6.1201 — 1203
- 8. Unfair claims practices
Ref: 33-1-1205; 33-18-201, 232

E. Licensee Responsibilities

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

F. Rate and Form Regulations

Ref: 33-1-501 — 502; 33-16-101 — 103, 201 — 204

G. Montana Insurance Guaranty Association

Ref: 33-10-101 — 105, 115 — 117

H. Insurance Information & Privacy Protection Act

Ref: 33-19-102 — 409

I. Basic Contract Language

Ref: 33-15-101 — 103

J. Insurance Fraud protection Act

Ref: 33-1-1201 — 1211

II. MONTANA STATUTES AND RULES COMMON TO PROPERTY & CASUALTY INSURANCE ONLY.....2-3

A. Cancellation/Nonrenewal

Ref: 33-15-1101 — 1107, 1111, 1121; 33-18-210; 33-23-401

B. Surplus Lines Insurance

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

C. Montana Use of Credit Information in Personal Insurance

Ref: 33-18-601 — 611

III. MONTANA STATUTES AND RULES PERTINENT TO PROPERTY INSURANCE ONLY.....4-5

A. Property Insurance

- 1. Defined
Ref: 33-1-210

2. Specific valuation
Ref: 33-24-101 — 103

3. Valued Policy Law
Ref: 33-24-102 — 103

B. Inland/Ocean Marine Insurance

1. Defined
Ref: 33-1-209, 221 — 228
2. Exceptions
Ref: 33-1-229

C. Daycare/Homeowners

Ref: 33-15-1103; 1111

CASUALTY – GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms, and Concepts

(50 scoreable questions plus 5 pretest questions)

I. TYPES OF POLICIES, BONDS, AND RELATED TERMS23

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. 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. 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. Other insurance**
- L. Subrogation**
- M. Loss settlement provisions including consent to settle a loss**
- N. Terrorism Risk Insurance Act (TRIA)**

**CASUALTY – MONTANA SPECIFIC
CONTENT OUTLINE**

State, Statute, and Rules

(37 scoreable questions plus 5 pretest questions)

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

A. Insurance Commissioner/Department

- 1. Broad powers and duties
Ref: 33-1-301 — 306; 33-18-1003 — 1005
- 2. Examination of records
Ref: 33-1-311; 401 — 402, 408-411, 413; 33-17-1101
- 3. Cease and desist orders
Ref: 33-1-313 — 316, 701, 705, 707, 711
- 4. Penalties
Ref: 33-1-317; 33-18-1004 — 1005

B. General Definitions

- 1. Domestic, foreign, alien
Ref: 33-1-201
- 2. Insurance transactions
Ref: 33-1-201
- 3. Authorized/unauthorized companies and certificate of authority
Ref: 33-1-201; 33-2-104
- 4. Fraternal and their producers
Ref: 33-7-105, 525

C. Licensing Requirements

- 1. Definitions
Ref: 33-17-102 — 103, 236
- 2. Nonresident/reciprocal producer
Ref: 33-17-401, 406 — 411; 33-17-201
- 3. Consultant
Ref: 33-17-501 — 505, 511- 513
- 4. Administrator
Ref: 33-17-602 — 618
- 5. Surplus lines producer
Ref: 33-2-301
- 6. Continuing education
Ref: 33-17-1203 — 1207
- 7. Adjuster

Ref: 33-17-301; ARM 6.6.1601 — 1616

- 8. Premium financing
Ref: 33-14-102 — 305
- 9. Temporary licenses
Ref: 33-17-216 — 217
- 10. Eligibility for license
Ref: 33-17-201, 211
- 11. Suspension, revocation, and termination of licenses
Ref: 33-17-1001, 1002, 1004
- 12. Producer appointment/contract cancellation
Ref: 33-17-231 — 232, 236
- 13. Resident producer
Ref: 33-17-201; 33-17-220, 1005

D. Unfair Trade Practices

- Ref: 33-18-101—1006*
- 1. False advertising
 - 2. Rebating
 - 3. Twisting
 - 4. Misrepresentation
 - 5. Defamation
 - 6. Excess fees/charges
Ref: 33-2-306, 33-15-102, 33-18-212
 - 7. Unfair discrimination
Ref: 49-2-309; ARM 6.6.1201 — 1206
 - 8. Unfair claims settlement practices
Ref: 33-1-1205; 33-18-201, 232

