

**LIFE – GENERAL KNOWLEDGE  
CONTENT OUTLINE**

**Product Knowledge, Terms, and Concepts**

*(50 scored plus 5 pretest questions)*

**I. TYPES OF POLICIES.....15**

**A. Traditional whole life products**

1. Ordinary whole life
2. Limited-pay and single-premium life

**B. Interest/market sensitive/adjustable life products**

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life
5. Indexed life

**C. Term life**

1. Types
  - a. Level
  - b. Decreasing
  - c. Return of premium
  - d. Annually renewable
2. Special features
  - a. Renewable
  - b. Convertible

**D. Annuities**

1. Single, level, and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Indexed
5. Accumulation and Annuity Periods
6. Payout options

**E. Combination plans and variations**

1. Joint life (first to die)
2. Survivorship life (second to die)

**II. POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS..... 15**

**A. Policy riders**

1. Waiver of premium and waiver of monthly deduction
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds
7. Long term care
8. Return of premium
9. Disability
10. Cost of Living

**B. Policy provisions and options**

1. Entire contract
2. Insuring clause
3. Free look
4. Consideration
5. Owner's rights
6. Beneficiary designations
  - a. Primary and contingent
  - b. Revocable and irrevocable

- c. Common disaster
- d. Minor beneficiaries
- e. Designation by class

**7. Premium Payment**

- a. Modes
- b. Grace period
- c. Automatic premium loan
- d. Level or flexible

**8. Reinstatement**

**9. Policy loans, withdrawals, partial surrenders**

**10. Nonforfeiture options**

**11. Dividends and dividend options (e.g. participating, non-participating)**

**12. Incontestability**

**13. Assignments**

**14. Suicide**

**15. Misstatement of age and gender**

**16. Settlement options**

**17. Accelerated death benefits**

**C. Policy exclusions**

1. War
2. Aviation
3. Dangerous occupation

**III. COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY..... 12**

**A. Completing the application**

1. Required signatures
2. Changes in the application
3. Consequences of incomplete applications
4. Warranties and representations
5. Collecting the initial premium and issuing the receipt
6. Replacement
7. Disclosures at point of sale (i.e. HIPAA, HIV consent)
8. USA PATRIOT Act/anti-money laundering
9. Gramm-Leach-Bliley Act (GLBA) Privacy

**B. Underwriting**

1. Insurable interest
2. Medical information and consumer reports
3. Fair Credit Reporting Act
4. Risk classification
5. Stranger/Investor owned life insurance (STOLI, IOLI)

**C. Delivering the policy**

1. When coverage begins
2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client

**D. Contract Law**

1. Elements of a contract
  - a. Consideration
  - b. Offer and Acceptance
  - c. Competent Parties
  - d. Legal purpose
2. Unique aspects of the insurance contract
  - a. Conditional
  - b. Unilateral
  - c. Adhesion
  - d. Aleatory

**IV. RETIREMENT AND OTHER INSURANCE CONCEPTS 8**

- A. Third-party ownership**
- B. Life Settlements**
- C. Group life insurance**
  - 1. Conversion privilege
  - 2. Contributory vs. noncontributory
- D. Retirement plans**
  - 1. Qualified plans
  - 2. Nonqualified plans
- E. Life insurance needs analysis/suitability**
  - 1. Personal insurance needs
  - 2. Business insurance needs
    - a. Key person
    - b. Buy sell
- F. Social Security benefits**
- G. Tax treatment of insurance premiums, proceeds, dividends**
  - 1. Individual life
  - 2. Group life
  - 3. Modified Endowment Contracts (MECs)

## **LIFE – SOUTH CAROLINA SPECIFIC CONTENT OUTLINE**

(25 scored plus 5 pretest questions)

### **I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....18**

#### **A. Insurance Department and Director**

- 1. Powers and duties  
*Ref: 38-3-60, 110*
- 2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250*
- 3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
- 4. Penalties and fines  
*Ref: 38-2-10-30, 38-43-130*
- 5. Cease and desist orders  
*Ref: 38-59-30, 270*

#### **B. General insurance definitions**

- 1. Domestic, foreign and alien insurers  
*Ref: 38-1-20*
- 2. Admitted/Nonadmitted insurer  
*Ref: 38-1-20; 38-5-80*
- 3. Sell, solicit, negotiate  
*Ref: 38-1-20; 38-43-10*

#### **C. Licensing**

- 1. Producer  
*Ref: 38-43-10, 20, 30, 60*
- 2. License fees and application  
*Ref: 38-43-80, 100, 101*
- 3. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
- 4. Temporary License  
*Ref: 38-43-102*
- 5. Nonresident License  
*Ref: 38-43-70*
- 6. Agent appointment/termination of contract  
*Ref: 38-43-40, 50, 55*
- 7. Continuing education  
*Ref: 38-43-106; Reg 69-50*
- 8. Change of Address/name change  
*Ref: 38-43-107; 38-43-10(C)*

- 9. Reinstatement/license expiration  
*Ref: 38-43-110(B)*
- D. Unfair and prohibited trade practices**
  - 1. Rebating  
*Ref: 38-57-130*
  - 2. Defamation  
*Ref: 38-57-90*
  - 3. Unfair Discrimination  
*Ref: 38-55-50; 38-57-120*
  - 4. Misrepresentation  
*Ref: 38-57-40*
  - 5. False advertising  
*Ref: 38-57-40, 50*
  - 6. Boycott, coercion, and intimidation  
*Ref: 38-57-100, 110*
  - 7. Unfair claims settlement practices  
*Ref: 38-59-10, 20*
  - 8. Fraud  
*Ref: 38-43-245*
  - 9. False Financial Statements  
*Ref: 38-57-80*
  - 10. Prohibited inducements  
*Ref: 38-57-130, 150*

#### **E. Reporting and Disposition of Premiums**

- 1. Fiduciary capacity; misappropriation of funds  
*Ref: 38-43-130, 240, 420*
- 2. Commissions and compensation/charges for extra services  
*Ref: 38-43-200*
- 3. Reporting of Actions  
*Ref: 38-43-247*

#### **F. Life and Accident and Health Insurance Guaranty Association**

*Ref: 38-29-20, 30, 40, 50, 80, 130, 200*

#### **G. Consumer information privacy regulation**

*Ref: Reg 69-58 Sec 1-16*

### **II. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO LIFE INSURANCE .....7**

#### **A. Replacement/Conversion of Life insurance**

*Ref: Reg 69-12.1, 38-65-210(8-10)*

#### **B. Life insurance advertisements and solicitation**

*Ref: 38-63-220(b); Reg 69-30(D),(E), Appendix A & B;  
Reg 69-40 Sec 1-8*

#### **C. Group/Individual Life policy provisions and riders**

*Ref: 38-63-40, 220; 38-65-90, 210*

# ACCIDENT AND HEALTH GENERAL KNOWLEDGE CONTENT OUTLINE

## Product Knowledge, Terms, and Concepts

(50 scored plus 5 pretest questions)

### I. TYPES OF POLICIES.....16

#### A. Disability income

1. Individual disability income policy
2. Business overhead expense policy
3. Business disability buyout policy
4. Group disability income policy
5. Key employee policy

#### B. Accidental death and dismemberment

#### C. Medical expense insurance

1. Basic hospital, medical, and surgical policies
2. Major medical policies
3. Health Maintenance Organizations (HMOs)
4. Preferred Provider Organizations (PPOs)
5. Point of Service (POS) plans
6. Flexible Spending Accounts (FSAs)
7. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)
8. Health Reimbursement Accounts (HRAs)

#### D. Medicare supplement policies

#### E. Group insurance

1. Differences between individual and group contracts
2. General characteristics
3. COBRA

#### F. Individual/Group Long Term Care (LTC)

1. Eligibility
2. Levels of care

#### G. Other policies

1. Dental
2. Vision
3. Cancer
4. Critical illness or specified disease
5. Worksite (employer-sponsored)
6. Hospital indemnity
7. Short-term medical
8. Accident

### II. POLICY PROVISIONS, CLAUSES, AND RIDERS.....15

#### A. Mandatory and optional provisions

1. Entire contract
2. Time limit on certain defenses (incontestable)
3. Grace period
4. Reinstatement
5. Notice of claim
6. Claim forms
7. Proof of loss
8. Time of payment of claims
9. Payment of claims
10. Physical examination and autopsy
11. Legal actions
12. Change of beneficiary
13. Misstatement of age or gender
14. Change of occupation
15. Illegal occupation
16. Relation of earnings to insurance

#### B. Other provisions and clauses

1. Insuring clause

2. Free look
3. Consideration clause
4. Probationary period
5. Elimination period
6. Waiver of premium
7. Exclusions and limitations
8. Preexisting conditions
9. Coinsurance
10. Deductibles
11. Eligible expenses
12. Copayments
13. Pre-authorizations and prior approval requirements
14. Usual, reasonable, and customary (URC) charges
15. Lifetime, annual or per cause maximum benefit limits

#### C. Riders

1. Impairment/exclusions
2. Guaranteed insurability
3. Future increase option

#### D. Rights of renewability

1. Noncancelable
2. Cancelable
3. Guaranteed renewable

### III. SOCIAL INSURANCE ..... 6

#### A. Medicare (Parts A, B, C, D)

#### B. Medicaid

#### C. Social Security benefits

### IV. OTHER INSURANCE CONCEPTS ..... 5

#### A. Total, partial, recurrent and residual disability

#### B. Owner's rights

#### C. Dependent children benefits

#### D. Primary and contingent beneficiaries

#### E. Modes of premium payments

#### F. Nonduplication and coordination of benefits (e.g., primary vs. excess)

#### G. Occupational vs. nonoccupational

#### H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)

#### I. Managed care

#### J. Workers Compensation

#### K. Subrogation

#### L. Cost containment

### V. FIELD UNDERWRITING PROCEDURES..... 8

#### A. Completing the application

#### B. Explaining sources of insurability and HIPAA privacy (e.g., MIB Report, Fair Credit Reporting Act, etc.)

#### C. Initial premium payment and receipt and consequences of the receipt (e.g., medical examination, etc.)

#### D. Submitting application (and initial premium if collected) to company for underwriting

#### E. Policy delivery

#### F. Explaining policy and its provisions, riders, exclusions, and ratings to clients

#### G. Replacement

#### H. Contract law

1. Elements of a contract
2. Insurable interest
3. Warranties and representations
4. Unique aspects of the insurance contract

- a. Conditional
- b. Unilateral
- c. Adhesion
- d. Aleatory

## **ACCIDENT AND HEALTH – SOUTH CAROLINA SPECIFIC CONTENT OUTLINE**

*(25 scored plus 5 pretest questions)*

### **I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....18**

#### **A. Insurance Department and Director**

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- 3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
- 4. Penalties and fines  
*Ref: 38-2-10-30, 38-43-130*
- 5. Cease and desist orders  
*Ref: 38-59-20, 270*

#### **B. General insurance definitions**

- 1. Domestic, foreign and alien insurers  
*Ref: 38-1-20*
- 2. Admitted/Nonadmitted insurer  
*Ref: 38-1-20; 38-5-80*
- 3. Sell, solicit, negotiate  
*Ref: 38-1-20, 38-43-10*

#### **C. Licensing**

- 1. Producer  
*Ref: 38-43-10, 20, 30, 60*
- 2. License fees and application  
*Ref: 38-43-80, 100, 101*
- 3. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
- 4. Temporary License  
*Ref: 38-43-102*
- 5. Nonresident License  
*Ref: 38-43-70*
- 6. Agent appointment/termination of contract  
*Ref: 38-43-40, 50, 55*
- 7. Continuing education  
*Ref: 38-43-106; Reg. 69-50*
- 8. Change of Address/name change  
*Ref: 38-43-10(C), 107*
- 9. Reinstatement/license expiration  
*Ref: 38-43-110(B)*

#### **D. Unfair and prohibited trade practices**

- 1. Rebating  
*Ref: 38-57-130*
- 2. Defamation  
*Ref: 38-57-90*
- 3. Unfair Discrimination  
*Ref: 38-55-50; 38-57-120*
- 4. Misrepresentation  
*Ref: 38-57-40*
- 5. False advertising  
*Ref: 38-57-40, 50*

- 6. Boycott, coercion, and intimidation  
*Ref: 38-57-100, 110*
- 7. Unfair claims settlement practices  
*Ref: 38-59-10, 20*
- 8. Fraud  
*Ref: 38-43-245*
- 9. False Financial Statements  
*Ref: 38-57-80*
- 10. Prohibited inducements  
*Ref: 38-57-130, 150,*

#### **E. Reporting and Disposition of Premiums**

- 1. Fiduciary capacity; misappropriation of funds  
*Ref: 38-43-130, 240, 420*
- 2. Commissions and compensation/charges for extra services  
*Ref: 38-43-200*
- 3. Reporting of Actions  
*Ref: 38-43-247*

#### **F. Life and Accident Health Insurance Guaranty Association**

*Ref: 38-29-20, 30, 40, 50, 80, 130, 200*

#### **G. Consumer information privacy regulation**

*Ref: Reg 69-58 Sec 1-16*

### **II. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ACCIDENT & HEALTH INSURANCE.....7**

#### **A. Individual and Group Accident and Health Insurance**

*Ref: 38-71 et al*

#### **B. Medicare Supplement**

*Ref: Reg 69-46 Sec 1-8, 11-13, 17-24*

#### **C. Long Term Care**

*Ref: Reg 69-44 Sec 1, 3-9 and 12-14*

# LIFE, ACCIDENT, AND HEALTH GENERAL KNOWLEDGE CONTENT OUTLINE

## Product Knowledge, Terms, and Concepts

(100 scored plus 5 pretest questions)

### I. LIFE: TYPES OF POLICIES..... 15

#### A. Traditional whole life products

1. Ordinary whole life
2. Limited-pay and single-premium life

#### B. Interest-sensitive/adjustable life products

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life
5. Indexed life

#### C. Term life

1. Types
  - a. Level
  - b. Decreasing
  - c. Return of premium
  - d. Annually renewable
2. Special features
  - a. Renewable
  - b. Convertible

#### D. Annuities

1. Single, level, and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Indexed
5. Accumulation and Annuity Periods
6. Payout options

