

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

Insurance Regulation 13%

Licensing

Purpose

Process (ORS 744.058, .059, .062)

Types of licensees

Producers (ORS 744.052, .053, 731.104)

Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)

Adjusters (ORS 744.531)

Nonresidents (ORS 744.063)

Temporary (ORS 744.073)

Maintenance and duration

Renewal and nonrenewal (ORS 744.072, .074) OAR 836-071-0146)

Continuing education requirements (ORS 744.072; OAR 836-071-0215 to 0250)

Reinstatement (ORS 744.018, .072(6))

Assumed business name (ORS 744.028(2), .068)

Change of address or telephone number (ORS 744.028(1), .068)

Reporting of actions (ORS 744.089)

Disciplinary actions

Cease and desist orders (ORS 731.252)

License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)

Civil penalty (ORS 731.988)

Criminal penalty (ORS 731.992)

State regulation

Director's enforcement authority (ORS 731.256)

Director's inquiries (ORS 731.296)

Company regulation

Producer appointment (ORS 744.078)

Termination of appointment (ORS 744.079, .081)

Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)

Producer regulation

Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020 to 0050)

Place of business/records maintenance (ORS 744.068)

Controlled business (ORS 746.065, .160)

Commissions (ORS 744.076, .077; OAR 836-071-0269–0277)

Fees (ORS 744.076, .077; OAR 836-071-0260 to 0277)

Unfair trade practices

Misrepresentation (ORS 746.075, .100)

False advertising (ORS 746.110; OAR 836-080-0155)

Rebating (ORS 746.045)

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)

Illegal inducement (ORS 746.035)

Examination of records (ORS 744.068(2, 3))

Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 836-080-

Federal Laws and Regulations 4%

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 20%

Risk

Definitions (e.g., risk, hazard, peril, loss)

Methods of handling risk (e.g., avoidance, retention, sharing, reduction, transfer)

Elements of insurable risks

Classifications of insurers

Mutual, stock

Admitted, non-admitted

Foreign, domestic, alien

Authority and powers of producers - definitions

Express

Implied

Apparent

The Law of Agency

Elements of a contract

Offer

Acceptance

Consideration

Competent parties

Legal purpose

Legal interpretations affecting contracts

Reasonable expectations

Indemnity

Good faith

Warranties, representations, misrepresentations, and concealment

Fraud

Property Insurance Basics 17%

Insurable interest

Underwriting (purpose, process, results)

Rate Development

Types

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

Components

Basis

Types of hazards

Physical

Moral

Morale

Types of perils

Named

Open

Types of loss

Direct

Indirect

Specific, scheduled, and blanket insurance

Loss valuation

Actual cash value

Replacement cost

Functional replacement cost

Market value

Agreed value

Valued policy

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

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

Coinsurance

- Purpose
- Definition
- Calculation
- Penalties
- Total versus partial Loss

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

Oregon laws, regulations and required provisions

- Oregon Insurance Guaranty Association (ORS 734.510–.710)
- Cancellation and nonrenewal
 - Commercial liability (ORS 742.700–.710)
 - Property (ORS 742.224, 746.686-687)
- Binders (ORS 742.043)
- Rates (ORS 737.025, .310; OAR 836-010-0011)
- Policy forms (ORS 742.003, .005)
- Suit against insurer (ORS 742.240)

Concealment, misrepresentation or fraud (ORS 742.013, .208, .562(1)(b), .702(1)(b); 746.075, .100, .11

- Unfair discrimination (ORS 746.015,.018, .240)

- Federal Terrorism Insurance Program (15 USC 6701; Public Law 109–144, 110–160)

Dwelling Policy Concepts 4%

Purpose and eligibility

Perils insured against

- Basic — Oregon
- Broad
- Special

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

Property coverages

- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Fair rental value
- Coverage E — Additional living expense
- Other coverages

Dwelling property exclusions

Dwelling property conditions

Dwelling property endorsements

- Special provisions — Oregon

Personal liability supplement

- Coverage L - Personal liability
- Coverage M - Medical payments to others

Homeowners Policy Concepts 16%

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)

Definitions

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

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

Special provisions — Oregon

Earthquake

Personal property replacement cost

Permitted incidental occupancies — residence premises — Oregon

Home day care — Oregon

Business pursuits

Personal injury

Watercraft

Ordinance or law

Scheduled personal property/personal articles floater

Commercial Property Policies (CPP) 15%

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

Legal liability

Extra expense

Cause of loss forms

Commercial crime

Commercial property endorsements

Ordinance or law

Spoilage

Peak season limit of insurance

Value reporting form

Earthquake

Equipment breakdown coverages

Commercial inland marine - purpose

Ocean marine (distinction between inland and ocean)

Farm coverage

**Oregon Producer's Examination for
Property Insurance
Series 12-12**

100 questions – Two-hour time limit

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%

Characteristics and purpose

Businessowners Section I — Property

Coverages

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 6%

Flood Insurance

Residual markets

Joint Underwriting Association (ORS 735.200-.260; 737.390)

Oregon FAIR Plan Association (ORS 735.005, .015, .045)

Mobile home policy (insuring agreement)

Earthquake insurance (insuring agreement)

Deductible