E. Licensee Responsibilities

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

F. Rate and Form Regulations

Ref: 33-1-501 — 502; 33-16-101 — 103, 201 — 204

G. Montana Insurance Guaranty Association

Ref: 33-10-101 — 105, 115 — 117

H. Insurance Information & Privacy Protection Act

Ref: 33-19-102 — 409

I. Basic Contract Language

Ref: 33-15-101 — 103

J. Insurance Fraud protection Act

Ref: 33-1-1201 — 1211

II. MONTANA STATUTES AND RULES COMMON TO PROPERTY & CASUALTY INSURANCE ONLY.....2-3

A. Cancellation/Nonrenewal

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

B. Surplus Lines Insurance

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

C. Montana Use of Credit Information in Personal Insurance

Ref: 33-18-601 — 611

III. MONTANA STATUTES AND RULES PERTINENT TO CASUALTY INSURANCE ONLY.....9-10

A. Casualty Insurance defined

Ref: 33-1-206

B. Automobile Insurance/Financial Responsibility

Ref: MCA 61-6-101 — 103, 124 — 139, 151, 201

- 1. Required limits BI/PD

Ref: 33-23-203 — 204; MCA 61-6-301 — 304

2. Uninsured Motorists-defined

Ref: 33-23-201

3. Mature defensive Driving Act

Ref: 33-16-221 — 225

4. Comparative negligence

Ref: 27-1-701 — 702

5. Cancellation/nonrenewal

Ref: 33-23-211 — 217

6. Prohibited discrimination

Ref: 33-18-210

7. Good Driver Discount

Ref: 33-18-210

C. Assigned Risk/Auto Insurance Plan

Ref: MCA 61-6-144

D. Worker's Compensation

1. Plan 1, 2, and 3

Ref: 39-71-116 — 119, 401, 405 — 409, 411 — 413, 501, 503

2. Claims and benefits

Ref: 39-71-601 — 613, 701 — 704, 708, 712, 721, 725, 736

E. Professional Liability Insurance

Ref: 33-9-101, 33-23-301 — 302

**MONTANA LIMITED LINES CREDIT
INSURANCE OUTLINE**

(30 scoreable questions)

**I. MONTANA STATUTES AND RULES PERTINENT TO
ALL LINES OF INSURANCE 16**

A. Insurance Commissioner/Department

1. Broad powers and duties

Ref: 33-1-301 — 306; 33-18-1003 — 1005

2. Examination of records

Ref: 33-1-311, 401 — 402, 408-411, 413; 33-17-1101

3. Notice of hearings

Ref: 33-1-313 — 316; 33-1-318; 33-1-701, 705, 707, 711; 33-18-1004 — 1005

4. Penalties

Ref: 33-1- 317

B. General Definitions

1. Authorized/unauthorized companies and
certificate of authority

Ref: Ref: 33-1-201; 33-2-104

2. Insurance transaction/policies

Ref: 33-1-201

C. Licensing Requirements

1. Definitions

Ref: 33-17-102 — 103, 236

2. Eligibility for license

Ref: 33-17-201, 211

3. Suspension, revocation, and termination of
licenses

Ref: 33-17-1001, 1002, 1004

4. Producer appointment/contract cancellation

Ref: 33-17-231 — 232, 236

D. Unfair Trade Practices

Ref: 33-18 - 101--1006

1. False advertising

2. Rebating

3. Misrepresentation

4. Unfair discrimination

Ref: ARM 6.6.1201-1206; 49-2-309; 33-18-206

5. Unfair claims practices

Ref: 33-1-1205; 33-18-201, 232

6. Penalties

Ref: 33-18-1004, 1005

E. Rate and Form Regulation

Ref: 33-1-501 — 502; 33-16-101 — 103, 201— 204

F. Life and Health Insurance Guaranty Fund

Ref: 33-10-201 — 205, 224, 227

**II. MONTANA STATUTES AND RULES PERTINENT TO
CREDIT LIFE AND DISABILITY INSURANCE.....14**

A. Credit Life Insurance, GAP, IUI

*Ref: 33-1-216, 217; 33-21-102 — 207 ; ARM 6.6.1101,—
1111*

**B. Credit Disability Insurance, Mortgage Insurance,
GAP, IUI**

Ref: 33-1-216, 217, 219; ARM 6.6.1103—1111

**MONTANA TITLE INSURANCE
CONTENT OUTLINE**

(35 scoreable questions)

**I. MONTANA STATUTES AND RULES COMMON TO
ALL LINES OF INSURANCE.....10**

A. Insurance Commissioner/Department

1. Broad powers and duties

Ref: 33-1-301 — 306; 33-18-1003 — 1005

2. Examination of records

Ref: 33-1-311, 401 — 402, 408-411, 413, 33-17-1101

3. Cease and desist orders

Ref: 33-1-313 — 316, 318; 33-1-701, 705, 707, 711

4. Penalties

Ref: 33-1- 313, 317

B. Licensing Requirements

1. Eligibility for license

Ref: 33-17-201 — 211

2. Suspension, revocation, and termination of
licenses

Ref: 33-17-1001, 1002,1004; 33-25-401

C. Unfair Trade Practices

1. False advertising

Ref: 33-18-202 — 203

2. Rebating

Ref: 33-18-210; 33-25-401; ARM 6.6.2203

3. Twisting

Ref: 33-18-204

4. Misrepresentation

Ref: 33-18-202, 205

5. Defamation

Ref: 33-18-302

6. Unfair claims practices

Ref: 33-18-201, 232

7. Boycot, coercion, and intimidation

Ref: 33-18-303

8. Other prohibited practices

Ref: 33-25-202, 401 — 403

9. Penalties

Ref: 33-18-233, 1004 — 1005; 33-25-402

D. Place of Business/Recordkeeping

Ref: 33-17-1101; 33-25-214, 216; ARM 6.6.2202(14)

