Pennsylvania Public Insurance Adjuster Examination
Series 16-19
60 Items - 80 minutes
1.0 Insurance Regulation (15%)
Licensing
Public Adjuster's Statute (Definitions) (63 P.S. § 1601)
Application procedures and requirements (63 P.S. §§ 1602.1, 1602.2, 1602.5)
Fees
Fingerprinting
Qualifications (63 P.S. § 1602)
Surety bond (63 P.S. § 1604)
Maintenance and duration
Continuing education requirements (63 P.S. § 1602.4)
Renewal procedures (63 P.S. § 1602.4)
Contract requirements (63 P.S. § 1605, 31 P.S. § 115)
Disciplinary actions
Cease and desist orders (40 P.S. §§ 1171.8–.10)
Prohibited acts (63 P.S. § 1606)
Penalties for violations (63 P.S. §§ 1606, 1607)
Change in address (63 P.S. § 1606(18))
Claim settlement laws and regulations (40 P.S. §§ 1171.1–.11, .13; 31 Pa. Code §§ 146.1–.10)
Role of the adjuster
Duties and responsibilities
Independent adjuster versus public adjuster
Resident versus nonresident public adjuster
Relationship to the legal profession
Federal Regulation
Fraud and False Statements (18 USC Sections 1033 and 1034)
Privacy (Gramm-Leach-Bliley)
2.0 General Insurance Concepts (14%)
Classifications of Insurers
Admitted, Non-Admitted
Foreign, Domestic, Alien
Elements of a Contract
Consideration
Competent Parties
Legal Purpose
Offer
Acceptance
Legal Interpretations Affecting Contracts
Reasonable Expectations
Indemnity
Utmost Good Faith
Fraud
Warranties, Representations, Misrepresentations, and Concealment
Pennsylvania laws, regulations and required provisions

Pennsylvania Property and Casualty Insurance Guaranty Association (40 P.S. §§ 991.1801–.1820)
Standard fire policy (40 P.S. § 636)
Cancellation and nonrenewal (Act 205 40 P.S. 1171.5 & Act 86 40 P.S. 3401)
Private residential (40 P.S. § 1171.5(a); 31 Pa. Code Ch. 59)
Commercial (40 P.S. §§ 3401–3407; 31 Pa. Code §§ 113.81–.88)
Basic property insurance — death of named insured (40 P.S. § 636.1)
Binders (40 P.S. § 636)
Insurance consultation services exemption (40 P.S. §§ 1841–1844)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 107–297, 109–144, 110–160)
3.0 Property and Casualty Insurance Basics (19%)
Types of Hazards
Types of Perils
Named
Special
Types of Loss
Direct
Indirect
Loss Valuation
Actual Cash Value
Replacement Cost
Functional Replacement Cost
Market Value
Agreed Value
Valued Policy
Basic Types of Construction
Negligence
Elements of a Negligent Act
Defense Against Negligence
Accident versus Occurrence
Policy Structure
Declarations
Definitions
Insuring Agreement
Supplementary Coverage
Conditions
Exclusions
Endorsements
Policy Conditions
Insureds
Policy Period
Policy Territory
Cancellation and Non-Renewal (40 P.S. 1171.5 (a)(9); 31 Pa Code Ch. 59; 40 P.S. §991.2001 et seq.; 40 P.S. §3401 et seq.)
Deductibles
Other Insurance (e.g. Primary and Excess, Pro Rata, Nonconcurrency, 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
Claim Settlement Options
Duty to Defend
Third-Party Provisions
Standard Mortgage Clause
Loss Payable Clause
No Benefit to the Bailee
4.0 Dwelling Policy Concepts (6%)
Dwelling Policy ('14)
Characteristics
Eligibility
Purpose
Policy Definitions
Coverage Forms Specifying Perils Insured Against
DP-1 Basic
DP-2 Broad
DP-3 Special
Property Coverages
Coverage A - Dwelling
Coverage B - Other Structures
Coverage C - Personal Property
Coverage D - Fair Rental Value
Coverage E - Additional Living Expense
Dwelling Policy Exclusions
Dwelling Policy Conditions
Dwelling Policy Endorsements
Special provisions — Pennsylvania (DP 01 37)
Automatic Increase in Insurance Coverage (Inflation Protection) (DP 04 11)
Dwelling Under Construction (DP 11 43)
Broad Theft Coverage (DP 04 72)
5.0 Homeowners Policy Concepts (10%)
Homeowners Policy ('11 PA Version) — Section I
Characteristics
Eligibility
Purpose

