

New Mexico Property Insurance

Series 18-28

100 Items - 2 Hours

Insurance Regulation 10% (10 items)

Licensing

Process (59A-11-2, 3, 59A-12-12; Reg 13.4.2.8, .9)

Types of Licensees (Reg 13.4.2.7, .11)

Insurance Producers (59A-12-2)

Brokers (59A-12-3)

Consultants (59A-11A-1-8)

Nonresident (59A-12-25) (59A-11-24)

Temporary (59A-11-4; 59A-12-19; Reg 13.4.2.12)

Maintenance and Duration

Expiration and Renewal (59A-11-10, 11)

Address Change (59A-12-17) (59A-11-24)

Continuing Education (59A-12-26; Reg 13.4.7.9, .12)

Disciplinary Actions

Suspension, Revocation, or Refusal to Renew (59A-11-8, 10, 14–16, 18)

Cease and Desist Orders (59A-16-27)

Penalties and Fines (59A-1-18, 59A-11- 17, 21)

State Regulation

Superintendent's General Duties and Powers (59A-2-8-10)

Company Regulation

Certificate of Authority (59A-5-10)

Unfair Claims Settlement Practices (59A-16-20)

Complaint Record (59A-16-22)

Appointment of Insurance Producer (59A- 11-12; Reg 13.4.2.17)

Termination of Insurance Producer Appointment (59A-11-13; Reg 13.4.2.29)

Insurance Producer Regulation

Shared Commissions (59A-12-24)

Fiduciary Duties (59A-12-22)

Prohibited Premiums or Charges (59A-16- 24)

Unfair Insurance Trade Practices

Misrepresentation (59A-16-4, 23)

False Advertising (59A-16-4, 5)

Twisting (59A-16-6)

Defamation (59A-16-10)

Unfair Discrimination (59A-16, 13, 17(D))

Rebating (59A-16-16–18)

Boycott, Coercion, or Intimidation (59A- 16-19)

Examination of Books and Records (59A-4-3, 4)

Insurance Fraud Act (59A-16C-1-16)

Consumer Information Privacy (59A-2-9.3; Reg 13.1.3.1-.28)

Federal Laws and Regulations 3% (3 Items)

Fair Credit Reporting Act

18 United States Code (USC) Sections 1033 and 1034 - Purpose

Flood Insurance Education (National Flood Insurance Program (NFIP))

General Insurance Concepts 14% (14 Items)

Risk

Methods of Handling Risk (e.g., Avoidance, Retention, Sharing, Reduction, Transfer)

Elements of Insurable Risks

Definitions (e.g., Risk, Hazard, Peril, Loss)

Classifications of Insurers

Mutual, Stock

Admitted, Non-Admitted

Foreign, Domestic, Alien

Elements of a Contract

Consideration

Competent Parties

Legal Purpose

Offer

Acceptance

Authority and Powers of Producers - Definitions

Express

Implied

Apparent

The Law of Agency

Legal Interpretations Affecting Contracts

Reasonable Expectations

Indemnity

Good Faith

Fraud

Warranties, Representations, Misrepresentations, and Concealment

Property Insurance Basics 22% (22 Items)

Insurable Interest

Underwriting (Purpose, Process, Results)

Rate Development

Types

Components

Basis

Types of Hazards

Moral

Morale

Physical

Types of Perils

Named

Open

Types of Loss

- Direct
- Indirect
- Loss Valuation
 - Actual Cash Value
 - Replacement Cost
 - Market Value
 - Agreed Value
 - Valued Policy
 - Replacement Cost
- Policy Structure
 - Declarations
 - Definitions
 - Insuring Agreement
 - Additional/Supplementary Coverage
 - Conditions
 - Exclusions
 - Endorsements
- Policy Clauses
 - Insureds
 - Policy Period
 - Policy Territory
 - Cancellation and Non-Renewal
 - Deductibles
 - Other Insurance
 - Nonconcurrency
 - Primary and Excess
 - Pro Rata
 - Contribution by Equal Shares
- Coinsurance
 - Purpose
 - Definition
 - Calculation
 - Penalties
 - Total versus Partial Loss
- Specific, Scheduled, and Blanket Insurance
- Vacant versus Unoccupied
- Named Insured Provisions
 - First Named Insured versus Other Insureds
 - Duties After Loss
 - Assignment
 - Waiver of Rights
- Insurer Provisions
 - Liberalization
 - Subrogation