E. Rates

Ref: 33-25-105, 212

F. Montana Insurance Guaranty Fund

Ref: 33-2-517, 1303; 33-25-211

II. MONTANA STATUTES AND RULES PERTINENT TO TITLE INSURANCE 7

A. Definitions

Ref: 33-24-105

B. Powers and Duties of Title Insurance Companies

Ref: 33-25-201, 213 — 216; ARM 6.6.2201

C. Escrow, Closing, or Settlement Services

Ref: ARM 6.6.2202

III. TITLE INSURANCE TERMS AND RELATED CONCEPTS..... 18

A. Terms/Concepts

Ref: Standard insurance textbooks and policies

1. Encumbrance
2. Encroachment
3. Endorsement
4. Deed
 - a. Quitclaim deed
 - b. Deed on conveyance
 - c. Deed of trust
5. Lien
6. Tenancy in common
7. Riparian rights
8. Mortgagor/mortgagee
9. Subrogation
10. Fee simple
11. Simultaneous issue
12. Title defect
13. Real property
14. Survey of property
15. Easement

B. Agent/Title Organizations

C. Premium Payments

D. Loss Payments

E. Description of a Property

F. Types of Title Policies (standard and extended coverages)

1. Owner's policy
2. Standard Title policy
3. Lender's policy

G. Policy Contents

1. Provisions
2. Exclusions
3. Exceptions
4. Covered risks
5. Schedule A
6. Schedule B-II

**MONTANA ADJUSTER
CONTENT OUTLINE**

(88 scoreable questions)

I. TYPES OF PROPERTY POLICIES 15

A. Personal lines

1. Dwelling and contents (DP forms)
2. Personal liability
3. Homeowners (HO forms)
4. Mobile Homes

B. Commercial lines

1. Commercial property

- a. Commercial building and personal property form
- b. Causes of loss forms
- c. Business income
- d. Extra expense

2. Commercial Package Policy (CPP)

3. Boiler and machinery coverage forms

4. Businessowners Policy (BOP)

C. Inland marine

1. Personal floaters
2. Commercial floaters
3. Valuable Papers

D. Additional coverages and exclusions

1. Flood
2. Personal Watercraft
3. Commercial Ocean Marine
4. Business Interruption
5. Time Element
6. Ordinance and Law
7. Valuable Paper and Records

II. TYPES OF CASUALTY POLICIES..... 15

A. Commercial general liability

1. Premises and operations liability
2. Products and completed operations liability
3. Contractual liability
4. Medical payments
5. Owners and contractors protective liability

B. Automobile: personal (family) auto and business (commercial) auto

1. Liability
2. Physical damage (collision and comprehensive)
3. Uninsured motorists
4. Underinsured motorists
5. Named insureds
6. Insureds
7. Owned automobile
8. Nonowned automobile
9. Temporary substitute auto

C. Commercial crime

1. Coverage forms
 - a. Theft, disappearance, and destruction
 - b. Robbery and safe burglary
 - c. Premises burglary
 - d. Premises theft and robbery outside premises