#### E. Combination plans and variations

1. Joint life (first to die)
2. Survivorship life (second to die)

### II. LIFE: POLICY RIDERS, PROVISIONS, OPTIONS, AND EXCLUSIONS..... 15

#### A. Policy riders

1. Waiver of premium and waiver of monthly deduction
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds
7. Long term care
8. Return of premium
9. Disability
10. Cost of Living

#### B. Policy provisions and options

1. Entire contract
2. Insuring clause
3. Free look
4. Consideration
5. Owner's rights
6. Beneficiary designations
  - a. Primary and contingent
  - b. Revocable and irrevocable
  - c. Common disaster
  - d. Minor beneficiaries
  - e. Designation by class

7. Premium Payment
  - a. Modes
  - b. Grace period
  - c. Automatic premium loan
  - d. Level or flexible
8. Reinstatement
9. Policy loans, withdrawals, partial surrenders
10. Nonforfeiture options
11. Dividends and dividend options (e.g. participating, non-participating)
12. Incontestability
13. Assignments
14. Suicide
15. Misstatement of age and gender
16. Settlement options
17. Accelerated death benefits

#### C. Policy exclusions

1. War
2. Aviation
3. Dangerous Occupation

### III. LIFE: COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICY .....12

#### A. Completing the application

1. Required signatures
2. Changes in the application
3. Consequences of incomplete applications
4. Warranties and representations
5. Collecting the initial premium and issuing the receipt
6. Replacement
7. Disclosures at point of sale (i.e. HIPAA, HIV consent)
8. USA PATRIOT Act/anti-money laundering
9. Gramm-Leach-Bliley Act (GLBA) Privacy

#### B. Underwriting

1. Insurable interest
2. Medical information and consumer reports
3. Fair Credit Reporting Act
4. Risk classification
5. Stranger/Investor owned life insurance (STOLI, IOLI)

#### C. Delivering the policy

1. When coverage begins
2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client

#### D. Contract Law

1. Elements of a contract
  - a. Consideration
  - b. Offer and Acceptance
  - c. Competent Parties
  - d. Legal purpose
2. Unique aspects of the insurance contract
  - a. Conditional
  - b. Unilateral
  - c. Adhesion
  - d. Aleatory

### IV. LIFE: RETIREMENT AND OTHER INSURANCE CONCEPTS .....8

#### A. Third-party ownership

#### B. Life Settlements

#### C. Group life insurance

1. Conversion privilege
2. Contributory vs. noncontributory

#### D. Retirement plans

1. Qualified plans	11. Legal actions
2. Nonqualified plans	12. Change of beneficiary
<b>E. Life insurance needs analysis/suitability</b>	13. Misstatement of age or gender
1. Personal insurance needs	14. Change of occupation
2. Business insurance needs	15. Illegal occupation
a. Key person	16. Relation of earnings to insurance
b. Buy sell	<b>B. Other provisions and clauses</b>
<b>F. Social Security benefits</b>	1. Insuring clause
<b>G. Tax treatment of insurance premiums, proceeds, dividends</b>	2. Free look
1. Individual life	3. Consideration clause
2. Group life	4. Probationary period
3. Modified Endowment Contracts (MECs)	5. Elimination period
<b>V. ACCIDENT &amp; SICKNESS: TYPES OF POLICIES..... 16</b>	6. Waiver of premium
<b>A. Disability income</b>	7. Exclusions and limitations
1. Individual disability income policy	8. Preexisting conditions
2. Business overhead expense policy	9. Coinsurance
3. Business disability buyout policy	10. Deductibles
4. Group disability income policy	11. Eligible expenses
5. Key employee policy	12. Copayments
<b>B. Accidental death and dismemberment</b>	13. Pre-authorizations and prior approval requirements
<b>C. Medical expense insurance</b>	14. Usual, reasonable, and customary (URC) charges
1. Basic hospital, medical, and surgical policies	15. Lifetime, annual or per cause maximum benefit limits
2. Major medical policies	<b>C. Riders</b>
3. Health Maintenance Organizations (HMOs)	1. Impairment/exclusions
4. Preferred Provider Organizations (PPOs)	2. Guaranteed insurability
5. Point of Service (POS) plans	3. Future increase option
6. Flexible Spending Accounts (FSAs)	<b>D. Rights of renewability</b>
7. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)	1. Noncancelable
8. Health Reimbursement Accounts (HRAs)	2. Cancelable
<b>D. Medicare supplement policies</b>	3. Guaranteed renewable
<b>E. Group insurance</b>	<b>VII. SOCIAL INSURANCE ..... 6</b>
1. Differences between individual and group contracts	<b>A. Medicare (Parts A, B, C, D)</b>
2. General characteristics	<b>B. Medicaid</b>
3. COBRA	<b>C. Social Security benefits</b>
<b>F. Individual/Group Long Term Care (LTC)</b>	<b>VIII. ACCIDENT AND SICKNESS: OTHER INSURANCE CONCEPTS..... 5</b>
1. Eligibility	<b>A. Total, partial, recurrent and residual disability</b>
2. Levels of care	<b>B. Owner's rights</b>
<b>G. Other policies</b>	<b>C. Dependent children benefits</b>
1. Dental	<b>D. Primary and contingent beneficiaries</b>
2. Vision	<b>E. Modes of premium payments</b>
3. Cancer	<b>F. Nonduplication and coordination of benefits (e.g., primary vs. excess)</b>
4. Critical illness or specified disease	<b>G. Occupational vs. nonoccupational</b>
5. Worksite (employer-sponsored)	<b>H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)</b>
6. Hospital indemnity	<b>I. Managed care</b>
7. Short-term medical	<b>J. Workers Compensation</b>
8. Accident	<b>K. Subrogation</b>
<b>VI. ACCIDENT AND SICKNESS: POLICY PROVISIONS, CLAUSES, AND RIDERS..... 15</b>	<b>L. Cost containment</b>
<b>A. Mandatory and optional provisions</b>	<b>IX. ACCIDENT AND SICKNESS: FIELD UNDERWRITING PROCEDURES ..... 8</b>
1. Entire contract	<b>A. Completing the application</b>
2. Time limit on certain defenses (incontestable)	<b>B. Explaining sources of insurability and HIPAA privacy information (e.g., MIB Report, Fair Credit Reporting Act, etc.)</b>
3. Grace period	<b>C. Initial premium payment and receipt and consequences of the receipt (e.g., medical examination, etc.)</b>
4. Reinstatement	
5. Notice of claim	
6. Claim forms	
7. Proof of loss	
8. Time of payment of claims	
9. Payment of claims	
10. Physical examination and autopsy	

- D. Submitting application (and initial premium if collected) to company for underwriting
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- F. Explaining policy and its provisions, riders, exclusions, and ratings to clients
- G. Replacement
- H. Contract law
  - 1. Elements of a contract
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(30 scored plus 5 pretest questions)

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*Ref: 38-59-20, 38-59-270*

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*Ref: 38-1-20; 38-5-80*
- 3. Sell, solicit, negotiate  
*Ref: 38-1-20*

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- 2. License fees and application  
*Ref: 38-43-80, 100, 101*
- 3. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
- 4. Temporary License  
*Ref: 38-43-102*
- 5. Nonresident License  
*Ref: 38-43-70*
- 6. Agent appointment/termination of contract  
*Ref: 38-43-40, 50, 55*
- 7. Continuing education  
*Ref: 38-43-106; 69-50*
- 8. Change of Address/name change  
*Ref: 38-43-107*
- 9. Reinstatement/license expiration  
*Ref: 38-43-110(B)*

#### D. Unfair and prohibited trade practices

*Ref: 38-43-130*

- 1. Rebating  
*Ref: 38-57-130*
- 2. Defamation  
*Ref: 38-57-90*
- 3. Unfair Discrimination  
*Ref: 38-55-50; 38-57-120*
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*Ref: 38-57-100*
- 7. Unfair claims settlement practices  
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#### E. Reporting and Disposition of Premiums

- 1. Fiduciary capacity; misappropriation of funds  
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- 3. Reporting of Actions  
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#### F. Life and Accident and Health Insurance Guaranty Association

*Ref: 38-29-20, 30, 40, 50, 80, 130, 200*

#### G. Consumer information privacy regulation

*Ref: Reg 69-58 Sec 1-16*

### II. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO LIFE INSURANCE.....6

#### A. Replacement/Conversion of Life insurance

*Ref: 38-63-220(b); Reg 69-12.1, 38-65-210(8-10)*

#### B. Life insurance advertisements and solicitation

*Ref: Reg 69-30(D),(E), Appendix; Reg 69-40 Sec 5-8*

#### C. Group/Individual Life policy provisions and riders

*Ref: 38-63-220, 38-63-40, 38-65-90*

### III. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ACCIDENT & HEALTH INSURANCE...6

#### A. Individual and group Accident and Health Insurance

*Ref: 38-71 et al*

#### B. Medicare Supplement

*Ref: Reg 69-46 Sec 4, 8, 11, 17, 18, 19, 20, 22, 23*

#### C. Long Term Care

*Ref: Reg 69-44 Sec 6 through 9 and 12 through 14*

## PROPERTY – GENERAL KNOWLEDGE CONTENT OUTLINE

### Product Knowledge, Terms, and Concepts

(50 scored plus 5 pretest questions)

#### I. TYPES OF POLICIES ..... 22

##### A. Homeowners

1. HO-2
2. HO-3
3. HO-4
4. HO-5
5. HO-6
6. HO-8

##### B. Dwelling policies

1. DP-1
2. DP-2
3. DP-3

##### C. Commercial lines

1. Commercial Package Policy (CPP)
2. Commercial property
  - a. Commercial building and personal property form
  - b. Causes of loss forms
  - c. Business income
  - d. Extra expense
  - e. Equipment breakdown
3. Businessowners Policy (BOP)
4. Builders Risk
5. Cyber First-Party Coverage

##### D. Inland marine

1. Personal Articles floaters
2. Commercial Property floaters

##### E. National Flood Insurance Program

##### F. Others

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Farm Owners
5. Windstorm

#### II. INSURANCE TERMS AND RELATED CONCEPTS..... 15

##### A. Insurance

1. Law of Large Numbers

##### B. Insurable interest

##### C. Risk

1. Pure vs. Speculative Risk

##### D. Hazard

1. Moral
2. Morale
3. Physical

##### E. Peril

##### F. Loss

1. Direct
2. Indirect

##### G. Loss valuation

1. Actual cash value
2. Replacement cost
3. Market value
4. State/agreed value
5. Salvage value

##### H. Proximate cause

##### I. Deductible

##### J. Indemnity

##### K. Limits of liability

##### L. Coinsurance/Insurance to value

##### M. Occurrence

##### N. Cancellation

##### O. Nonrenewal

##### P. Vacancy and unoccupancy

##### Q. Liability

1. Absolute
2. Strict
3. Vicarious

##### R. Negligence

##### S. Binder

##### T. Endorsements

##### U. Blanket vs. Specific

#### III. POLICY PROVISIONS AND CONTRACT LAW..... 13

##### A. Declarations

##### B. Insuring agreement

##### C. Conditions

##### D. Exclusions

##### E. Definition of the insured

##### F. Duties of the insured

##### G. Obligations of the insurance company

##### H. Mortgagee rights

##### I. Proof of loss

##### J. Notice of claim

##### K. Appraisal

##### L. Other Insurance Provision

##### M. Subrogation

##### N. Elements of a contract

##### O. Warranties, representations, and concealment

##### P. Sources of underwriting information

##### Q. Fair Credit Reporting Act

##### R. Privacy Protection (Gramm Leach Bliley)

##### S. Policy Application

##### T. Terrorism Risk Insurance Act (TRIA)

##### U. Territory

## PROPERTY SOUTH CAROLINA-SPECIFIC CONTENT OUTLINE

(25 scored questions)

#### I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....18

##### A. Insurance Department and Director

1. Powers and duties

*Ref: 38-3-60, 110*

2. Examination of books and records

*Ref: 38-13-10-30; 38-43-250*

3. Investigations/Notice of hearing

*Ref: 38-3-170; 38-57-200*

4. Penalties and fines

*Ref: 38-2-10-30, 38-43-130*

5. Cease and desist orders

*Ref: 38-59-20, 38-59-270*

##### B. General insurance definitions

1. Domestic, foreign and alien insurers

*Ref: 38-1-20*

2. Admitted/Nonadmitted insurer

*Ref: 38-1-20; 38-5-80*



3. Sell, solicit, negotiate

*Ref: 38-1-20*

#### **C. Licensing**

1. Producer

*Ref: 38-43-10, 20, 30, 60*

2. License fees and application

*Ref: 38-43-80, 100, 101*

3. License probation, revocation, suspension, or denial of reissuance

*Ref: 38-43-130, 230*

4. Temporary License

*Ref: 38-43-102*

5. Nonresident License

*Ref: 38-43-70*

6. Agent appointment/termination of contract

*Ref: 38-43-40, 50, 55*

7. Continuing education

*Ref: 38-43-106; 69-50*

8. Change of Address/name change

*Ref: 38-43-107; 38-43-10(C)*

9. Reinstatement/license expiration

*Ref: 38-43-110(B)*

#### **D. Unfair and prohibited trade practices**

*Ref: 38-43-130*

1. Rebating

*Ref: 38-57-130*

2. Defamation

*Ref: 38-57-90*

3. Unfair Discrimination

*Ref: 38-55-50*

4. Misrepresentation

*Ref: 38-57-40*

5. False advertising

*Ref: 38-57-50*

6. Boycott, coercion, and intimidation

*Ref: 38-57-100*

7. Unfair claims settlement practices

*Ref: 38-59-20*

8. Fraud

*Ref: 38-43-245, 38-55-510-590*

9. False Financial Statements

*Ref: 38-57-80*

10. Prohibited inducements

*Ref: 38-57-130, 150*

#### **E. Reporting and Disposition of Premiums**

1. Fiduciary capacity; misappropriation of funds

*Ref: 38-43-130, 240, 420*

2. Commissions and compensation/charges for extra services

*Ref: 38-43-200*

3. Reporting of Actions

*Ref: 38-43-247*

#### **F. Consumer information privacy regulation**

*Ref: Reg 69-58 Sec 1-16*

### **II. SOUTH CAROLINA LAWS AND REGULATIONS**

#### **PERTINENT TO PROPERTY INSURANCE .....7**

##### **A. Cancellation and nonrenewal of policies**

*Ref: 38-77-120-124, 390; RL 56-10-280, 38-75-730-750, 38-75-1180, 38-75-1160*

##### **B. Regulation of Rates**

*Ref: 38-73-10-40, 210-220, 260, 310-340, 410-49, 540-545*

##### **C. South Carolina Property and Casualty Insurance**

##### **Guaranty Association**

*Ref: 38-31-10-110*

##### **D. South Carolina Valued Policy Law**

*Ref: 38-75-20, 30*

##### **E. South Carolina Wind and Hail Underwriting Association (SCWHUA)**

*Ref: 38-75-310-460*

# CASUALTY – GENERAL KNOWLEDGE CONTENT OUTLINE

## Product Knowledge, Terms, and Concepts

(50 scored plus 5 pretest questions)

**Note:** Forms and endorsements in the outlines are referenced in versions developed by (1) Insurance Services Office; (2) National Council on Compensation Insurance; (3) Surety Association of America.