Policy Definitions
Perils Insured Against
Basic
Broad
Special
Homeowners Policy Coverage Forms
Broad (HO-2)
Special (HO-3)
Contents Broad (HO-4)
Unit-Owners (HO-6)
Modified Coverages (HO-8)
Property Coverages
Coverage A - Dwelling
Coverage B - Other Structures
Coverage C - Personal Property
Coverage D - Loss of Use
Additional Coverages
Homeowners Policy Exclusions
Homeowners Policy Conditions
Homeowners Policy Endorsements
Business Pursuits
Home Day Care (HO 04 97)
Personal Property Replacement Cost — Pennsylvania (HO 23 63)
Watercraft
Special Provisions - Pennsylvania (HO 01 37)
Limited Fungi, Wet or Dry Rot, or Bacteria (HO 04 26, HO 04 27)
Permitted Incidental Occupancies (HO 04 42)
Earthquake Coverage (HO 04 54)
Scheduled Personal Property/Personal Articles Floater (HO 04 61)
6.0 Commercial Property Policies ('12) (8%)
Commercial Package Policy
Purpose
Definition
Coverage Parts
Commercial Policy Components
Declarations
Conditions
Insuring Agreements
Exclusions
Interline Endorsements
Commercial Property Forms
Coverage Forms for Building and Business Personal Property
Builders Risk
Business Income
Extra Expense
Legal Liability
Cause of Loss Forms

Commercial Property Endorsements
Ordinance or Law (CP 04 05)
Peak Season Limit of Insurance (CP 12 30)
Spoilage (CP 04 40)
Value Reporting Form (CP 13 10)
Equipment Breakdown Coverages ('13)
Equipment breakdown protection coverage form (EB 00 20)
Selected endorsement
Actual cash value (EB 99 59)
Farm Property
Definitions
Conditions and Exclusions
Coverages
Farm property coverage form ('03)
Livestock coverage form
Mobile agricultural machinery and equipment coverage form
7.0 Commercial Inland Marine (3%)
Definitions
Conditions and Exclusions
Coverages (e.g. Transportation, Contractor's Floater, Equipment)
8.0 Businessowners ('13) Policy — Property (6%)
Characteristics and purpose
Businessowners Section I — Property
Coverage
Exclusions
Limits of insurance
Deductibles
Loss conditions
General conditions
Optional coverages
Definitions
Businessowners Section III — Common Policy Conditions
Selected endorsements
Protective safeguards (BP 04 30)
Utility services — direct damage (BP 04 56)
Utility services — time element (BP 04 57)
9.0 Other Types of Insurance Policies (4%)
Farmowners/Ranchowners Policy
Mobile Home Policy
Flood Insurance
Private vs. NFIP
Eligibility
Coverage
Limits
Deductibles
Federal Crop (RMA)
Ocean Marine

Major coverages
Hull insurance
Cargo insurance
Freight insurance
Implied warranties
Perils
General and particular average
Other policies
Aircraft hull
Boatowners
Difference in conditions
10.0 Adjustment Process (15%)
Claim Notification Process
Date of Loss
Location
Parties Involved
Investigation and Evaluation of Loss/Claim Information
Determination of Applicable Coverage
Inquiry into Relevant Information
Purpose of Loss Reserves
Remedies for Disputes
Appraisal
Mediation
Arbitration
Litigation
Finalization of Claim
Denial
Settlement
Closing Claim