D. Professional liability

E. Umbrella/excess liability

III. SURETY BONDS..... 3

A. Types of bonds

Ref: 33-1-211; 33-26-101 — 108

1. Bid
2. Contract
3. Maintenance
4. Performance

B. Parties to a bond

1. Principal
2. Obligor
3. Surety

IV. INSURANCE TERMS AND RELATED CONCEPTS..... 17

A. Insurance

B. Insurable interest

C. Risk

D. Hazard		B. Adjuster licensing	
E. Peril		1. License requirements	
F. Loss		<i>Ref.:33-17-301; ARM 6.6.1601 — 1616</i>	
1. Direct		2. License suspension and revocation	
2. Indirect		<i>Ref.: 33-17-1001,1002, 1004</i>	
G. Proximate cause		3. Definitions	
H. Deductible		<i>Ref.:33-17-301, ARM 6.6.1611</i>	
I. Indemnity		C. Trade practices	
J. Actual cash value		1. Unfair claims practices	
K. Fair market value		<i>Ref.: 33-18-201, 1205</i>	
L. Replacement cost		2. Claim settlement practices	
M. Other Insurance		<i>Ref.: 33-18-232 — 233</i>	
N. Coinsurance/Insurance to value		3. Misrepresentation	
O. Pair and set clause		<i>Ref.: 33-18-202</i>	
P. Extensions of coverage		4. Unfair discrimination	
Q. Additional coverages		<i>Ref.: 33-18-210</i>	
R. Accident		D. Montana Insurance Guaranty Association	
S. Occurrence		<i>Ref.:33-10-101 — 105, 115 — 117</i>	
T. Cancellation		E. Insurance Information & Privacy Protection Act	
U. Nonrenewal		<i>Ref.:33-19-102 — 409</i>	
V. Vacancy and unoccupancy		F. Basic contract language	
W. Right of salvage		<i>Ref.:33-15-101 — 103</i>	
X. Abandonment		G. Insurance Fraud Protection Act	
Y. Liability		<i>Ref.:33-1-1201 — 1211</i>	
Z. Negligence		H. Premium financing	
AA.Robbery		<i>Ref.:33-14-301, 303, 304</i>	
BB.Burglary		VII. MONTANA STATUTES AND RULES PERTINENT TO	
CC.Tariff liability		PROPERTY INSURANCE ONLY..... 8	
DD. Independent Adjuster		A. Property insurance	
V. POLICY PROVISIONS AND CONTRACT		1. Defined	
LAW.....14		<i>Ref.: 33-1-210</i>	
A. Declarations		2. Specific valuation	
B. Insuring agreement		<i>Ref.: 33-24-101 — 103</i>	
C. Conditions		3. Valued Policy Law	
D. Exclusions		<i>Ref.: 33-24-102 — 103</i>	
E. Definition of the insured		B. Inland/Ocean Marine Insurance	
F. Duties of the insured		1. Defined	
G. Obligations of the insurance company		<i>Ref.: 33-1-209, 221 — 228</i>	
H. Mortgagee rights		2. Exceptions	
I. Proof of loss		<i>Ref.: 33-1-229</i>	
J. Notice of claim		C. Cancellation/Nonrenewal	
K. Appraisal		<i>Ref.: 33-15-1101 — 1107, 1111, 1121; 33-23-401</i>	
L. Other Insurance Provision		D. Daycare/Homeowners	
M. Assignment		<i>Ref.: 33-15-1103, 1111</i>	
N. Subrogation		VIII. MONTANA STATUTES AND RULES PERTINENT TO	
O. Arbitration		CASUALTY INSURANCE ONLY..... 8	
P. Elements of a contract		A. Casualty Insurance defined	
Q. Warranties, representations, and concealment		<i>Ref.: 33-1-206</i>	
R. Binders		B. Automobile Insurance/Financial	
S. Loss settlement		Responsibility	
T. Claims made		<i>Ref.:MCA 61-6-101 — 103, 124 — 139, 151, 201</i>	
VI. MONTANA STATUTES AND RULES PERTINENT TO		1. Required limits BI/PD	
ALL ADJUSTERS.....8		<i>Ref.: 33-23-203 — 204; MCA 61-6-301 — 304</i>	
A. Commissioner of Insurance		2. Uninsured Motorists-defined	
1. Broad powers and duties		<i>Ref.: 33-23-201</i>	
<i>Ref.:33-1-301 — 306; 33-18-1003 — 1005</i>		3. Mature defensive Driving Act	
2. Examination of records		<i>Ref.: 33-16-221 — 225</i>	
<i>Ref.:33-1-401-402, 408-411, 413</i>		4. Comparative negligence	
3. Investigations/Notice of hearing		<i>Ref.: 27-1-701 — 702</i>	
<i>Ref.:33-1-701</i>		5. Cancellation/nonrenewal	
4. Penalties		<i>Ref.: 33-23-211 — 217</i>	
<i>Ref.:33-1- 317; 33-18-1003 — 1005</i>		C. Professional liability insurance	

**LIFE AND DISABILITY CONSULTANT
CONTENT OUTLINE**
Product Knowledge, Terms, and Concepts

(100 scoreable questions)

Ref.: Unless otherwise indicated, Suggested courses: The American College Courses (HS 311, 323, 324, 330,331). Other standard insurance texts may be used.

I. TYPES OF LIFE POLICIES

A. Traditional whole life products

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

B. Interest-sensitive life products

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

C. Term life

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

D. Annuities

1. Single, level, and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Refund

E. Endowment

F. Combination plans and variations

1. Juvenile
2. Joint life
3. Survivorship life

II. POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS

A. Policy riders

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

B. Policy provisions and options

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

d. Level or flexible

8. Reinstatement
9. Policy loans, withdrawals, partial surrenders
10. Nonforfeiture options
11. Dividends and dividend options
12. Incontestability
13. Assignments
14. Suicide
15. Misstatement of age
16. Settlement options

C. Policy exclusions

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

A. Completing the application

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

B. Underwriting

1. Insurable interest
2. Medical information and consumer reports
3. Fair Credit Reporting Act
4. Risk classification
5. Calculations (ex. human life value)