### I. TYPES OF POLICIES, BONDS, AND RELATED TERMS. 23

#### A. Commercial general liability

1. Exposures
  - a. Premises and Operations
  - b. Products and Completed Operations
2. Coverage
  - a. Coverage A: Bodily Injury and Property Damage Liability (Occurrence, Claims made including Retroactive Date)
  - b. Coverage B: Personal Injury and Advertising Injury
  - c. Coverage C: Medical Payments
  - d. Supplemental Payments
  - e. Who is an insured
  - f. First named insured
  - g. Limits (Per occurrence, Annual Aggregate)
  - h. Damage to Property of Others

#### B. Automotive: personal auto and business auto

1. Liability
  - a. Bodily Injury
  - b. Property Damage
  - c. Split Limits
  - d. Combined Single Limit
2. Medical Payments
3. Physical damage (collision; other than collision; specified perils)
4. Uninsured motorists
5. Underinsured motorists
6. Who is an insured
7. Types of Auto
  - a. Owned
  - b. Non-owned
  - c. Hired
  - d. Temporary Substitute
  - e. Newly Acquired Autos
  - f. Transportation Expense and Rental Reimbursement Expense
8. Auto Dealers Coverage Form, including Garagekeepers Insurance
9. Exclusions
10. Individual Insured and Drive Other Car (DOC)
11. Mobile equipment

#### C. Workers Compensation insurance, Employers Liability insurance, and Related Issues

*Note: State law is addressed elsewhere in this outline.*

1. Standard policy concepts
  - a. Who is an employee/employer
  - b. Compensation
2. Work-related vs. non-work-related
3. Other states' insurance
4. Employers Liability
5. Exclusive Remedy
6. Premium Determination

#### D. Crime

1. Employee Dishonesty
2. Theft
3. Robbery
4. Burglary
5. Forgery and Alteration
6. Mysterious disappearance

#### E. Bonds

1. Surety
2. Fidelity

#### F. Professional liability

1. Errors and Omissions
2. Medical Malpractice
3. Directors and Officers (D&O)
4. Employment Practices Liability (EPLI)
5. Cyber liability and data breach, funds transfer
6. Liquor liability

#### G. Umbrella/Excess liability

#### H. Business Owners Policy (BOP)

### II. INSURANCE TERMS AND RELATED CONCEPTS..... 15

#### B. Hazards

1. Moral
2. Morale
3. Physical

#### C. Indemnity

#### D. Insurable interest

#### E. Loss Valuation

1. Actual cash value
2. Replacement cost
3. Market value
4. Stated/agreed value
5. Salvage value

#### F. Negligence

#### G. Liability

#### H. Occurrence

#### I. Binders

#### J. Warranties

#### K. Representations

#### L. Concealment

#### M. Deposit Premium/Audit

#### N. Certificate of Insurance

#### O. Law of Large Numbers

#### P. Pure vs. Speculative Risk

#### Q. Endorsements

#### R. Damages

1. Compensatory
  - a. General
  - b. Special
2. Punitive

#### S. Compliance with provisions of Fair Credit Reporting Act

### III. POLICY PROVISIONS..... 12

#### A. Declarations

#### B. Insuring agreement

#### C. Conditions

#### D. Exclusions and Limitations

#### E. Definition of the insured

#### F. Duties of the insured after a loss

#### G. Cancellation and nonrenewal provisions

#### H. Supplementary payments

#### I. Proof of loss

- J. Notice of claim
- K. Other insurance
- L. Subrogation
- M. Loss settlement provisions including consent to settle a loss
- N. Terrorism Risk Insurance Act (TRIA)

## CASUALTY SOUTH CAROLINA-SPECIFIC CONTENT OUTLINE

(25 scored questions)

### I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....18

#### A. Insurance Department and Director

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250*
3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
4. Penalties and fines  
*Ref: 38-2-10-30, 38-43-130*
5. Cease and desist orders  
*Ref: 38-59-20, 38-59-270*

#### B. General insurance definitions

1. Domestic, foreign and alien insurers  
*Ref: 38-1-20*
2. Admitted/Nonadmitted insurer  
*Ref: 38-1-20; 38-5-80*
3. Sell, solicit, negotiate  
*Ref: 38-1-20*

#### C. Licensing

1. Producer  
*Ref: 38-43-10, 20, 30, 60*
2. License fees and application  
*Ref: 38-43-80, 100, 101*
3. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
4. Temporary License  
*Ref: 38-43-102*
5. Nonresident License  
*Ref: 38-43-70*
6. Agent appointment/termination of contract  
*Ref: 38-43-40, 50, 55*
7. Continuing education  
*Ref: 38-43-106; 69-50*
8. Change of Address/name change  
*Ref: 38-43-107; 38-43-10(C)*
9. Reinstatement/license expiration  
*Ref: 38-43-110(B)*

#### D. Unfair and prohibited trade practices

- Ref: 38-43-130*
1. Rebating  
*Ref: 38-57-130*
  2. Defamation  
*Ref: 38-57-90*
  3. Unfair Discrimination  
*Ref: 38-55-50*
  4. Misrepresentation

*Ref: 38-57-40*

5. False advertising  
*Ref: 38-57-50*
6. Boycott, coercion, and intimidation  
*Ref: 38-57-100*
7. Unfair claims settlement practices  
*Ref: 38-59-20*
8. Fraud  
*Ref: 38-43-245, 38-55-510-590*
9. False Financial Statements  
*Ref: 38-57-80*
10. Prohibited inducements  
*Ref: 38-57-130, 150,*

#### E. Reporting and Disposition of Premiums

1. Fiduciary capacity; misappropriation of funds  
*Ref: 38-43-130, 240, 420*
2. Commissions and compensation/charges for extra services  
*Ref: 38-43-200*
3. Reporting of Actions  
*Ref: 38-43-247*

#### F. Consumer information privacy regulation

*Ref: Reg 69-58 Sec 1-16*

### II. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO CASUALTY INSURANCE 7

#### A. Cancellation and nonrenewal of policies

*Ref: 38-77-120-124, 390; RL 56-10-280, 38-75-730-750, 38-75-1180, 38-75-1160*

#### B. Regulation of Rates

*Ref: 38-73-10 through 40, 210-220, 260, 310-340, 410-49, 540-545*

#### C. South Carolina Property and Casualty Insurance Guaranty Association

*Ref: 38-31-10-110*

#### D. Auto

1. Uninsured/Underinsured motorists coverage  
*Ref: 38-77-140, 150-170, 180-230, 260*
2. South Carolina Motor Vehicle Financial Responsibility Act  
*Ref: RL Title 56, Chapter 9; 38-77-140*
3. South Carolina Assigned Risk Pool  
*Ref: 38-77-810, 830, 850*
4. Deductibles  
*Ref: 38-77-280*

#### E. South Carolina Workers' Compensation Law

*Ref: RL Title 42*

1. Exclusive remedy  
*Ref: RL 42-1-540*
2. Employment covered (required, voluntary)  
*Ref: RL 42-1-130-150, 310, 360*
3. Covered injuries  
*Ref: RL 42-1-160; RL 42-9-60; RL 42-15-20, 40*
4. Occupational disease  
*Ref: RL 42-11-10*
5. Benefits provided  
*Ref: RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70*
6. South Carolina Workers' Compensation Uninsured Employers' Fund  
*Ref: RL 42-7-200*

# PROPERTY AND CASUALTY GENERAL KNOWLEDGE CONTENT OUTLINE

## Product Knowledge, Terms, and Concepts

(100 scored plus 5 pretest questions)

**Note:** To the extent that the specific contracts, forms, and endorsements outline are available in standardized versions, outline references are to content developed by (1) Insurance Services Office; (2) National Council on Compensation Insurance; (3) Surety Association of America.

### I. PROPERTY: TYPES OF POLICIES ..... 22

#### A. Homeowners

1. HO-2
2. HO-3
3. HO-4
4. HO-5
5. HO-6
6. HO-8

#### B. Dwelling policies

1. DP-1
2. DP-2
3. DP-3

#### C. Commercial lines

1. Commercial Package Policy (CPP)
2. Commercial property
  - a. Commercial building and personal property form
  - b. Causes of loss forms
  - c. Business income
  - d. Extra expense
  - e. Equipment breakdown
3. Businessowners Policy (BOP)
4. Builders Risk
5. Cyber First-Party Coverage

#### D. Inland marine

1. Personal Articles floaters
2. Commercial Property floaters

#### E. National Flood Insurance Program

#### F. Others

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Farm Owners
5. Windstorm

### II. PROPERTY: INSURANCE TERMS AND RELATED CONCEPTS..... 15

#### A. Insurance

1. Law of Large Numbers

#### B. Insurable interest

#### C. Risk

1. Pure vs. Speculative Risk

#### D. Hazard

1. Moral
2. Morale
3. Physical

#### E. Peril

#### F. Loss

1. Direct
2. Indirect

#### G. Loss valuation

1. Actual cash value

2. Replacement cost
3. Market value
4. State/agreed value
5. Salvage value

#### H. Proximate cause

#### I. Deductible

#### J. Indemnity

#### K. Limits of liability

#### L. Coinsurance/Insurance to value

#### M. Occurrence

#### N. Cancellation

#### O. Nonrenewal

#### P. Vacancy and unoccupancy

#### Q. Liability

1. Absolute
2. Strict
3. Vicarious

#### R. Negligence

#### S. Binder

#### T. Endorsements

#### U. Blanket vs. Specific

### III. PROPERTY: POLICY PROVISIONS AND CONTRACT LAW..... 13

#### A. Declarations

#### B. Insuring agreement

#### C. Conditions

#### D. Exclusions

#### E. Definition of the insured

#### F. Duties of the insured

#### G. Obligations of the insurance company

#### H. Mortgagee rights

#### I. Proof of loss

#### J. Notice of claim

#### K. Appraisal

#### L. Other Insurance Provision

#### M. Subrogation

#### N. Elements of a contract

#### O. Warranties, representations, and concealment

#### P. Sources of underwriting information

#### Q. Fair Credit Reporting Act

#### R. Privacy Protection (Gramm Leach Bliley)

#### S. Policy Application

#### T. Terrorism Risk Insurance Act (TRIA)

#### U. Territory

### IV. CASUALTY: TYPES OF POLICIES, BONDS, AND RELATED TERMS..... 23

#### A. Commercial general liability

1. Exposures
  - a. Premises and Operations
  - b. Products and Completed Operations
2. Coverage
  - a. Coverage A: Bodily Injury and Property Damage Liability (Occurrence, Claims made including Retroactive Date)
  - b. Coverage B: Personal Injury and Advertising Injury
  - c. Coverage C: Medical Payments
  - d. Supplemental Payments
  - e. Who is an insured
  - f. First named insured
  - g. Limits (Per occurrence, Annual Aggregate)
  - h. Damage to Property of Others Conditions

**B. Automotive: personal auto and business auto**

1. Liability
  - a. Bodily Injury
  - b. Property Damage
  - c. Split Limits
  - d. Combined Single Limit
2. Medical Payments
3. Physical damage (collision; other than collision; specified perils)
4. Uninsured motorists
5. Underinsured motorists
6. Who is an insured
7. Types of Auto
  - a. Owned
  - b. Non-owned
  - c. Hired
  - d. Temporary Substitute
  - e. Newly Acquired Autos
  - f. Transportation Expense and Rental Reimbursement Expense
8. Auto Dealers Coverage Form, including Garagekeepers Insurance
9. Exclusions
10. Individual Insured and Drive Other Car (DOC)
11. Mobile equipment

**C. Workers Compensation insurance, Employers Liability insurance, and Related Issues**

(This section does not deal with specifics of state law, which are addressed elsewhere in this outline.).