- Claim Settlement Options
- Duty to Defend
- Third-party Provisions
 - Standard Mortgage Clause
 - Loss Payable Clause
 - No Benefit to the Bailee

Dwelling Policy Concepts 3% (3 Items)

- Purpose and Eligibility
- Perils Insured Against
 - Basic
 - Broad
 - Special
- Property Coverages
 - Coverage A - Dwelling
 - Coverage B - Other Structures
 - Coverage C - Personal Property
 - Coverage D - Fair Rental Value
 - Coverage E - Additional Living Expenses
 - Other Coverages
- Dwelling Property Conditions
- Dwelling Property Exclusions
- Dwelling Property Endorsements
- Personal Liability Supplement
 - Coverage L - Personal Liability
 - Coverage M - Medical Payments to Others

Homeowners Policy Concepts 21% (21 Items)

- Definitions
- Eligibility and Purpose
- Homeowners Policy Coverage Forms
 - Broad (HO-2)
 - Special (HO-3)
 - Contents Broad (HO-4)
 - Comprehensive (HO-5)
 - Unit-Owners (HO-6)
 - Modified Coverages (HO-8)
- Section I - Property Coverages
 - Coverage A - Dwelling
 - Coverage B - Other Structures
 - Coverage C - Personal Property
 - Coverage D - Loss of Use
 - Additional Coverages
- Section II - Liability Coverages
 - Coverage E - Personal Liability
 - Coverage F - Medical Payments to Others

- Additional Coverages
- Homeowners Policy Exclusions
 - Section I-Property Covered Exclusions
 - Section II - Liability Covered Exclusions

- Homeowners Policy Conditions

- Homeowners Policy Endorsements

- Business Pursuits
 - Earthquake
 - Home Day Care
 - Personal Injury
 - Personal Property Replacement Cost
 - Watercraft
 - Ordinance or Law

- Scheduled Personal Property/Personal Articles Floater

- Commercial Property Policies 19% (19 Items)**

- Commercial Package Policy

- Purpose
 - Definition
 - Coverages
 - Coverage Extensions

- Commercial Policy Components

- Declarations
 - Conditions
 - Insuring Agreements
 - Exclusions

- Commercial Property Forms

- Coverage Forms for Building and Business Personal Property
 - Builders Risk
 - Business Income
 - Extra Expense
 - Legal Liability
 - Cause of Loss Forms

- Commercial Crime

- Commercial Property Endorsements

- Ordinance or Law
 - Peak Season Limit of Insurance
 - Spoilage
 - Value Reporting Form
 - Earthquake
 - Equipment Breakdown Coverages

- Commercial Inland Marine - Purpose

- Ocean Marine (Distinction Between Inland and Ocean)

- Farm Coverage

- Farm Property Coverage Form

- Coverage A - Dwellings
- Coverage B - Other Private Structures
- Coverage C - Household Personal Property
- Coverage D - Loss of Use
- Coverage E - Scheduled Farm Personal Property
- Coverage F - Unscheduled Farm Personal Property
- Coverage G - Other Farm Structures
- Coverage H - Bodily Injury and Property Damage Liability
- Coverage I - Personal and Advertising Injury Liability
- Coverage J - Medical Payments

Businessowners Policy 5% (5 items)

Characteristics and Purpose

Businessowners Section I — Property

- Coverage
- Exclusions
- Limits of Insurance
- Deductibles
- Loss Conditions
- General Conditions
- Optional Coverages
- Definitions

Businessowners Section II — Liability

- Coverages
- Exclusions
- Who is an Insured
- Limits of Insurance
- General Conditions
- Definitions

Other Types of Property Insurance - Purpose and General Characteristics 3% (3 Items)

Mobile Home Policy (Insuring Agreement)

Earthquake Insurance (Insuring Agreement)

- Deductible

Flood Insurance