C. Delivering the policy

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

IV. TAXES, RETIREMENT, AND OTHER INSURANCE CONCEPTS

A. Third-party ownership

B. Group life insurance

1. Conversion privilege
2. Contributory vs. noncontributory

C. Retirement plans

1. Tax-qualified plans
2. Nonqualified plans

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

E. Social Security benefits and taxes

F. Tax treatment of insurance premiums, proceeds, dividends

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

G. Accelerated Death Benefits—Living Benefits

V. TYPES OF HEALTH/DISABILITY POLICIES

A. Disability income

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

B. Accidental death and dismemberment

C. Medical expense insurance

1. Basic hospital, medical, and surgical policies
2. Major medical policies
3. Comprehensive major medical policies

4. Health Maintenance Organizations (HMOs)
 5. Preferred provider organizations (PPOs)
 6. Multiple Employer Trusts (METs)
 7. Multiple Employer Welfare Association (MEWAs)
 8. Service organizations (Blue Plans)
 - D. Medicare supplement policies**
 - E. Group insurance**
 1. Group conversion
 2. Differences between individual and group contracts
 3. General concepts
 4. COBRA
 5. HIPPA
 - F. Long Term Care**
- VI. POLICY PROVISIONS, CLAUSES, AND RIDERS**
- A. Mandatory provisions**
 1. Entire contract
 2. Time limit on certain defenses (incontestable)
 3. Grace period
 4. Reinstatement
 5. Notice of claim
 6. Claim forms
 7. Proof of loss
 8. Time of payment of claims
 9. Payment of claims
 10. Physical examination and autopsy
 11. Legal actions
 12. Change of beneficiary
 - B. Optional provisions**
 1. Change of occupation
 2. Misstatement of age
 3. Illegal occupation
 - C. Other provisions and clauses**
 1. Insuring clause
 2. Free look (10-day, 20-day, etc.)
 3. Consideration clause
 4. Probationary period
 5. Elimination period
 6. Waiver of premium
 7. Exclusions
 8. Preexisting conditions
 9. Recurrent disability
 10. Coinsurance
 11. Deductibles
 12. Assignment
 - D. Riders**
 1. Impairment rider
 2. Guaranteed insurability rider
 3. Multiple indemnity rider (double, triple)
 - E. Rights of renewability**
 1. Noncancelable
 2. Cancelable
 3. Guaranteed renewable
 4. Conditionally renewable
 5. Optionally renewable
 6. Period of time
- VII. SOCIAL INSURANCE**
- A. Medicare**
 1. Primary, secondary payor
 - B. Medicaid**
 - C. Social Security benefits**
- VIII. OTHER INSURANCE CONCEPTS**
- A. Total, partial, and residual disability**
 - B. Owner's rights**
 - C. Dependent children benefits**
 - D. Primary and contingent beneficiaries**
 - E. Modes of premium payments (annual, semiannual, etc.)**
 - F. Nonduplication and coordination of benefits (e.g., primary vs. excess)**
 - G. Occupational vs. nonoccupational**
 - H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)**
 - I. Managed care**
- IX. FIELD UNDERWRITING PROCEDURES**
- A. Completing application and obtaining necessary signatures**
 - B. Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)**
 - C. Upon payment of initial premium, giving prospect conditional receipt and explaining the effect of that receipt (e.g., medical examination, etc.)**
 - D. Submitting application (and initial premium if collected) to company for underwriting**
 - E. Assuring delivery of policy to client**
 - F. Explaining policy and its provisions, riders, exclusions, and ratings to clients**
 - G. In cases where initial premium did not accompany application, obtaining signed statement of continued good health and obtaining premium for transmittal**
 - H. Contract law**
 1. Requirements of a contract
 2. Insurable interest
 3. Warranties and representations
 4. Unique aspects of the health contract
 - a. Conditional
 - b. Unilateral
 - c. Adhesion
- X. MONTANA STATUTES AND RULES PERTINENT TO LIFE AND DISABILITY INSURANCE CONSULTANTS**
Ref.: 33-17-501-512; 33-17-1203
- A. Licensing requirements**
 1. Consultant
 2. Agreements
 3. License maintenance
 4. License revocation or suspension
 - B. Consultant practices, responsibilities, and duties**
 1. Solicitation and disclosures
 2. Advertising
 3. Standard practices
 4. Cost comparison methods
 - C. Unfair/Prohibited Practices**
Ref.: 33-18-101--1006; ARM 6.6.1201-1203
 1. Rebating
 2. Defamation
 3. Discrimination
 4. Misrepresentation

D. Montana Life and Health Insurance Guaranty Association

Ref.: 33-10-201, 205, 210, 224, 227

**PROPERTY AND CASUALTY CONSULTANT
CONTENT OUTLINE**

(100 scoreable questions)

Ref: Unless otherwise indicated, Standard textbooks; The Institute's Accredited Advisor in Insurance (AAI 81, 82, 83). Insurance Accounting and Systems Assn. text; NAIC accounting manual and supplement. Other materials may be used.