1. Standard policy concepts
  - a. Who is and employee/employer
  - b. Compensation
2. Work-related vs. non-work-related
3. Other states' insurance
4. Employers Liability
5. Exclusive Remedy
6. Premium Determination

**D. Crime**

1. Employee Dishonesty
2. Theft
3. Robbery
4. Burglary
5. Forgery and Alteration
6. Mysterious disappearance

**E. Bonds**

1. Surety
2. Fidelity

**F. Professional liability**

1. Errors and Omissions
2. Medical Malpractice
3. Directors and Officers (D&O)
4. Employment Practices Liability (EPLI)
5. Cyber liability and data breach, funds transfer
6. Liquor liability

**G. Umbrella/Excess liability**

**H. Business Owners Policy (BOP)**

**V. CASUALTY: INSURANCE TERMS AND RELATED CONCEPTS..... 15**

**A. Risk**

**B. Hazards**

1. Moral

2. Morale

3. Physical

**C. Indemnity**

**D. Insurable interest**

**E. Loss Valuation**

1. Actual cash value
2. Replacement cost
3. Market value
4. Stated/agreed value
5. Salvage value

**F. Negligence**

**G. Liability**

**H. Occurrence**

**I. Binders**

**J. Warranties**

**K. Representations**

**L. Concealment**

**M. Deposit Premium/Audit**

**N. Certificate of Insurance**

**O. Law of Large Numbers**

**P. Pure vs. Speculative Risk**

**Q. Endorsements**

**R. Damages**

1. Compensatory
  - a. General
  - b. Special
2. Punitive

**S. Compliance with provisions of Fair Credit Reporting Act**

**VI. CASUALTY: POLICY PROVISIONS..... 12**

**A. Declarations**

**B. Insuring agreement**

**C. Conditions**

**D. Exclusions and Limitations**

**E. Definition of the insured**

**F. Duties of the insured after a loss**

**G. Cancellation and nonrenewal provisions**

**H. Supplementary-payments**

**I. Proof of loss**

**J. Notice of claim**

**K. Other insurance**

**L. Subrogation**

**M. Loss settlement provisions including consent to settle a loss**

**N. Terrorism Risk Insurance Act (TRIA)**

**PROPERTY AND CASUALTY  
SOUTH CAROLINA-SPECIFIC  
CONTENT OUTLINE**

(30 scored plus 5 pretest questions)

**I. SOUTH CAROLINA LAWS AND REGULATIONS  
PERTINENT TO ALL LINES.....18**

**A. Insurance Department and Director**

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250*
3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
4. Penalties and fines

*Ref: 38-2-10-30, 38-43-130*

5. Cease and desist orders

*Ref: 38-59-20, 38-59-270*

**B. General insurance definitions**

1. Domestic, foreign and alien insurers

*Ref: 38-1-20*

2. Admitted/Nonadmitted insurer

*Ref: 38-1-20; 38-5-80*

3. Sell, solicit, negotiate

*Ref: 38-1-20*

**C. Licensing**

1. Producer

*Ref: 38-43-10, 20, 30, 60*

2. License fees and application

*Ref: 38-43-80, 100, 101*

3. License probation, revocation, suspension, or denial of reissuance

*Ref: 38-43-130, 230*

4. Temporary License

*Ref: 38-43-102*

5. Nonresident License

*Ref: 38-43-70*

6. Agent appointment/termination of contract

*Ref: 38-43-40, 50, 55*

7. Continuing education

*Ref: 38-43-106; 69-50*

8. Change of Address/name change

*Ref: 38-43-107; 38-43-10(C)*

9. Reinstatement/license expiration

*Ref: 38-43-110(B)*

**D. Unfair and prohibited trade practices**

*Ref: 38-43-130*

1. Rebating

*Ref: 38-57-130*

2. Defamation

*Ref: 38-57-90*

3. Unfair Discrimination

*Ref: 38-55-50*

4. Misrepresentation

*Ref: 38-57-40*

5. False advertising

*Ref: 38-57-50*

6. Boycott, coercion, and intimidation

*Ref: 38-57-100*

7. Unfair claims settlement practices

*Ref: 38-59-20*

8. Fraud

*Ref: 38-43-245, 38-55-510-590*

9. False Financial Statements

*Ref: 38-57-80*

10. Prohibited inducements

*Ref: 38-57-130, 150,*

**E. Reporting and Disposition of Premiums**

1. Fiduciary capacity; misappropriation of funds

*Ref: 38-43-130, 240, 420*

2. Commissions and compensation/charges for extra services

*Ref: 38-43-200*

3. Reporting of Actions

*Ref: 38-43-247*

**F. Consumer information privacy regulation**

*Ref: Reg 69-58 Sec 1-16*

**II. SOUTH CAROLINA LAWS AND REGULATIONS**

**PERTINENT TO PROPERTY & CASUALTY.....12**

**A. Cancellation and nonrenewal of policies**

*Ref: 38-77-120-124, 390; RL 56-10-280, 38-75-730-750, 38-75-1180, 38-75-1160*

**B. Regulation of Rates**

*Ref: 38-73-10 through 40, 210-220, 260, 310-340, 410-49, 540-545*

**C. South Carolina Property and Casualty Insurance Guaranty Association Act**

*Ref: 38-31-10-110*

**D. South Carolina Valued Policy Law**

*Ref: 38-75-20, 30*

**E. South Carolina Wind and Hail Underwriting Association (SCWHUA)**

*Ref: 38-75-310-460*

**F. Auto**

1. Uninsured/Underinsured motorists coverage

*Ref: 38-77-140, 150-170, 180-230, 260*

2. South Carolina Motor Vehicle Financial Responsibility Act

*Ref: RL Title 56, Chapter 9; 38-77-140*

3. South Carolina Assigned Risk Pool

*Ref: 38-77-810, 830, 850*

4. Deductibles

*Ref: 38-77-280*

**G. South Carolina Workers' Compensation Law**

*Ref: RL Title 42*

1. Exclusive remedy

*Ref: RL 42-1-540*

2. Employment covered (required, voluntary)

*Ref: RL 42-1-130-150, 310, 360*

3. Covered injuries

*Ref: RL 42-1-160; RL 42-9-60; RL 42-15-20, 40*

4. Occupational disease

*Ref: RL 42-11-10*

5. Benefits provided

*Ref: RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70*

6. South Carolina Workers' Compensation Uninsured Employers' Fund

*Ref: RL 42-7-200*

# PERSONAL LINES GENERAL KNOWLEDGE CONTENT OUTLINE

## Product Knowledge, Terms, and Concepts

(75 scored plus 5 pretest questions)

### I. TYPES OF PROPERTY POLICIES .....10

#### A. Homeowners

1. HO-2
2. HO-3
3. HO-4
4. HO-5
5. HO-6
6. HO-8

#### B. Dwelling Policies

1. DP-1
2. DP-2
3. DP-3

#### C. Inland marine

1. Personal Articles floaters

#### D. National Flood Insurance Program

#### E. Others

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Windstorm

### II. TYPES OF CASUALTY POLICIES .....13

#### A. Automobile: personal auto

1. Liability
  - a. Bodily Injury
  - b. Property Damage
  - c. Split Limits
  - d. Combined Single Limit
2. Medical Payments
3. Physical damage (collision; other than collision; specified perils)
4. Uninsured motorists
5. Underinsured motorists
6. Who is an insured
7. Types of Auto
  - a. Owned
  - b. Non-owned
  - c. Hired
  - d. Temporary Substitute
  - e. Newly Acquired Autos
  - f. Transportation Expense and Rental Reimbursement Expense
8. Exclusions

#### B. Umbrella/Excess Liability

### III. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS .....28

#### A. Insurance

1. Law of Large Numbers

#### B. Insurable interest

#### C. Risk

1. Pure vs. Speculative Risk

#### D. Hazard

#### E. Peril

#### F. Loss

1. Direct
2. Indirect

#### G. Loss Valuation

1. Actual cash value
2. Replacement cost
3. Market value
4. Stated value
5. Salvage value

#### H. Proximate cause

#### I. Deductible

#### J. Indemnity

#### K. Limits of liability

#### L. Coinsurance/Insurance to value

#### M. Occurrence

#### N. Cancellation

#### O. Nonrenewal

#### P. Vacancy and unoccupancy

#### Q. Liability

1. Absolute
2. Strict
3. Vicarious

#### R. Negligence

#### S. Binder

#### T. Endorsements

#### U. Blanket vs. Specific

#### V. Burglary, Robbery, Theft, and Mysterious Disappearance

#### W. Warranties

#### X. Representations

#### Y. Concealment

#### Z. Deposit/Premium Audit

#### AA. Certificate of insurance

#### BB. Damages

1. Compensatory
  - a. General
  - b. Special
2. Punitive

#### CC. Compliance with Provisions of Fair Credit Reporting Act

### IV. PROPERTY AND CASUALTY POLICY PROVISIONS AND CONTRACT LAW .....24

#### A. Declarations

#### B. Insuring agreement

#### C. Conditions

#### D. Exclusions

#### E. Definition of the insured

#### F. Duties of the insured after a loss

#### G. Obligations of the insurance company

#### H. Mortgagee rights

#### I. Proof of loss

#### J. Notice of claim

#### K. Appraisal

#### L. Other Insurance Provision

#### M. Subrogation

#### N. Elements of a contract

#### O. Sources of underwriting information

#### P. Fair Credit Reporting Act

#### Q. Privacy Protection (Gramm Leach Bliley)

#### R. Policy Application

#### S. Terrorism Risk Insurance Act (TRIA)

#### T. Cancellation and Nonrenewal provisions

#### U. Supplementary-payments

- V. Loss settlement provisions including consent to settle a loss
- W. Territory

## PERSONAL LINES SOUTH CAROLINA-SPECIFIC CONTENT OUTLINE

(20 scored plus 5 pretest questions)

### I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....15

#### A. Insurance Department and Director

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250*
3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
4. Penalties and fines  
*Ref: 38-2-10-30, 38-43-130*
5. Cease and desist orders  
*Ref: 38-59-20, 38-59-270*

#### B. General insurance definitions

1. Domestic, foreign and alien insurers  
*Ref: 38-1-20*
2. Admitted/Nonadmitted insurer  
*Ref: 38-1-20; 38-5-80*
3. Sell, solicit, negotiate  
*Ref: 38-1-20*

#### C. Licensing

1. Producer  
*Ref: 38-43-10, 20, 30, 60*
2. License fees and application  
*Ref: 38-43-80, 100, 101*
3. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
4. Temporary License  
*Ref: 38-43-102*
5. Nonresident License  
*Ref: 38-43-70*
6. Agent appointment/termination of contract  
*Ref: 38-43-40, 50, 55*
7. Continuing education  
*Ref: 38-43-106; 69-50*
8. Change of Address/name change  
*Ref: 38-43-107; 38-43-10(C)*
9. Reinstatement/license expiration  
*Ref: 38-43-110(B)*

#### D. Unfair and prohibited trade practices

- Ref: 38-43-130*
1. Rebating  
*Ref: 38-57-130*
2. Defamation  
*Ref: 38-57-90*
3. Unfair Discrimination  
*Ref: 38-55-50*
4. Misrepresentation  
*Ref: 38-57-40*
5. False advertising  
*Ref: 38-57-50*

6. Boycott, coercion, and intimidation  
*Ref: 38-57-100*
7. Unfair claims settlement practices  
*Ref: 38-59-20*
8. Fraud  
*Ref: 38-43-245, 38-55-510-590*
9. False Financial Statements  
*Ref: 38-57-80*
10. Prohibited inducements  
*Ref: 38-57-130, 150,*

### E. Reporting and Disposition of Premiums

1. Fiduciary capacity; misappropriation of funds  
*Ref: 38-43-130, 240, 420*
2. Commissions and compensation/charges for extra services  
*Ref: 38-43-200*
3. Reporting of Actions  
*Ref: 38-43-247*

### F. Consumer information privacy regulation

*Ref: Reg 69-58 Sec 1-16*

### II. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO PERSONAL LINES INSURANCE 5

#### A. Cancellation and nonrenewal of policies

*Ref: 38-77-120-124, 390; RL 56-10-280, 38-75-730, 740, 750*

#### B. Regulation of Rates

*Ref: 38-73-10 through 40, 210-220, 260, 310-340, 410-49, 540-545*

#### C. South Carolina Property and Casualty Insurance Guaranty Association

*Ref: 38-31-10-110*

#### D. South Carolina Valued Policy Law

*Ref: 38-75-20, 30*

#### E. South Carolina Wind and Hail Underwriting Association (SCWHUA)

*Ref: 38-75-310-460*

#### F. Auto

1. Uninsured/Underinsured motorists coverage  
*Ref: 38-77-140, 150-170, 180-230, 260*
2. South Carolina Motor Vehicle Financial Responsibility Act  
*Ref: RL Title 56, Chapter 9; 38-77-140*
3. South Carolina Assigned Risk Pool  
*Ref: 38-77-810, 830, 850*
4. Deductibles  
*Ref: 38-77-280*

## SOUTH CAROLINA TITLE INSURANCE PRODUCER CONTENT OUTLINE

(60 scored questions)

### I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....9

#### A. Insurance Department and Director

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250*
3. Investigations/Notice of hearing



*Ref: 38-3-170; 38-57-200*

4. Penalties and fines

*Ref: 38-2-10-30, 38-43-13*

5. Cease and desist orders

*Ref: 38-59-20, 38-59-270*

**B. Licensing**

1. Producer

*Ref: 38-43-10, 20, 30, 60*

2. License fees and application

*Ref: 38-43-80, 100, 101*

3. Temporary License

*Ref: 38-43-102*

4. Nonresident License

*Ref: 38-43-70*

5. Appointment/termination of appointment

*Ref: 38-43-40, 50, 55*

6. Change of Address/name change

*Ref: 38-43-107; 38-43-10(C)*

7. Renewal, Reinstatement, and license expiration

*Ref: 38-43-110(B); 38-43-110; Reg. 69-33*

**C. Unfair and prohibited trade practices**

*Ref: 38-43-130; Reg 69-18*

1. Rebating

*Ref: 38-57-130*

2. Defamation

*Ref: 38-57-90*

3. Unfair Discrimination

*Ref: 38-55-50; 38-57-120*

4. Misrepresentation

*Ref: 38-57-40*

5. False advertising

*Ref: 38-57-50*

6. Boycott, coercion, and intimidation

*Ref: 38-57-100*

7. Unfair claims settlement practices

*Ref: 38-59-20*

8. Insurance fraud act

*Ref: 38-43-245; 38-55-510-590*

9. False Financial Statements

*Ref: 38-57-80*

10. Prohibited inducements

*Ref: 38-57-130, 150*

11. Representing an unauthorized insurer

*Ref: 38-43-160-180*

**D. Reporting and Disposition of Premiums**

1. Fiduciary capacity; misappropriation of funds

*Ref: 38-43-130, 240, 420*

2. Commissions and compensation/charges for extra services

*Ref: 38-43-200; 38-75-1000*

3. Reporting of Actions

*Ref: 38-43-247*

4. Financial Interest

*Ref: 38-75-960*

**E. Consumer information privacy regulation**

*Ref: Reg 69-58 Sec 1-16*

**II. REAL PROPERTY.....20**

**A. Concepts, principles, and practices**

1. Definition of real property

2. Types of real property

3. Title to real property

4. Marketable title

**B. Acquisition and transfer of real property**

1. Conveyances (deeds and warrants)

2. Encumbrances

*Ref: 29-1-10*

3. Adverse possession

4. Condemnation

5. Accession

6. Escheats

7. Involuntary alienation

8. Abandonment

9. Judicial sales

10. Decedents estates (intestate, testate)

11. Trusts

12. Joint ownership (tenants in common, joint tenancy)

13. Legal capacity of parties

a. Individuals

b. Corporations

c. Partnerships (general, limited)

d. Fictitious names

e. Trust agreements

f. Limited Liability Company (LLC)

g. Power of attorney

**C. Legal descriptions**

1. Types of legal descriptions

2. Types of measurements used

3. Language of legal descriptions

4. Structure and format

5. Interpretations

**D. Requirements to record**

**III. TITLE AND GENERAL INSURANCE PRINCIPLES.....13**

**A. Risks covered by title insurance**

1. Risk of error in public records

2. Hidden off-record title risks

3. Risk of omission and commission by producer

**B. Entities that can be insured; need for insurance**

1. Individual

2. Commercial

**C. Interests that can be insured**

1. Fee simple estate

2. Leasehold estate

3. Life estate

4. Easements

**D. Title insurance forms**

1. Commitments

2. Owner's policy

3. Loan policy

**E. Title insurance policy structure and provisions**

1. Covered risks

2. Schedule A

3. Schedule B - Exceptions from coverage

4. Exclusions from coverage

5. Conditions

6. Endorsements

**F. General Insurance Concepts**

1. Insurable Interest

2. Producer express, implied, and apparent powers

3. Elements of a legal contract

4. Indemnity

5. Representation/misrepresentations

6. Warranties

7. Concealment

8. Waiver and Estoppel

#### IV. Title Exceptions and Procedures for Clearing Title.....18

##### A. Principles and concepts

1. General exceptions
2. Voluntary and involuntary liens
3. Federal liens
4. Mortgage
5. Judgments
6. Taxes and assessments
7. Surveys
8. Condominiums
9. Water rights
10. Mineral rights
11. Equitable interests
12. Executions
13. Covenants
14. Conditions
15. Restrictions

