

EXAMINATION CONTENT OUTLINES

Effective November 11, 2010

LIFE PRODUCER & INSTRUCTOR EXAMINATION

Examination	# of Items	Minimum Passing Score	Time Allowed
Producer	83	70% Correct	3.5 Hours
Instructor	83	85% Correct	3.5 Hours

CONTENT OUTLINE

I.0 TYPES OF POLICIES (9 Items)
1.1 Traditional Whole Life Products
Ordinary (straight) life
Limited-pay and single-premium life
Adjustable life
1.2 Interest-Sensitive Life Products
Universal life
Variable whole life
Variable universal life
Interest-sensitive whole life
1.3 Term life
Level, decreasing, and increasing term
Special features
Renewable
Convertible
1.4 Annuities
Single, level, and flexible premium
Immediate and deferred
Fixed and variable
Equity index
1.5 Combination Plans and Variations
Joint life
Survivorship life
2.0 POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS (21 Items)
2.1 Policy Riders
Waiver of premium and waiver of premium with disability income
Guaranteed insurability
Payor benefit
Accidental death and/or accidental death and dismemberment
Term riders
Other insureds (e.g., spouse, children, nonfamily)
Cost of living

2.2 Policy Provisions and Options
Entire contract
Insuring clause
Free look
Consideration
Owner's rights
Beneficiary designations
Primary and contingent
Revocable and irrevocable
Changes
Common disaster
Minor beneficiaries
Premium Payment
Modes
Grace period
Automatic premium loan
Level or flexible
Reinstatement
Policy loans, withdrawals, partial surrenders
Nonforfeiture options
Dividends and dividend options
Incontestability
Assignments
Suicide
Misstatement of age and gender
Settlement options
2.3 Policy Exclusions
3.0 COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY (12 Items)
3.1 Completing The Application
Required signatures
Changes in the application
Consequences of incomplete applications
Warranties and representations
Collecting the initial premium and issuing the receipt
Replacement
Disclosures at point of sale (i.e. HIPAA, HIV consent)
3.2 Underwriting
Insurable interest
Medical information and consumer reports
Fair Credit Reporting Act
Risk classification
3.3 Delivering The Policy
When coverage begins
Explaining the policy and its provisions, riders, exclusions, and ratings to the client
3.4 Do Not Call List
4.0 TAXES, RETIREMENT, AND OTHER INSURANCE CONCEPTS (8 Items)
4.1 Third-Party Ownership
4.2 Group Life Insurance
Conversion privilege



Contributory vs. noncontributory
4.3 Retirement Plans
Tax-qualified plans
Nonqualified plans
4.4 Business Insurance
4.5 Social Security Benefits and Taxes
4.6. Tax Treatment of Insurance Premiums, Proceeds, Dividends
Individual life
Group life
Modified Endowment Contracts (MECs)
4.7 Accelerated Death Benefits—Living Benefits
4.8 Endowments
5.0 New Jersey Laws, Rules, and Regulations Common to Life, Accident and Health, Property, and Casualty Insurance (25 Items)
<i>Ref: Title 17B and Title 17 refer to laws; Title 11 refers to regulations</i>
5.1 State Regulatory Jurisdiction (4 Items)
<i>Ref: Standard insurance textbook</i>
Legislation
State Laws
Court Action
Interpretations
Effect on Law and Policy Forms
Related Federal Laws and court Cases
Paul v. Virginia
US v. South-Eastern Underwriters Assoc.
McCarran-Ferguson Act/Public Law 15
Commissioner/Dept. of Banking and Insurance
Broad Powers of Commissioner
<i>Ref: 17:1-8.1, 17:1-15, 17:22A-45</i>
Notice and Hearing
<i>Ref: 17:22A-45, 17:1-16, 17:29B-6 thru 13</i>
Penalties
<i>Ref: 17:22A-40, 17: 22A-45</i>
5.2 Definitions (4 Items)
Insurance-related conduct
<i>Ref: 11:17-1.2</i>
Domestic, foreign, and alien companies
<i>Ref: 17B:17-7</i>
Stock and mutual
<i>Ref: 17B:18-2,3</i>
Reinsurance/Retrocession
<i>Ref: 17B:18-62</i>
Certificate of authority
<i>Ref: 17B:17-10,12</i>
A producer acting as:

<i>Ref: 17:22A-28</i>
Insurance Agent
<i>Ref:11:17B-1.3</i>
Insurance Broker
<i>Ref: 11:17B-1.3</i>
Insurance Consultant
<i>Ref: 17:22A-28</i>
“Sell, Solicit, and Negotiate”
5.3 Licensing (8 Items)
Types of licenses/authorities/requirements
Producer
<i>Ref: 17:22A-29 ,32,33; 11:17-1.2, 2.2 thru 2.4, 2.6</i>
Business entity
<i>Ref: 17:22A-32,33; 11:7-2.2 thru 2.4, 2.6</i>
Nonresident
Producer
<i>Ref: 17: 22A-34 ;11:17-1.2, 2.2(b)</i>
Business Entity
<i>Ref: 17:22A-34</i>
Prelicensing requirements
<i>Ref: 11:17-2,11:17-3.5,3.7, 4</i>
Surplus lines
<i>Ref: 17: 22A-38</i>
Temporary work authority
<i>Ref: 11:17-2.1, 2.4</i>
Contractual relationships
Company/producer
<i>Ref: 22A-42; 11:17-2.9</i>
Producer employing another producer
<i>Ref: 11:17-2.9(b)</i>
Producer substituting for or taking over the business of a disabled/deceased producer
<i>Ref: 17: 22A-37; 11:17-2.10(c)</i>
Maintenance and duration of license
<i>Ref: 11:17-2.1, 2.5</i>
Renewal
<i>Ref: 11:17-25</i>
License refusal/termination
Denial
<i>Ref: 11:17- 2.13; 17: 22A-40</i>
Cancellation/reinstatement
<i>Ref: 11:17-2.13</i>
Revocation/suspension
<i>Ref: 17: 22A-40 ; 17D:2.1, 2.5-2.7</i>
5.4 Trade Practices (6 Items)
Prohibited practices



<i>Ref: 17:29B-1 thru 14; 11:2-17</i>
Licensee responsibilities (Reporting information to the Department of Banking and Insurance)
Business names (including fictitious)
<i>Ref: 17: 22A-36; 11:17-1.2, 2.7; 11:17A-2.1</i>
Branch offices
<i>Ref: 11:17-1.2, 2.8</i>
Change of address including email
<i>Ref: 11:17-2.7(f), (g)</i>
Standards of conduct
<i>Ref: 11:17A thru 17D</i>
Fraud
<i>Ref: 17:33A</i>
Information Privacy
<i>Ref: NJSA 17:23A; Health Information for Economic & Clinical Health Act (HITECH) Privacy Provisions in RRA Title XII Subtitle D; HIPAA 45 C.F.R. pt. 64.504</i>
5.5 Guaranty Associations
<i>Ref: Title 17 Chapter 30A</i>
5.6 Ethics
6.0. New Jersey Laws, Rules, and Regulations Pertinent to Life and Regulations (8 Items)
<i>Ref: Title 17B refers to laws; Title 11 refers to regulations</i>
Credit Life
<i>Ref: 11:2-3.1 thru 3.19</i>
Group Life
<i>Ref: 11:2-13.1 thru 13.9; NJSA 17B:27-1 thru 8, 11, 21</i>
Marketing Methods and Practices
<i>Ref: 17B:30-1 thru 22</i>
Replacement
<i>Ref: 11:4-2.1 thru 2.8</i>
Disclosures
<i>Ref: 11:4-11.1 thru 11.7</i>
Advertising
<i>Ref: 11:2-23.1 thru 23.10</i>
Twisting
<i>Ref: 17B:30-6</i>
The Insurance Contract
<i>Ref: NJSA 17B:24-1 thru 12</i>
Suitability of Annuities and Life Products
<i>Ref: Bulletin No. 09-06 and N.J.S.A. 17B:25-34 et seq.</i>
Appropriate Use of Business Title or Designation when marketing life and annuity products
<i>Ref: Bulletin No. 09-06 and N.J.S.A. 17B:25-36</i>

"Statutes" from the left side list under the heading "Laws and Constitution".

OR

http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=147438&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_Pg42

The New Jersey Administrative Code can be found at www.lexisnexis.com.

The Statutes and Administrative Code are available at all NJ State, County libraries, and most large libraries in New Jersey. Individuals may also make an appointment with the Department librarian to make copies at the states location in Trenton (a per page fee will be accessed for this service).

References

You may access all New Jersey Statutes at <http://www.njleg.state.nj.us/> Select