I. PRINCIPLES OF RISK MANAGEMENT

A. Pure risk vs. speculative risk

B. Risk management process

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

C. Nature of property loss exposures

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

D. Nature of liability loss exposures

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

E. Contract law as it relates to insurance

F. Types of insurers

G. Reinsurance

II. FUNDAMENTALS OF FINANCIAL ANALYSIS

A. Financial statements

1. Balance sheet
2. Income statement
3. Sources and uses of funds statement

B. Ratio analysis

1. Liquidity
2. Activity
3. Financial leverage
4. Profitability

C. Inventory valuation methods

III. PROPERTY INSURANCE POLICIES AND FORMS

A. Personal lines

1. HO forms
2. DP forms

B. Commercial lines

1. Building and personal property coverage form
2. Causes of loss forms
3. Business income coverage form
4. Extra expense coverage form
5. Businessowners policy (BOP)
6. Boiler and Machinery
7. Commercial Package Policy (CPP)
8. Commercial property policies

C. Inland marine

1. Coverages and policy provisions
2. Commercial and Personal floaters
3. Commercial inland marine

D. Ocean marine

1. Cargo
2. Commercial ocean marine

E. Other insurance

1. Flood
2. Aviation

IV. CASUALTY INSURANCE POLICIES AND FORMS

A. Commercial General Liability (CGL)

1. Premises and operations liability
2. Products and completed operations liability
3. Contractual liability
4. Personal and advertising liability
5. Medical payments
6. Owners and contractors protective liability
7. Occurrence coverage
8. Claims made coverage

B. Auto: Personal and Commercial

1. Liability
2. Physical damage (collision and comprehensive)
3. Named insureds
4. Garage coverage forms
5. Lease Gap
6. Owned auto
7. Nonowned auto
8. Temporary substitute auto

C. Workers Compensation/Employer's liability

Ref.: Standard insurance text; 39-71-401-409; 411-413

1. Policy concepts
2. Rating plans
3. NCCI Experience modifications

D. Crime coverage

1. Employee dishonesty
2. Theft, Disappearance, and Destruction
3. Robbery and safe burglary
4. Premises burglary
5. Custodian
6. Messenger
7. Guard or watchperson
8. Fidelity and surety bonds

E. Professional liability

F. Umbrella/Excess liability

G. Directors and Officers liability

H. Employment Practices liability

V. PROPERTY AND CASUALTY POLICY PROVISIONS, TERMS, AND CONCEPTS

A. Perils

B. Risk

C. Coinsurance

D. Appraisal

E. Subrogation

F. Premiums

G. Actual cash value

H. Duties of the insurer

I. Cancellation

J. Binders

VI. MONTANA STATUTES AND RULES PERTINENT TO PROPERTY AND CASUALTY INSURANCE CONSULTANTS

A. LICENSING REQUIREMENTS*Ref.: 33-17-501-512; 33-17-1203*

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

B. Consultant practices, responsibilities, and duties**C. Unfair/prohibited practices***Ref.: 33-18-101—1006; ARM 6.6.1201-1203*

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

D. Surplus lines*Ref.: 33-2-301— 306, 308, 310 — 311, 313, 317***E. Risk retention groups***Ref.: 33-11-101--103, 104***F. Montana Insurance Guaranty Association***Ref.: 33-10-101 — 105, 115 — 117*

MONTANA CROP ADJUSTER CONTENT OUTLINE
--

(50 scored questions)

The following are examination reference resources:

- The Montana Risk Management Agency website at:
<https://www.rma.usda.gov/en>
- The Montana codes are online at:
<https://leg.mt.gov/statute/>
- Individual Crop Insurance companies

I. GENERAL INSURANCE TERMS AND CONCEPTS.....14**A. Insurable interest****B. Risk****C. Hazard****D. Peril****E. Loss**

1. Direct
2. Indirect

F. Indemnity**G. Limits of Liability****H. Occurrence****I. Negligence****J. Insuring Agreement****K. Subrogation****L. Binder****II. CROP INSURANCE.....18****A. Policy rates****B. Coverages available****C. Policy provisions****D. Liability****E. Claim Settlement Practices**

1. Claims site assessment
 - a. Site testing
 - b. Standard measures
 - c. Location
2. Notice of loss
3. Insured's duties
4. Percentage plan
5. Arbitration and appraisal
6. Loss payment

F. Cancellation and nonrenewal**III. MULTIPLE PERIL INSURANCE.....10****IV. MONTANA STATUTES AND RULES PERTINENT TO ALL ADJUSTERS.....8****A. Commissioner of Insurance**

1. Broad powers and duties

Ref.:33-1-301 — 306; 33-18-1003 — 1005

2. Examination of records

Ref.:33-1-402

3. Investigations/Notice of hearing

Ref.:33-1-701

4. Penalties

*Ref.:33-1-104, 315, 317; 33-18-1003 — 1005***B. Adjuster licensing**

1. License requirements

Ref.: 33-17-301; ARM 6.6.1601 — 1616

2. License suspension and revocation

Ref.: 33-17-1001, 1002, 1004

3. Definitions

*Ref.:33-17-301, ARM 6.6.1611***C. Trade practices**

1. Unfair claims practices

Ref.: 33-18-201, 1205

2. Claim settlement practices

Ref.: 33-18-232 — 233

3. Misrepresentation

Ref.: 33-18-202

4. Discrimination

*Ref.: 33-18-210***D. Insurance Information & Privacy Protection Act***Ref.:33-19-102 — 409*