##### B. Unauthorized practice of law

##### C. Special problem areas and concerns

1. Acknowledgments
2. Mechanic's lien
3. Bankruptcy
4. Probate
5. Good faith
6. Foreclosure
7. Claims against the title
8. Lis pendens
9. Insuring manufactured homes as real property

##### D. Principles of clearing title

1. Releases
2. Assignments
3. Subordinations
4. Affidavits

### SOUTH CAROLINA VARIABLE CONTRACTS PRODUCER CONTENT OUTLINE (85 scored questions)

#### I. SOUTH CAROLINA LAWS AND REGULATIONS PERTINENT TO ALL LINES.....27

##### A. Insurance Department and Commissioner

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250*
3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
4. Penalties and fines  
*Ref: 38-2-10-30, 38-43-130*
5. Cease and desist orders  
*Ref: 38-59-20, 270*

##### B. General insurance definitions

1. Domestic, foreign and alien insurers  
*Ref: 38-1-20*
2. Admitted/Nonadmitted insurer  
*Ref: 38-1-20; 38-5-80*
3. Sell, solicit, negotiate  
*Ref: 38-1-20, 38-43-10*

##### C. Licensing

1. Producer  
*Ref: 38-43-10, 20, 30, 60*

##### 2. License fees and application

*Ref: 38-43-80, 100, 101*

##### 3. License probation, revocation, suspension, or denial of reissuance

*Ref: 38-43-130, 230*

##### 4. Temporary License

*Ref: 38-43-102*

##### 5. Nonresident License

*Ref: 38-43-70*

##### 6. Agent appointment/termination of contract

*Ref: 38-43-40, 50, 55*

##### 7. Change of Address/name change

*Ref: 38-43-10(C), 107*

##### 8. Reinstatement/license expiration

*Ref: 38-43-110(B)*

##### D. Unfair and prohibited trade practices

##### 1. Rebating

*Ref: 38-57-130*

##### 2. Defamation

*Ref: 38-57-90*

##### 3. Unfair Discrimination

*Ref: 38-55-50; 38-57-120*

##### 4. Misrepresentation

*Ref: 38-57-40*

##### 5. False advertising

*Ref: 38-57-40, 50*

##### 6. Boycott, coercion, and intimidation

*Ref: 38-57-100, 110*

##### 7. Unfair claims settlement practices

*Ref: 38-59-10, 20*

##### 8. Fraud

*Ref: 38-43-245; 33-55-510-590*

##### 9. False Financial Statements

*Ref: 38-57-80*

##### 10. Prohibited inducements

*Ref: 38-57-130, 150*

##### E. Reporting and Disposition of Premiums

##### 1. Fiduciary capacity; misappropriation of funds

*Ref: 38-43-130, 240, 420*

##### 2. Commissions and compensation/charges for extra services

*Ref: 38-43-200*

##### 3. Reporting of Actions

*Ref: 38-43-247*

##### F. Consumer information privacy regulation

*Ref: Reg 69-58 Sec 1-16*

##### G. Regulation of Variable Products

1. Securities Act Of 1933
2. Securities and Exchange Act Of 1934
3. Investment Company Act Of 1940
4. State regulation of variable products

#### II. NATURE OF VARIABLE LIFE PRODUCTS.....21

##### A. Variable Life versus Variable Universal Life

##### B. Premiums (fixed versus flexible)

##### C. Face value versus death benefit

##### D. Cash Values

##### E. Separate accounts

##### F. Charges and Fees

##### G. Loans

#### III. ANNUITIES.....37

##### A. Principles and concepts

1. Accumulation versus annuity period
2. Owner, annuitant and beneficiary
3. Insurance aspects of annuities
- B. Immediate versus deferred annuities**
  1. Single premium immediate annuities (SPIAs)
  2. Deferred annuities
    - a. Premium payment options
    - b. Nonforfeiture
    - c. Surrender charges
    - d. Death benefits
- C. Annuity (benefit) payment options**
  1. Pure/Straight life versus life with guaranteed minimum
  2. Single life versus multiple life
  3. Annuities certain (types)
- D. Variable annuities**
  1. Separate accounts
  2. Free look
  3. Contract charges
    - a. Sales charges (including deferred)
    - b. Annual contract fee
    - c. Mortality and expense charge
    - d. Investment management charge
    - e. State premium tax
  4. Accumulation/Annuity units
  5. Assumed interest rate (AIR)
  7. Riders (living benefits and death benefits)
- E. Annuity products**
  1. Fixed annuities
    - a. General account assets
    - b. Interest rate guarantees (minimum versus current)
    - c. Level benefit payment amount
  2. Equity indexed annuities
  3. Market value adjusted annuities
- F. Uses of annuities**
  1. Lump-sum settlements
  2. Qualified retirement plans
  3. Group versus individual annuities
  4. Tax-deferred growth
  5. Retirement income
  6. Education funds
- G. Federal Tax Considerations for Annuities**
  1. Non-qualified annuity taxation (individually/corporate owned)
    - a. Accumulation phase (taxation on withdrawals)
    - b. Distributions at death
  2. Traditional individual retirement plan taxation (IRAs)
    - a. Contributions and deductible amounts
    - b. Premature distributions
    - c. Annuity phase benefit payments
    - d. Values included in the annuitant's estate
    - e. Amounts received by beneficiary
    - f. Required minimum distributions
  - 3. Roth IRAs**
    - a. Contributions and limits
    - b. Distributions
  4. Rollovers and transfers (IRAs and qualified plans)

## SOUTH CAROLINA CROP PRODUCER CONTENT OUTLINE

(50 scored questions)

- I. GENERAL INSURANCE TERMS AND CONCEPTS .....9**
  - A. Hazard**
  - B. Indemnity**
  - C. Insuring Agreement**
  - D. Limits of Liability**
  - E. Loss (Direct vs Indirect)**
  - F. Negligence**
  - G. Occurrence**
  - H. Peril**
  - I. Pro-rata liability**
  - J. Risk**
  - K. Crop Hail organizations**
  - L. Federal Crop Act of 1980**
- II. CROP INSURANCE.....12**
  - A. Eligibility**
    1. Insureds
    2. Insurable crops
  - B. Application**
    1. Binder
    2. Declarations section
    3. Required signatures and information
  - C. Terms and limits of coverage**
    1. Effective date
    2. Inception of coverage
    3. Expiration
    4. Cancellation
    5. Minimum loss
    6. Insurable value
    7. Deductibles
    8. Reduction of insurance
  - D. Perils insured against**
  - E. Claim Settlement Practices**
    1. Notice of loss
    3. Insured's duties after loss
    4. Appraisal
    5. Arbitration
  - F. Other provisions**
    1. Replanting clause
    2. Acreage variation
    3. Transit coverage
    4. Fire department service charge
    5. Pro rata liability clause
    6. Fire and lightning coverage
    7. Windrowed crops
    8. Assignment
    9. Subrogation
  - G. Mandatory endorsements**
    1. NCIS - 444 Truck and Vine Crops
    2. NCIS - 578 Tree Fruits
    3. NCIS - 678 Field Diagram
- III. FEDERAL MULTIPLE PERIL CROP INSURANCE .....17**
  - A. Basic Crop Insurance**
    1. Insureds
    2. Insurable crops
    3. Actuarial document books
    4. Yield guarantee

- a. Actual Production History (APH)
- b. Assigned yield
- c. Transitional yield
- 5. Coverage level
- 6. Covered causes of loss
- 7. Application
- 8. Basic unit
- 9. Administrative fee
- 10. Production records
- 11. Acreage reporting
- 12. Disqualification of producer
- 13. Life of policy (continuous, cancellation, termination)

**B. Multiple peril policy options**

- 1. Levels of coverage
- 2. Price election
- 3. Optional units
- 4. High-risk land exclusion
- 5. Hail and fire exclusion
- 6. Replant payments
- 7. Late planting coverage
- 8. Prevented planting coverage
- 9. Transfer of coverage
- 10. Assignment of indemnity
- 11. Subrogation

**C. Plans of Insurance**

- 1. Catastrophic Risk Protection Coverage (CAT)
- 2. Area Risk Protection Insurance (ARPI)
- 3. Livestock Risk Protection (LRP)
- 4. Rainfall Index (RI)
- 5. Revenue Protection (RP)
- 6. Pasture Rangeland Forage (PRF)
- 7. Yield Protection (YP)

**D. Other provisions**

**E. Duties after loss (insured, insurer)**

**IV. SOUTH CAROLINA LAWS, RULES, AND REGULATIONS PERTINENT TO CROP INSURANCE.....12**

**A. Insurance Department and Director**

- 1. Broad powers and duties  
*Ref: 38-3-60, 110*
- 2. Examination of records  
*Ref: 38-13-10-30; 38-43-250*
- 3. Investigations/ Notice of Hearings  
*Ref: 38-3-170; 38-57-200*
- 4. Penalties and fines  
*Ref: 38-2-10-30, 38-43-130*
- 5. Cease and desist  
*Ref: 38-59-20, 270*

**B. Licensing Requirements**

- 1. Producer  
*Ref: 38-43-10, 20, 30, 60*
- 2. License fees and application  
*Ref: 38-43-80, 100, 101*
- 3. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
- 4. Temporary License  
*Ref: 38-43-102*
- 5. Nonresident License  
*Ref: 38-43-70*
- 6. Agent appointment/termination of contract  
*Ref: 38-43-40, 50, 55*
- 7. Change of Address/name change  
*Ref: 38-43-10(C), 107*
- 8. Reinstatement/license expiration

*Ref: 38-43-110(B)*

**C. Unfair and Deceptive Practices**

- 1. Rebating  
*Ref: 38-57-130*
- 2. Defamation  
*Ref: 38-57-90*
- 3. Unfair Discrimination  
*Ref: 38-55-50; 38-57-120*
- 4. Misrepresentation  
*Ref: 38-57-40*
- 5. False advertising  
*Ref: 38-57-40, 50*
- 6. Boycott, coercion, and intimidation  
*Ref: 38-57-100, 110*
- 7. Unfair claims settlement practices  
*Ref: 38-59-10, 20*
- 8. Fraud  
*Ref: 38-43-245; 33-55-510-590*
- 9. False Financial Statements  
*Ref: 38-57-80*
- 10. Prohibited inducements  
*Ref: 38-57-130, 150*

**D. Reporting and Disposition of Premiums**

- 1. Fiduciary capacity; misappropriation of funds  
*Ref: 38-43-130, 240, 420*
- 2. Commissions and compensation/charges for extra services  
*Ref: 38-43-200*
- 3. Reporting of Actions  
*Ref: 38-43-247*

**SOUTH CAROLINA PROPERTY, CASUALTY, SURETY, AND MARINE INSURANCE ADJUSTER CONTENT OUTLINE**

*(100 scored and 5 pretest questions)*

**I. SOUTH CAROLINA INSURANCE LAWS AND REGULATIONS PERTINENT TO ALL ADJUSTERS.....12**

**A. Director's general duties and powers**

*Ref: 38-3-60, 110*

**B. Licensing requirements**

- 1. Qualifications  
*Ref: 38-47-10*
- 2. Nonresident  
*Ref: 38-47-20*
- 3. Emergency adjuster permit  
*Ref: Reg 69-1*

**C. Maintenance and duration**

*Ref: 38-47-40*

- 1. Change of address  
*Ref: 38-47-15*

**D. Disciplinary actions**

- 1. Cease and desist orders  
*Ref: 38-59-20, 38-59-270*
- 2. Hearings  
*Ref: 38-3-170; 38-57-200*
- 3. Penalties  
*Ref: 38-2-10-30; 38-47-70*

**E. Claim settlement laws and regulations**

*Ref: 38-59-20*

**F. South Carolina law, regulations and required provisions**

1. South Carolina Property and Casualty Insurance Guaranty Association  
*Ref: 38-31-10-170*
2. Cancellation, nonrenewal and renewal  
*Ref: 38-75-710-790*
3. Insurance fraud act  
*Ref: 38-55-510-590*
4. Arbitration of property damage liability claims  
*Ref: 38-77-710-770*
5. Federal Terrorism Insurance Program  
*Ref: 15 USC 6701; PL 107-297, 109-144, 110-160*
6. South Carolina Wind and Hail Underwriting Association (SCWHUA)  
*Ref: 38-75-310-460*

**II. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS.....11**

- A. Insurable interest**
- B. Peril (named vs open)**
- C. Hazard (physical, moral, morale)**
- D. Deductible**
- E. Indemnity**
- F. Actual cash value**
- G. Replacement cost**
- H. Limits of liability (per occurrence/person, aggregate, split, combined single)**
- I. Coinsurance**
- J. Staff/Independent vs public adjuster**
- K. Other insurance (primary and excess, contribution by equal shares)**
- L. Liberalization**
- M. Vacancy and unoccupancy**
- N. Salvage**
- O. Abandonment**
- P. Liability (absolute, strict, vicarious)**
- Q. Negligence, and defenses against**
- R. Pro-rata liability clause**
- S. Waiver and Estoppel**
- T. Market/agreed value vs state amount**
- U. Territory**

