

New Mexico Property and Casualty Insurance

Series 18-31

150 Items - 2.5 Hours

Insurance Regulation 10% (15 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 2% (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 8% (12 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 and Casualty Insurance Basics 16% (25 items)

Insurable Interest

Damages

- Compensatory versus Punitive

- General versus Special

Liability

- Absolute

- Strict

- Vicarious

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

- Negligence

- Torts

- Elements of a Negligent Act

- Defense Against Negligence

- Accident versus Occurrence

- 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

- Limits of Liability

- Per Accident

- Per Occurrence

- Per Person

- Aggregate
 - Split limits
 - Combined Single Limit
- 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 2% (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 12% (18 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

Personal Automobile Policy 12% (18 items)

Definitions

Liability Coverage

- Bodily Injury and Property Damage

- Supplementary Payments

- Exclusions

- Liability Extension to Towed Vehicle

Medical Payments Coverage

Uninsured and Underinsured Motorists Coverage

- Definitions

- Bodily Injury

- UM and UIM Rejection
- Coverage for Damage to your Automobile
 - Collision
 - Other than Collision (Comprehensive)
 - Deductibles
 - Exclusions
- Duties after an Accident or Loss
- General Provisions
- Endorsements
 - Towing and Labor Costs
 - Extended Non-Owned Coverage - Vehicles Furnished or Available for Regular Use
 - Joint Ownership Coverage
 - Rental Vehicle Coverage

Commercial Automobile Policy 4% (6 items)

- Commercial Automobile Coverage Forms
- Covered Automobiles
 - Hired Automobiles
 - Non-owned Automobiles
- Liability
- Physical Damage
- Exclusions
- Conditions
- Definitions
- Selected Endorsements
 - Lessor - Additional Insured and Loss Payee
 - Mobile Equipment

Commercial Property Policies 15% (22 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

Commercial General Liability 10% (15 items)

- Commercial Policy Components
 - Declarations
 - Conditions
 - Interline Endorsements
- Commercial General Liability Coverages
 - Bodily Injury and Property Damage
 - Personal and Advertising Injury
 - Medical Payments
 - Conditions
 - Definitions
 - Exclusions
- Occurrence versus Claims-made
 - Trigger
 - Retroactive Date
- Commercial General Liability Exposures
 - Premises and Operations
 - Products and Completed Operations
 - Contractual Liability

Businessowners Policy 4% (6 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 and Casualty Insurance - Purpose and General Characteristics 3% (4 items)

Specialty Liability Insurance

- Directors and Officers
- Professional and Errors and Omissions
- Employment Practices
- Employee Benefits
- Cyber Liability and Network Protection

Surety Contracts

- Differences between Surety and Insurance
- Obligation of the Surety
- Parties to the Surety Bond
 - Principal
 - Obligee
 - Surety

Personal Umbrella, Commercial Umbrella, and Excess Policies

- Underlying Limits
- Self-Insured Retention

Mobile Home Policy (Insuring Agreement)

Earthquake Insurance (Insuring Agreement)

- Deductible

Flood Insurance

Workers' Compensation Laws 2% (3 items)

Workers' Compensation Coverages and Benefits

Rating and Job Classification

Workers' Compensation Definitions

- Occupational Accident versus Occupational Disease and Illness
- Levels of Disability

Federal Laws