MONTANA PUBLIC ADJUSTER CONTENT OUTLINE
--

Product Knowledge, Statutes, and Rules*(50 scored questions)***I. GENERAL PROPERTY INSURANCE PRODUCT KNOWLEDGE PERTINENT TO PUBLIC ADJUSTERS**

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

A. Standard Fire Policy*Ref: New York Standard Fire Policy Ref: 515.138*

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

B. Personal lines

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

C. Commercial lines

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

D. Inland marine

1. Personal floaters
2. Commercial floaters

E. Others

1. National Flood Insurance Program

F. Additional Coverages and Exclusions

1. Time Element
2. Valuable Papers and Records

G. Crime

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

H. Surety Bonding

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

II. PROPERTY POLICY PROVISIONS AND CONTRACT LAW

A. Declarations

B. Exclusions

C. Definition of the insured

D. Proof of loss

E. Notice of claim

F. Appraisal

G. Subrogation

H. Limitations

I. Coinsurance

J. Fraud

III. PROPERTY INSURANCE TERMS AND RELATED CONCEPTS

A. Insurable interest

B. Risk

C. Hazard

1. Moral

D. Loss

1. Direct
2. Indirect

E. Deductible

F. Indemnity

G. Replacement cost

H. Extensions of coverage

I. Negligence

J. Theft

K. Burglary

L. Robbery

M. Binders

N. Apportionment clause

O. Waiver/Non-Waiver Agreement

P. Estoppel

IV. PUBLIC ADJUSTER

A. Loss Report

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

B. Loss/Damage Valuation

1. Damages
2. Scope of Loss or Damages

V. MONTANA STATUTES AND RULES PERTINENT TO PROPERTY INSURANCE AND THE LICENSING OF PUBLIC ADJUSTERS

A. Definitions

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

1. Persons required to be licensed and their responsibilities

a. Public Adjuster

2. License requirements

- a. Fees and application
- b. Prerequisites
- c. Exceptions to licensing

3. Notice of address change

4. Contracts and Solicitation of Contracts

B. Marketing Practices

Ref: 33-17-1101; 33-17-1001; 33-18-201 — 202

1. Duties of licensed personnel

2. Record keeping

3. License denial, suspension, revocation, and Penalties

4. Ethics

5. Unfair practices

- a. Misrepresentation

- b. Unfair claims settlement practices

C. Insurance Commissioner

Ref: 33-1-301 — 306, 313 — 317; 701 — 711; 33-18-1003 — 1005

1. Broad powers and duties

2. Hearings

3. Cease and desist orders and penalties

4. General penalties

**MONTANA PREPAID LEGAL
CONTENT OUTLINE**

(50 scored questions)

**I. PREPAID LEGAL SERVICE PLAN GENERAL
PRODUCT KNOWLEDGE, CONCEPTS AND
TERMINOLOGY**

Ref: 33-1-215, Prepaid legal service contracts

A. TYPES OF POLICIES AND COVERAGES

1. Individual and family policy coverages

- a. Legal Consultation

- i. Exclusions and Limitations

- b. Attorney Letters

- i. Exclusions and Limitations

- c. Document review

- i. Exclusions and Limitations

- d. Wills and Estate Planning

- i. Exclusions and Limitations

- e. Discounted legal services

- i. Exclusions and Limitations

- f. Other covered services

- i. Exclusions and Limitations

- g. Insureds

- h. General Exclusions and Limitations

- i. Illegal acts

- ii. Frivolous acts

- iii. Indefensible acts

- iv. Court costs

- v. Fines and penalties

- vi. Expert witness fees

- vii. Out of pocket expenses

- viii. Legal issues outside U.S.

- ix. Retainer fees

- x. Other

2. Other types of policies

- a. Small business

- b. Commercial drivers

- c. Employee benefits
- B. Producer conduct and responsibilities**
 - 1. Dispensing of legal advice
 - 2. Unethical marketing practices
- C. Delivery of legal services**
 - 1. Ethical and professional responsibilities of attorneys
- D. Prepaid legal service plan terminology**
 - 1. Prepaid legal service plan
 - 2. Legal maintenance organization (LMO)
 - 3. Prepaid legal service plan insurance
 - 4. Legal plan