**III. PROPERTY AND CASUALTY CONTRACT PROVISIONS.8**

- A. Declarations**
- B. Insuring agreement**
- C. Conditions**
- D. Exclusions**
- E. Definitions**
- F. Duties of the insured after a loss**
- G. Obligations of the insurance company**
- H. Mortgagee rights**
- I. Proof of loss**
- J. Notice of claim**
- K. Appraisal**
- L. Assignment**
- M. Subrogation**
- N. Elements of a legal contract**
- O. Additional (supplementary) payments**
- P. Loss settlement provisions including consent to settle a loss**
- Q. Endorsements**
- R. Loss payable clause**

**S. No benefit to bailee**

**T. Representations and warranties**

**IV. POLICY KNOWLEDGE PERTINENT TO ADJUSTERS..61**

**A. Dwelling**

1. Characteristics and purpose
2. Coverage Forms (Basic, Broad, Special)
3. Property Coverages (A-E)
4. Conditions and Exclusions
5. Selected Endorsements
  - a. Special Provisions – South Carolina
  - b. Automatic increase in insurance
  - c. Broad theft coverage
  - d. Dwelling under construction
6. Personal Liability supplement

**B. Homeowners**

1. Coverage forms (HO-2 through HO-6 & HO-8)
2. Section I – Property coverages
3. Section II – Liability coverages
4. Exclusions, Conditions, and Endorsements

**C. Commercial lines**

1. Commercial Package Policy (CPP)
2. Commercial property
  - a. Building and personal property form
  - b. Condominium forms (association/unit-owners)
  - c. Causes of loss forms
  - d. Builders risk
  - e. Business income
  - f. Legal liability
  - g. Extra expense
  - h. Condominium
  - i. Conditions and exclusions
  - j. Legal Liability
  - k. Selected Endorsements (ordinance or law, spoilage, peak season limit of insurance, value reporting form)
3. Commercial general liability (CGL)
  - a. Bodily injury and property damage liability
  - b. Personal and Advertising injury
  - c. Medical payments
  - d. Premises and Operations
  - e. Products Completed Operations
  - f. Occurrence vs claims-made
  - g. Definitions, Conditions, Exclusions
4. Equipment Breakdown
5. Businessowners Policy (BOP)
  - a. Sections I, II and III.
  - b. Hired auto and non-owned auto liability
  - c. Protective safeguards
  - d. Utility services (direct damage/time element)

**D. Commercial Inland marine**

1. Nationwide definition
2. Commercial Inland marine conditions form
3. Coverage forms
  - a. Accounts Receivable
  - b. Bailee's customer
  - c. Commercial articles
  - d. Contractors equipment floater
  - e. Electronic data processing
  - f. Equipment dealers
  - g. Installation floater
  - h. Jewelers block

- i. Signs
  - j. Valuable papers and records
- 4. Transportation coverages
  - a. Common carrier cargo liability
  - b. Motor truck cargo forms
  - c. Transit coverage forms
- E. Ocean Marine Insurance**
  - 1. Hull
  - 2. Cargo
  - 3. Protection and Indemnity
- F. Other coverages and options**
  - 1. Umbrella/Excess liability (personal/commercial)
  - 2. Specialty liability insurance
    - a. Errors and Omissions
    - b. Professional
    - c. Directors and officers
    - d. Fiduciary
    - e. Liquor
    - f. Employment practices
  - 3. Surplus Lines (definition and requirements)
  - 4. Aviation (aircraft hull and liability)
  - 5. National Flood Insurance Program
  - 6. Boatowners
  - 7. Differences in conditions (DIC)
- G. Auto: Personal and Commercial**
  - 1. Liability coverage
  - 2. Medical Payments
  - 3. Physical damage (collision, other than collision, comprehensive)
  - 4. Uninsured/Underinsured motorists  
*Ref: 38-77-150-170, 180-230, 260*
  - 5. Commercial auto coverage forms (Business auto, Garage, Business auto physical damage, Truckers, Motor Carrier)
  - 6. Covered autos/insureds
  - 7. Garagekeepers coverage
  - 8. South Carolina Motor Vehicle Financial Responsibility Act  
*Ref: RL Title 56, Chapter 9*
  - 9. Required limits of liability  
*Ref: 38-77-140*
  - 10. Selected Endorsements
    - a. Amendment of policy provisions — South Carolina
    - b. Towing and labor costs
    - c. Extended non-owned coverage
    - d. Miscellaneous type vehicle
    - e. Joint ownership coverage
    - f. Lessor — additional insured and loss payee
    - g. Mobile equipment
    - h. Auto medical payments coverage
    - i. Hired autos specified as covered autos you own
    - j. Individual named insured
    - k. Drive other car coverage (DOC)
- H. Farm Coverage**
  - 1. Farm Property Forms (A-G)
  - 2. Farm Liability Forms (H-J)
  - 3. Livestock coverage form
  - 4. Mobile agriculture machinery and equipment coverage form
- I. Surety and Fidelity bonds**
  - 1. Parties to surety bonds
  - 2. Surety bond versus insurance
- 3. Surety bond types
  - a. contract
  - b. license and permit
  - c. public official
  - d. judicial
  - e. fiduciary
- 4. Nature of Fidelity bonds
- 5. Fidelity bond types
  - a. employee theft
  - b. financial institution
  - c. public employee
- J. Commercial Crime coverage**
  - 1. Burglary, theft, and robbery defined
  - 2. Commercial/Governmental crime coverage forms (discovery/loss sustained)
  - 3. Employee theft coverage
  - 2. Forgery or alteration coverage
  - 3. Inside the premises — theft of money and securities coverage
  - 4. Inside the premises — robbery or safe burglary of other property coverage
  - 5. Outside the premises
  - 6. Computer fraud
  - 7. Funds transfer fraud
  - 8. Money orders and counterfeit money
  - 9. Extortion – commercial entities
- K. Worker's Compensation**
  - 1. Monopolistic versus competitive
  - 2. Compulsory versus elective
  - 3. South Carolina Workers' Compensation Law  
*Ref: RL Title 42*
    - a. Exclusive remedy  
*Ref: RL 42-1-540*
    - b. Employment covered (required, voluntary)  
*Ref: RL 42-1-130-150, 310, 360*
    - c. Covered injuries  
*Ref: RL 42-1-160; RL 42-9-60; RL 42-15-20, 40*
    - d. Occupational disease  
*Ref: RL 42-11-10*
    - e. Benefits provided  
*Ref: RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70*
    - f. South Carolina Workers' Compensation Uninsured Employers' Fund  
*Ref: RL 42-7-200*
  - 4. Workers compensation and employers liability insurance policy
    - a. Part One - Workers compensation insurance
    - b. Part Two - Employers liability insurance
    - c. Part Three - Other states insurance
    - d. Part Four - Your duties if injury occurs
    - e. Part Five - Premium
    - f. Part Six - Conditions
    - g. Voluntary compensation endorsement
  - 5. Sources of coverage
    - a. Self-insured employers/funds  
*Ref: RL 42-5-20, 50*
    - b. Voluntary market
    - c. Captive companies
- V. ADJUSTER DUTIES AND RESPONSIBILITIES.....8**
  - A. Claim investigation**

1. Inception/Expiration Date
2. Occurrence Date
3. Identification of Parties Involved
4. Policy Form/Number
5. Description of Proof of Loss
6. Coverages and deductibles
7. Physical evidence and witness statements
8. Production of books and records

**B. Loss/Damage Valuation**

1. Direct Loss vs. Indirect Loss
2. Damages (Compensatory, punitive)
3. Value of intangible damages
4. Estimates
5. Depreciation
6. Reports

**C. Claim adjustment procedures**

1. Coverage dispute resolution
2. Payment release

**SOUTH CAROLINA COMMERCIAL LINES  
ADJUSTER  
CONTENT OUTLINE**

(75 scored questions)

**I. SOUTH CAROLINA INSURANCE LAWS AND  
REGULATIONS PERTINENT TO ALL ADJUSTERS....11**

**A. Director's general duties and powers**

*Ref: 38-3-60, 110*

**B. Licensing requirements**

1. Qualifications

*Ref: 38-47-10*

2. Nonresident

*Ref: 38-47-20*

3. Emergency adjuster permit

*Ref: Reg 69-1*

**C. Maintenance and duration**

*Ref: 38-47-40*

1. Change of address

*Ref: 38-47-15*

**D. Disciplinary actions**

1. Cease and desist orders

*Ref: 38-59-20, 38-59-270*

2. Hearings

*Ref: 38-3-170; 38-57-200*

3. Penalties

*Ref: 38-2-10-30; 38-47-70*

**E. Claim settlement laws and regulations**

*Ref: 38-59-20*

**F. South Carolina law, regulations and required provisions**

1. South Carolina Valued Policy Law

*Ref: 38-75-20,30*

2. South Carolina Property and Casualty Insurance Guaranty Association

*Ref: 38-31-10-170*

3. Cancellation, nonrenewal and renewal

*Ref: 38-75-710-790; 38-77-120-124, 390*

4. Insurance fraud act

*Ref: 38-55-510-590*

5. Arbitration of property damage liability claims

*Ref: 38-77-710-770*

6. Federal Terrorism Insurance Program

*Ref: 15 USC 6701; PL 107-297, 109-144, 110-160*

7. South Carolina Wind and Hail Underwriting Association (SCWHUA)

*Ref: 38-75-310-460*

**II. PROPERTY AND CASUALTY INSURANCE TERMS AND  
RELATED CONCEPTS.....10**

**A. Insurable interest**

**B. Peril (named vs open)**

**C. Hazard (physical, moral, morale)**

**D. Deductible**

**E. Indemnity**

**F. Actual cash value**

**G. Replacement cost (including functional)**

**H. Limits of liability (per occurrence/person, aggregate, split, combined single)**

**I. Coinsurance**

**J. Staff/Independent vs public adjuster**

**K. Other insurance (primary and excess, contribution by equal shares)**

**L. Liberalization**

**M. Vacancy and unoccupancy**

**N. Salvage**

**O. Abandonment**

**P. Liability (absolute, strict, vicarious)**

**Q. Negligence, and defenses against**

**R. Pro-rata liability clause**

**S. Waiver and Estoppel**

**T. Market/agreed value vs state amount**

**U. Territory**

**III. PROPERTY AND CASUALTY CONTRACT PROVISIONS..8**

**A. Declarations**

**B. Insuring agreement**

**C. Conditions**

**D. Exclusions**

**E. Definitions**

**F. Duties of the insured after a loss**

**G. Obligations of the insurance company**

**H. Mortgagee rights**

**I. Proof of loss**

**J. Notice of claim**

**K. Appraisal**

**L. Assignment**

**M. Subrogation**

**N. Elements of a legal contract**

**O. Additional (supplementary) coverage**

**P. Loss settlement provisions including consent to settle a loss**

**Q. Endorsements**

**R. Loss payable clause**

**S. No benefit to bailee**

**T. Representations and warranties**

**IV. POLICY KNOWLEDGE PERTINENT TO COMMERCIAL  
LINES ADJUSTERS.....42**

**A. Commercial lines**

1. Commercial Package Policy (CPP)

2. Commercial property

a. Building and personal property form

b. Condominium forms (association/unit-owners)

c. Causes of loss forms

- d. Builders risk
- e. Business income
- f. Legal liability
- g. Extra expense
- h. Conditions and exclusions
- i. Selected Endorsements (ordinance or law, spoilage, peak season limit of insurance, value reporting form)
- 3. Commercial general liability (CGL)
  - a. Bodily injury and property damage liability
  - b. Personal and Advertising injury
  - c. Medical payments
  - d. Premises and Operations
  - e. Products Completed Operations
  - f. Occurrence vs claims-made
  - g. Definitions, Conditions, Exclusions
- 4. Businessowners Policy (BOP)
  - a. Sections I, II and III.
  - b. Hired auto and non-owned auto liability
  - c. Protective safeguards
  - d. Utility services (direct damage/time element)

#### **B. Commercial Inland marine**

- 1. Nationwide definition
- 2. Commercial Inland marine conditions form
- 3. Inland Marine Coverage forms
  - a. Accounts Receivable
  - b. Bailee's customer
  - c. Commercial articles
  - d. Contractors equipment floater
  - e. Electronic data processing
  - f. Equipment dealers
  - g. Installation floater
  - h. Jewelers block
  - i. Signs
  - j. Valuable papers and records
- 4. Transportation coverages
  - a. Common carrier cargo liability
  - b. Motor truck cargo forms
  - c. Transit coverage forms

#### **C. Marine Insurance**

- 1. Hull
- 2. Cargo
- 3. Protection and Indemnity

#### **D. Other coverages and options**

- 1. Umbrella/Excess liability (commercial)
- 2. Specialty liability insurance
  - a. Errors and Omissions
  - b. Professional
  - c. Directors and officers
  - d. Fiduciary
  - e. Liquor
  - f. Employment practices
- 3. Surplus Lines (definition and requirements)
- 4. Aviation (aircraft hull and liability)
- 5. National Flood Insurance Program
- 6. Differences in conditions (DIC)

#### **E. Auto**

- 1. Commercial auto coverage forms (Business auto, Garage, Business auto physical damage, Truckers, Motor Carrier)
- 2. Covered autos
- 3. Garagekeepers coverage

- 4. Selected Endorsements
  - a. Lessor — additional insured and loss payee
  - b. Mobile equipment
  - c. Auto medical payments coverage
  - d. Hired autos specified as covered autos you own
  - e. Individual named insured
  - f. Endorsement for motor carrier policies of insurance for public liability (MCS-90)

#### **F. Farm Coverage**

- 1. Farm Property Forms (A-G)
- 2. Farm Liability Forms (H-J)
- 3. Livestock coverage form
- 4. Mobile agriculture machinery and equipment coverage form

#### **G. Surety and Fidelity bonds**

- 1. Parties to surety bonds
- 2. Surety bond versus insurance
- 3. Surety bond types
  - a. contract
  - b. license and permit
  - c. public official
  - d. judicial
  - e. fiduciary
- 4. Nature of Fidelity bonds
- 5. Fidelity bond types
  - a. employee theft
  - b. financial institution
  - c. public employee

#### **H. Commercial Crime**

- 1. Burglary, theft, and robbery defined
- 2. Commercial/Governmental crime coverage forms (discovery/loss sustained)
- 3. Employee theft coverage
- 2. Forgery or alteration coverage
- 3. Inside the premises — theft of money and securities coverage
- 4. Inside the premises — robbery or safe burglary of other property coverage
- 5. Outside the premises
- 6. Computer fraud
- 7. Funds transfer fraud
- 8. Money orders and counterfeit money
- 9. Extortion — commercial entities

#### **I. Workers' Compensation**

- 1. Monopolistic versus competitive
- 2. Compulsory versus elective
- 3. South Carolina Workers' Compensation Law
  - Ref: RL Title 42*
  - a. Exclusive remedy
    - Ref: RL 42-1-540*
  - b. Employment covered (required, voluntary)
    - Ref: RL 42-1-130-150, 310, 360*
  - c. Covered injuries
    - Ref: RL 42-1-160; RL 42-9-60; RL 42-15-20, 40*
  - d. Occupational disease
    - Ref: RL 42-11-10*
  - e. Benefits provided
    - Ref: RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70*
- 4. Workers compensation and employers liability insurance policy
  - a. Part One - Workers compensation insurance



- b. Part Two - Employers liability insurance
- c. Part Three - Other states insurance
- d. Part Four - Your duties if injury occurs
- e. Part Five - Premium
- f. Part Six - Conditions
- g. Voluntary compensation endorsement
- 5. Sources of coverage
  - a. South Carolina Workers' Compensation Uninsured Employers' Fund  
*Ref: RL 42-7-200*
  - b. Self-insured employers/funds  
*Ref: RL 42-5-20, 50*
  - c. Voluntary market
  - d. South Carolina residual workers compensation

## **V. ADJUSTER DUTIES AND RESPONSIBILITIES .....4**

### **A. Claim investigation**

- 1. Inception/Expiration Date
- 2. Occurrence Date
- 4. Identification of Parties Involved
- 4. Policy Form/Number
- 5. Description of Proof of Loss
- 6. Coverages and deductibles
- 7. Physical evidence and witness statements
- 8. Production of books and records

### **B. Loss/Damage Valuation**

- 1. Direct Loss vs. Indirect Loss
- 2. Damages (Compensatory, punitive)
- 3. Value of intangible damages
- 4. Estimates
- 5. Depreciation
- 6. Reports

### **C. Claim adjustment procedures**

- 1. Coverage dispute resolution
- 2. Payment release

## **SOUTH CAROLINA PERSONAL LINES ADJUSTER CONTENT OUTLINE (80 scored questions)**

## **I. SOUTH CAROLINA INSURANCE LAWS AND REGULATIONS PERTINENT TO ALL ADJUSTERS.....13**

### **A. Director's general duties and powers**

*Ref: 38-3-60, 110*

### **B. Licensing requirements**

- 1. Qualifications  
*Ref: 38-47-10*
- 2. Nonresident  
*Ref: 38-47-20*
- 3. Emergency adjuster permit  
*Ref: Reg 69-1*

### **C. Maintenance and duration**

*Ref: 38-47-40*

- 1. Change of address  
*Ref: 38-47-15*

### **D. Disciplinary actions**

- 1. Cease and desist orders  
*Ref: 38-59-20, 38-59-270*
- 2. Hearings  
*Ref: 38-3-170; 38-57-200*

### **3. Penalties**

*Ref: 38-2-10-30; 38-47-70*

## **E. Claim settlement laws and regulations**

*Ref: 38-59-20*

## **F. South Carolina law, regulations and required provisions**

- 1. South Carolina Property and Casualty Insurance Guaranty Association  
*Ref: 38-31-10-170*
- 2. Cancellation, nonrenewal and renewal  
*Ref: 38-75-710-790*
- 3. Insurance fraud act  
*Ref: 38-55-510-590*
- 4. Arbitration of property damage liability claims  
*Ref: 38-77-710-770*
- 5. Federal Terrorism Insurance Program  
*Ref: 15 USC 6701; PL 107-297, 109-144, 110-160*
- 6. South Carolina Wind and Hail Underwriting Association (SCWHUA)  
*Ref: 38-75-310-460*

## **II. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS.....11**

### **A. Insurable interest**

### **B. Peril (named vs open)**

### **C. Hazard (physical, moral, morale)**

### **D. Deductible**

### **E. Indemnity**

### **F. Actual cash value**

### **G. Replacement cost (including functional)**

### **H. Limits of liability (per occurrence/person, split, combined single)**

### **I. Coinsurance**

### **J. Staff/Independent vs public adjuster**

### **K. Other insurance (primary and excess, nonconcurrency)**

### **L. Liberalization**

### **M. Vacancy and unoccupancy**

### **N. Salvage**

### **O. Abandonment**

### **P. Liability (absolute, strict, vicarious)**

### **Q. Negligence, and defenses against**

### **R. Pro-rata liability clause**

### **S. Waiver and Estoppel**

### **T. Market/agreed value vs state amount**

### **U. Territory**

## **III. PROPERTY AND CASUALTY CONTRACT PROVISIONS.7**

### **A. Declarations**

### **B. Insuring agreement**

### **C. Conditions**

### **D. Exclusions**

### **E. Definitions**

### **F. Duties of the insured after a loss**

### **G. Obligations of the insurance company**

### **H. Mortgagee rights**

### **I. Proof of loss**

### **J. Notice of claim**

### **K. Appraisal**

### **L. Assignment**

### **M. Subrogation**

### **N. Elements of a legal contract**

### **O. Additional (supplementary) payments**

- P. Loss settlement provisions including consent to settle a loss
- Q. Endorsements
- R. Loss payable clause
- S. No benefit to bailee
- T. Representations and warranties

#### IV. POLICY KNOWLEDGE PERTINENT TO ADJUSTERS.....44

##### A. Dwelling

1. Characteristics and purpose
2. Coverage Forms (Basic, Broad, Special)
3. Property Coverages (A-E)
4. Conditions and Exclusions
5. Selected Endorsements
  - a. Special Provisions – South Carolina
  - b. Automatic increase in insurance
  - c. Broad theft coverage
  - d. Dwelling under construction
6. Personal Liability supplement

##### B. Homeowners

1. Coverage forms (HO-2 through HO-6 & HO-8)
2. Section I – Property coverages
3. Section II – Liability coverages
4. Exclusions, Conditions, and Endorsements

##### C. Other coverages and options

1. Umbrella/Excess liability (personal)
2. National Flood Insurance Program
3. Boatowners

##### D. Personal Auto

1. Liability coverage
2. Medical Payments
3. Physical damage (collision, other than collision, comprehensive)
4. Uninsured/Underinsured motorists  
*Ref: 38-77-150-170, 180-230, 260*
5. South Carolina Motor Vehicle Financial Responsibility Act  
*Ref: RL Title 56, Chapter 9*
6. Required limits of liability  
*Ref: 38-77-140*
7. Selected Endorsements
  - a. Amendment of policy provisions — South Carolina
  - b. Towing and labor costs
  - c. Extended non-owned coverage
  - d. Miscellaneous type vehicle
  - e. Joint ownership coverage

#### V. ADJUSTER DUTIES AND RESPONSIBILITIES.....5

##### A. Claim investigation

1. Inception/Expiration Date
2. Occurrence Date
5. Identification of Parties Involved
4. Policy Form/Number
5. Description of Proof of Loss
6. Coverages and deductibles
7. Physical evidence and witness statements
8. Production of books and records

##### B. Loss/Damage Valuation

1. Direct Loss vs. Indirect Loss
2. Damages (Compensatory, punitive)
3. Value of intangible damages
4. Estimates

5. Depreciation

6. Reports

##### C. Claim adjustment procedures

1. Coverage dispute resolution
2. Payment release

## SOUTH CAROLINA PUBLIC ADJUSTER CONTENT OUTLINE

(60 scored questions)

### I. SOUTH CAROLINA INSURANCE LAWS AND REGULATIONS PERTINENT TO PUBLIC ADJUSTERS ... 10

#### A. Director's general duties and powers

*Ref: 38-3-60, 110*

#### B. Licensing requirements

1. Qualifications

*Ref: 38-48-20*

2. Nonresident

*Ref: 38-47-20*

3. Process

*Ref: 38-48-30*

#### C. Maintenance and duration

*Ref: 38-48-60*

1. Change of address

*Ref: 38-47-15*

2. Contract requirements

*Ref: 38-48-80, 110*

3. Records

*Ref: 38-48-120*

#### D. Disciplinary actions

1. Cease and desist orders

*Ref: 38-59-20, 270*

2. Hearings

*Ref: 38-3-170; 38-57-200*

3. Penalties

*Ref: 38-2-10-30*

#### E. Claim settlement laws and regulations

*Ref: 38-48-70, 90*

#### F. South Carolina law, regulations and required provisions

1. South Carolina Property and Casualty Insurance Guaranty Association

*Ref: 38-31-10-170*

2. Cancellation, nonrenewal and renewal

*Ref: 38-75-710-790*

3. Insurance fraud act

*Ref: 38-55-510-590*

4. Arbitration of property damage liability claims

*Ref: 38-77-710-770*

5. Federal Terrorism Insurance Program

*Ref: 15 USC 6701; PL 107-297, 109-144, 110-160*

### II. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS.....7

#### A. Insurable interest

#### B. Peril (named vs open)

#### C. Hazard (physical, moral, morale)

#### D. Deductible

#### E. Indemnity

#### F. Actual cash value

#### G. Replacement cost (including functional)

- H. Coinsurance
  - I. Other insurance (primary and excess, nonconcurrency)
  - J. Vacancy and unoccupancy
  - K. Abandonment
  - L. Pro-rata liability clause
  - M. Waiver and Estoppel
  - N. Market/agreed value vs stated amount
  - O. Territory
- III. PROPERTY AND CASUALTY CONTRACT PROVISIONS.7**
- A. Declarations
  - B. Insuring agreement
  - C. Conditions
  - D. Exclusions
  - E. Definitions
  - F. Duties of the insured after a loss
  - G. Mortgagee rights
  - H. Proof of loss
  - I. Notice of claim
  - J. Appraisal
  - K. Assignment
  - L. Subrogation
  - M. Elements of a legal contract
  - N. Additional (supplementary) coverage
  - O. Endorsements
  - P. Loss payable clause
  - Q. Representations and warranties
- IV. POLICY KNOWLEDGE PERTINENT TO ADJUSTERS....30**
- A. Dwelling
    - 1. Characteristics and purpose
    - 2. Coverage Forms (Basic, Broad, Special)
    - 3. Property Coverages (A-E)
    - 4. Conditions and Exclusions
    - 5. Selected Endorsements
      - a. Special Provisions – South Carolina
      - b. Broad theft coverage
      - c. Dwelling under construction
  - B. Homeowners
    - 1. Coverage forms (HO-2 through HO-6 & HO-8)
    - 2. Section I – Property coverages.
    - 3. Exclusions, Conditions, and Endorsements
  - C. Commercial lines
    - 1. Commercial property
      - a. Building and personal property form
      - b. Condominium forms (association/unit-owners)
      - c. Causes of loss forms
      - d. Conditions and exclusions
    - 2. Equipment Breakdown
    - 3. Businessowners Policy (BOP)
      - a. Sections I and III
      - b. Protective safeguards
  - D. Commercial Inland marine
    - 1. Commercial Inland marine conditions form
    - 2. Coverage forms
      - a. Commercial articles
      - b. Contractors equipment floater
      - c. Equipment dealers
      - d. Installation floater
      - e. Jewelers block
      - f. Signs
      - g. Valuable papers and records
  - E. Ocean Marine Insurance

- 1. Hull
  - 2. Cargo
- F. Other coverages and options**
- 1. Aircraft hull
  - 2. National Flood Insurance Program
  - 3. Boatowners
- G. Farm Coverage**
- 1. Farm Property Forms (A-G)
  - 2. Livestock coverage form
  - 3. Mobile agriculture machinery and equipment coverage form
- V. ADJUSTER DUTIES AND RESPONSIBILITIES.....6**
- A. Claim investigation
    - 1. Inception/Expiration Date
    - 2. Occurrence Date
    - 6. Identification of Parties Involved
    - 4. Policy Form/Number
    - 5. Description of Proof of Loss
    - 6. Coverages and deductibles
    - 7. Physical evidence and witness statements
    - 8. Production of books and records
  - B. Loss/Damage Valuation
    - 1. Direct Loss vs. Indirect Loss
    - 2. Damages (Compensatory, punitive)
    - 3. Value of intangible damages
    - 4. Estimates
    - 5. Depreciation
    - 6. Reports
  - C. Claim adjustment procedures
    - 1. Coverage dispute resolution
    - 2. Payment release

## SOUTH CAROLINA CROP HAIL ADJUSTER CONTENT OUTLINE

*(50 scored questions)*

- I. SOUTH CAROLINA INSURANCE LAWS AND REGULATIONS PERTINENT TO ALL ADJUSTERS.....8**
- A. Director's general duties and powers  
*Ref: 38-3-60, 110*
  - B. Licensing requirements
    - 1. Qualifications  
*Ref: 38-47-10*
    - 2. Nonresident  
*Ref: 38-47-20*
    - 3. Emergency adjuster permit  
*Ref: Reg 69-1*
  - C. Maintenance and duration  
*Ref: 38-47-40*
    - 1. Change of address  
*Ref: 38-47-15*
  - D. Disciplinary actions
    - 1. Cease and desist orders  
*Ref: 38-59-20, 38-59-270*
    - 2. Hearings  
*Ref: 38-3-170; 38-57-200*
    - 3. Penalties  
*Ref: 38-2-10-30; 38-47-70*
    - 4. Suspension, revocation or cancellation  
*Ref: 38-47-70*

## **E. Claim settlement laws and regulations**

*Ref: 38-59-20*

## **II. CROP INSURANCE AND ADJUSTING PROCEDURES...42**

### **A. Eligibility**

1. Insureds
2. Insurable crops

### **B. Application**

1. Binder
2. Declarations section
3. Required signatures and information

### **C. Terms of coverage**

1. Effective date
2. Inception of coverage
3. Expiration
4. Cancellation
5. Minimum loss

### **D. Perils insured against**

### **E. Exclusions**

### **F. Limits of coverage**

1. Insurable value
2. Deductibles
3. Reduction of insurance

### **G. Other provisions**

1. Replanting clause
2. Acreage variation
3. Fire department service charge
4. Pro rata liability clause
5. Fire and lightning coverage
6. Subrogation