II. MONTANA STATUTES AND RULES PERTINENT TO PREPAID LEGAL INSURANCE

- A. Insurance Commissioner/Department**
 - 1. Broad powers and duties
Ref: 33-1-301– 306; 33-18-1003 — 1005
 - 2. Examination of records
Ref: 33-1-311; 401 —402, 408-411, 413; 33-17-1101
 - 3. Cease and desist orders
Ref: 33-1-313 — 316, 701, 705, 707, 711; 33-18-1004 — 1005
 - 4. Penalties
Ref: 33-1-317
- B. Licensing Requirements**
 - 1. Definitions
Ref: 33-17-102 — 103, 236
 - 2. Nonresident/reciprocal producer
Ref: 33-17-20, 406 — 411; 33-20-1303
 - 3. Continuing education
Ref: 33-17-1203 — 1207
 - 4. Temporary licenses
Ref: 33-17-216 — 217
 - 5. Eligibility for license
Ref: 33-17-201, 211
 - 6. Suspension, revocation, and termination of licenses
Ref: 33-17-1001, 1002, 1004
 - 7. Producer appointment/contract cancellation
Ref: 33-17-231 — 232, 236
 - 8. Resident producer
Ref: 33-17-201, 220, 1005; 33-20-1303
- C. Unfair Trade Practices**
Ref: 33-18-101—1006
 - 1. False advertising
 - 2. Rebating
 - 3. Misrepresentation
 - 4. Defamation
 - 5. Unfair discrimination
Ref: 49-2-30-9; ARM 6.6.1201 — 1206
 - 6. Unfair claims practices
Ref: 33-1-1205; 33-18-201, 232
 - 7. Penalties
Ref: 33-18-1004 — 1005
- D. Licensee Responsibilities**
 - 1. Fiduciary capacity
Ref: 33-17-1102
 - 2. Place of business/recordkeeping
Ref: 33-17-1101
 - 3. Principal producer relationship
Ref: 28-10-101 — 704
- E. Rate and Form Regulations**

Ref: 33-1-501 — 502; 33-16-101 —103, 201 — 204

F. Insurance Information & Privacy Protection Act

Ref: 33-19-102 — 409

G. Basic Contract Language

Ref: 33-15-101 — 103

H. Insurance Fraud Protection Act

Ref: 33-1-1201 — 1211

MONTANA SURETY CONTENT OUTLINE

(20 scoreable questions)

Ref: General Textbooks; 33-1-211 and 33-26-101 — 108; Title 33, Chapter 17, MCA

- I. FIDELITY AND SURETY CONTRACTS 8**
 - A. Definition of fidelity and surety**
 - B. Parties of a contract**
 - C. Obligation of the surety**
 - D. Parties to the surety**
 - 1. Principal
 - 2. Obligee
 - 3. Surety
 - E. Underwriting considerations**
 - F. Premiums and terms of obligations**
 - G. Claims**
 - H. Power of attorney**
- II. PURPOSE AND TYPE OF SURETY BONDS...6**
 - A. Public official**
 - B. Court**
 - 1. Judicial
 - 2. Fiduciary
 - C. Miscellaneous**
 - D. Contract**
 - E. License**
- III. PURPOSE AND TYPE OF FIDELITY BONDS....3**
 - A. Individual**
 - B. Blanket**
 - C. Financial institutions**
 - 1. Bankers Form 24
- IV. BAIL BONDS.....3**
 - A. Surety bail bond**
 - B. Surety bond fee**
 - C. Acceptable collateral**

MONTANA BAIL BOND CONTENT OUTLINE

(50 scored questions)

*Ref: General Textbooks; 33-1-211; 33-26-101 — 108; Title 46,
Chapter 9, MCA; ARM 6.6.60; Title 33, Chapter 17, MCA*

I. FIDELITY AND SURETY CONTRACTS..... 10

- A. Definition of fidelity and surety**
- B. Parties of a contract**
- C. Obligation of the surety**
- D. Parties to the bond**
 - 1. Principal
 - 2. Obligee
 - 3. Surety
 - 4. Indemnitor
- E. Underwriting considerations**
- F. Premiums and terms of obligations**
- G. Claims**
- H. Power of attorney**

II. PURPOSE AND TYPE OF SURETY BONDS..... 10

- A. Public official**
- B. Court**
 - 1. Judicial
 - 2. Fiduciary
- C. Miscellaneous**
- D. Contract**
- E. License**

III. BAIL BOND PROCEDURES..... 14

- A. General Duties**
 - 1. Court appearances
 - a. Arraignment
 - b. Trial
 - c. Appeal
 - 2. Surety relieved on bond
 - a. Prior to trial
 - b. Post-conviction
 - c. Pending appeal
- B. Discharging surety**
- C. Recommitment of defendant**
- D. Bond forfeitures**
- E. Bond posting/transfers**
- F. Arrests/Surrenders**

IV. FIDUCIARY RESPONSIBILITIES..... 14

- A. Commissions, fees, premiums**
- B. Collateral**
 - 1. Receipts
 - 2. Maintenance
 - 3. Return of collateral
- C. Recordkeeping**
 - 1. Premium receipt
- D. Forfeitures**
 - 1. Motion
 - 2. Judgement
 - 3. Dispersal of funds
 - 4. Arrest after forfeiture
- E. Bond principal limits**

V. INSURANCE TERMS AND RELATED CONCEPTS... 2

- A. Acquit**
- B. Adjudicate**
- C. Appearance**

- D. Capital Offense**
- E. Conviction**
- F. Custody**
- G. Defendant**
- H. Disposition**
- I. Exoneration**
- J. Extradition**
- K. Felony**
- L. Fugitive**
- M. Hearing**
- N. Incarceration**
- O. Misdemeanor**
- P. Parole**
- Q. Power of Attorney**
- R. Probation**
- S. Release Own Recognizance**
- T. Subrogation**
- U. Warrant**