### **H. Plans of Insurance**

1. Actual Production History (APH)
2. Catastrophic Risk Protection Coverage (CAT)
3. Area Risk Protection Insurance (ARPI)
4. Livestock Risk Protection (LRP)
5. Rainfall Index (RI)
6. Revenue Protection (RP)
7. Pasture Rangeland Forage (PRF)
8. Yield Protection (YP)

### **I. Claim settlement practices**

1. Notice of loss
2. Insured's duties after loss
3. Appraisal
4. Arbitration

### **J. Mandatory endorsements**

1. NCIS - 444 Truck and Vine Crops
2. NCIS - 578 Tree Fruits
3. NCIS - 678 Field Diagram

### **K. LOSS ADJUSTING PROCEDURES**

#### **1. Settling the claim**

- a. Other insurance
- b. Field inspections and counts
- c. Closing the claim
- d. Deferments
- e. Unsettled claims (snags)
- f. Stages of growth

## **SOUTH CAROLINA WORKERS' COMPENSATION INSURANCE ADJUSTER CONTENT OUTLINE**

*(60 scored questions)*

## **I. SOUTH CAROLINA INSURANCE LAWS AND REGULATIONS PERTINENT TO ALL ADJUSTERS...8**

### **A. Director's general duties and powers**

*Ref: 38-3-60, 110*

## **B. Licensing requirements**

### **1. Qualifications**

*Ref: 38-47-10*

### **2. Nonresident**

*Ref: 38-47-20*

### **3. Emergency adjuster permit**

*Ref: Reg 69-1*

## **C. Maintenance and duration**

*Ref: 38-47-40*

### **1. Change of address**

*Ref: 38-47-15*

## **D. Disciplinary actions**

### **1. Cease and desist orders**

*Ref: 38-59-20, 38-59-270*

### **2. Hearings**

*Ref: 38-3-170; 38-57-200*

### **3. Penalties**

*Ref: 38-2-10-30; 38-47-70*

## **E. Claim settlement laws and regulations**

*Ref: 38-59-20*

## **F. South Carolina Property and Casualty Insurance Guaranty Association**

*Ref: 38-31-10-170*

## **G. Insurance fraud act**

*Ref: 38-55-510-590*

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### **B. Negligence, and defenses against**

### **C. Proof of loss**

### **D. Notice of claim**

### **E. Elements of a legal contract**

### **F. Representations and warranties**

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### **A. Worker's compensation laws**

1. Monopolistic versus competitive
2. Compulsory versus elective
3. South Carolina Workers' Compensation Law

*Ref: RL Title 42*

#### **a. Exclusive remedy**

*Ref: RL 42-1-540*

#### **b. Employment covered (required, voluntary)**

*Ref: RL 42-1-130-150, 310, 360*

#### **c. Covered injuries**

*Ref: RL 42-1-160; RL 42-9-60; RL 42-15-20, 40*

#### **d. Occupational disease**

*Ref: RL 42-11-10*

#### **e. Benefits provided**

*Ref: RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70*

#### **f. South Carolina Workers' Compensation Uninsured Employers' Fund**

*Ref: RL 42-7-200*

#### **4. Workers compensation and employers liability insurance policy**

- a. Part One - Workers compensation insurance
- b. Part Two - Employers liability insurance
- c. Part Three - Other states insurance
- d. Part Four - Your duties if injury occurs
- e. Part Five - Premium
- f. Part Six - Conditions
- g. Voluntary compensation endorsement

5. Sources of coverage
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- A. Claim reporting**
- B. Liability losses and coverage problems**
- C. Claim adjustment procedures**
- D. Duties and responsibilities**
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**MOTOR VEHICLE PHYSICAL DAMAGE  
APPRAISER**

**CONTENT OUTLINE**

*(50 scored questions)*

**I. SOUTH CAROLINA LAWS AND REGULATIONS.....6**

**A. Director's general duties and powers**

*Ref: 38-3-60, 110*

**B. License qualifications**

*Ref: 38-49-20*

**C. Maintenance and duration**

1. Reinstatement/license cancellation

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2. Reporting of Actions

*Ref: 38-43-247*

3. Change of Address

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**D. Disciplinary actions**

1. Cease and desist order

*Ref: 38-59-30, 270*

2. Investigations/Notice of hearing

*Ref: 38-3-170; 38-57-200*

3. Penalties and fines

*Ref: 38-2-10-30, 38-43-130; 38-49-40*

**E. Claims settlement laws and regulations**

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**A. Role of the appraiser**

1. Duties and responsibilities
2. Relationship to adjusters

**B. Duties after a loss**

1. Notice to the insurer
2. Minimizing the loss
3. Inspection of the vehicle
4. Special requirements

**C. Determining value and loss**

1. Adjustment procedures
2. Salvage
3. Appraisal
4. Depreciation
5. Repair or replacement
6. Repair options and procedures
7. Like kind and quality
8. Aftermarket parts
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**D. Vehicle inspection**

1. Proper vehicle identification and options ID
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**E. Vehicle parts and construction**

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2. Front End
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4. Quarter panels
5. Doors
6. Roofs
7. Bumper- urethane repairs
8. Lamps
9. Cowls
10. Floor Plan
11. Rocker Panels
12. Pillars
13. Substructure
14. Frame
15. Unibody
16. Mechanical
17. Engine
18. Cooling System
19. Electrical System/ Computers
20. Exhaust System
21. Fuel System
22. Heating and Air Conditioning
23. Brakes/ ABS
24. Steering
25. Suspension
26. Transmission
27. Air bags/ SRS (seat belts)
28. Glass, Tires, Interior, and Paint

**SOUTH CAROLINA SURETY INSURANCE  
PRODUCER  
CONTENT OUTLINE**  
(50 scored questions)

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**A. Insurance Department and Director**

1. Powers and duties  
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2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250; 38-53-320*
3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*

**B. Licensing**

1. Persons to be licensed  
*Ref: 38-53-80, 190*
2. Qualifications  
*Ref: 38-53-90*
3. Types of licenses
  - a. Producer  
*Ref: 38-43-10, 30*
  - b. Nonresident  
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  - c. Surety bondsman  
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4. Obtaining a license
  - a. License fees and application  
*Ref: 38-43-80, 100, 101*
  - b. Appointment/termination of contract  
*Ref: 38-43-50, 38-43-55*
  - c. Security deposits  
*Ref: 38-53-270, 280, 300*
5. Maintaining a license
  - a. Change of address/assumed name  
*Ref: 38-43-107; 38-43-10(C)*
  - b. Records maintenance  
*Ref: 38-43-250; 38-53-310*
  - c. Reinstatement/license expiration  
*Ref: 38-43-110(B)*
  - d. Reporting of actions  
*Ref: 38-43-247*
6. Disciplinary actions
  - a. Cease and desist order  
*Ref: 38-59-30, 38-59-270*
  - b. License probation, revocation, suspension, or denial of reissuance  
*Ref: 38-43-130, 230*
  - c. Penalties and fines  
*Ref: 38-53-150(B), 340; 38-2-10*
  - d. Criminal charges and convictions  
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**C. Company regulation**

1. Unfair claims settlement practices  
*Ref: 38-59-20*
2. Appointment  
*Ref: 38-43-40, 50*
3. Termination of appointment  
*Ref: 38-43-55*

**D. Producer regulation**

1. Commissions  
*Ref: 38-43-200*
2. Failure to act as a fiduciary  
*Ref: 38-43-240*
3. Blank forms  
*Ref: 38-43-260*
4. Representing an unauthorized insurer  
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**E. Unfair and prohibited trade practices**

1. Rebating  
*Ref: 38-57-130; 38-53-170*
2. Defamation  
*Ref: 38-57-90*
3. Unfair Discrimination  
*Ref: 38-55-50; 38-57-120*
4. Misrepresentation  
*Ref: 38-57-40*
5. False advertising  
*Ref: 38-57-40, 50*
6. Boycott, coercion, and intimidation  
*Ref: 38-57-100, 110*
7. Fraud  
*Ref: 38-43-245*
8. False Financial Statements  
*Ref: 38-57-80*
9. Prohibited inducements  
*Ref: 38-57-130, 150*
10. Free insurance  
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**F. Insurance Fraud Act**

*Ref: 38-55-510-590*

**G. Consumer information privacy regulation**

*Ref: Reg 69-58 Sec 1-16*

**H. Fair Credit Reporting Act**

*Ref: 15 USC 1681-1681(d)*

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*Ref: Product Knowledge*

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2. Hazard
3. Peril
4. Loss
5. Exposure
6. Adverse selection
7. Law of large numbers
8. Reinsurance

**B. Handling risks**

1. Avoidance
2. Retention
3. Sharing
4. Reduction
5. Transfer

**C. Insurers**

1. Types of insurers
  - a. Stock companies
  - b. Mutual companies
  - c. Fraternal benefit societies
  - d. Lloyd's associations
  - e. Risk retention groups
  - f. Captive companies
  - g. Self-insured funds
2. Private vs. government insurers

3. Admitted/nonadmitted insurers
4. Domestic, foreign, alien insurers
5. Financial status (independent rating services)

**D. Producers and general rules of agency**

1. Insurer as principal
2. Producer/insurer relationship
3. Authority and powers of producers
  - a. Express
  - b. Implied
  - c. Apparent
  - d. Responsibilities to the applicant/insured

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**A. Definition of surety**

**B. Elements of a legal contract**

1. Offer and acceptance
2. Consideration
3. Competent parties
4. Legal purpose

**C. Characteristics of an insurance contract**

1. Contract of adhesion
2. Aleatory contract
3. Unilateral contract
4. Conditional contract

**D. Legal interpretations affecting contracts**

1. Ambiguities in a contract
2. Indemnity
3. Representations/misrepresentations
4. Warranties
5. Concealment
6. Fraud
7. Waiver and estoppel

**E. Obligation of the surety**

**F. Parties to the surety**

1. Principal
  - a. Indemnitor for principal
  - b. Indemnity agreement
2. Obligee
3. Surety

**G. Underwriting considerations**

**H. Premiums and terms of obligations**

1. Surety
2. Fidelity

**I. Claims**

**J. Power of attorney**

**IV. PURPOSE AND TYPES OF SURETY BONDS.....5**

**A. Purpose and types of bonds**

1. Surety bail bond
2. Appearance bond
3. Cash bond  
*Ref: 17-15-15*
4. Ten Percent Cash bond  
*Ref: 17-15-15*
5. Real estate property

**B. Public official**

**C. Court**

1. Judicial
2. Fiduciary

**D. Miscellaneous**

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1. Bid
2. Performance
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**A. Individual**

**B. Scheduled**

1. Named employee
2. Specified position

**C. Public official**

**D. Blanket**

**E. Financial institutions**

**F. ERISA bonds**

**SOUTH CAROLINA  
PROFESSIONAL BAIL BONDSMAN/RUNNER  
CONTENT OUTLINE**

*(60 scored questions)*

**I. SOUTH CAROLINA LAWS AND REGULATIONS**

**PERTINENT TO ALL LINES.....20**

**A. Insurance Department and Director**

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Examination of books and records  
*Ref: 38-13-10-30; 38-43-250; 38-53-320*
3. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*

**B. Licensing**

1. Persons to be licensed  
*Ref: 38-53-80, 190*
2. Qualifications  
*Ref: 38-53-90*
3. Types of licenses
  - a. Professional bondsman  
*Ref: 38-53-10(9)-40*
  - b. Surety bondsman  
*Ref: 38-53-10(12)*
  - c. Runner  
*Ref: 38-53-10(10), 38-53-120*
4. Obtaining a license
  - a. License fees and application  
*Ref: 38-43-80, 100, 101*
  - b. Appointment  
*Ref: 38-53-230, 260*
  - c. Security deposits  
*Ref: 38-53-270, 280, 300*
5. Maintaining a license
  - a. Continuing education  
*Ref: 38-43-106; Reg 69-50*
  - b. Change of address/assumed name  
*Ref: 38-43-107; 38-43-10(C)*
  - c. Records maintenance  
*Ref: 38-43-250; 38-53-310*
  - d. License expiration  
*Ref: 38-43-110(B)*
  - e. Reporting of actions  
*Ref: 38-43-247*
6. Disciplinary actions
  - a. Cease and desist order  
*Ref: 38-59-20, 38-59-270*
  - b. License probation, revocation, suspension, or denial of reissuance

	<i>Ref: 38-43-130, 230</i>	
	c. Penalties and fines	
	<i>Ref: 38-53-150(B), 340; 38-2-10</i>	
	d. Criminal charges and convictions	
	<i>Ref: 38-53-150(6)</i>	
<b>C. Unfair and prohibited trade practices</b>		<b>G. Custody</b>
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<i>Ref: 38-53-150(A)(8), 38-53-170</i>		<b>I. Disposition</b>
2. Referral of an attorney		<b>J. Exoneration</b>
<i>Ref: 38-53-170(d)</i>		<b>K. Extradition</b>
3. Soliciting in courts		<b>L. Felony</b>
<i>Ref: 38-57-170(f)</i>		<b>M. Fugitive</b>
4. Misrepresentation		<b>N. Hearing</b>
<i>Ref: 38-57-40</i>		<b>O. Incarceration</b>
		<b>P. Indictment</b>
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b. Trial		<b>U. Surety</b>
c. Appeal		<b>V. Suspend</b>
2. Surety relieved on bond		<b>W. Warrant</b>
<i>Ref: 38-53-50</i>		<b>X. Writ</b>
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b. After conviction – stay of execution		<b>B. Elements of a legal contract</b>
c. Pending appeal		1. Offer and acceptance
<b>B. Discharging surety</b>		2. Consideration
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<b>C. Recommitment of defendant</b>		4. Legal purpose
<b>D. Bond forfeitures</b>		<b>C. Obligation of the surety</b>
<b>E. Bond posting/transfers</b>		<b>D. Parties to the surety</b>
<b>F. Arrests/Surrenders</b>		1. Principal
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<b>B. Recordkeeping</b>		<b>E. Underwriting considerations</b>
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2. Collateral		2. Fidelity
a. Receipts		<b>G. Claims</b>
b. Maintenance		<b>H. Power of attorney</b>
3. Return of collateral		<i>Ref: 38-53-200</i>
<i>Ref: 38-53-170(e)</i>		<b>VI. PURPOSE AND TYPE OF SURETY BONDS.....7</b>
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<i>Ref: 38-53-70; RL 17-15-170-180</i>		1. Surety bail bond
1. Motion		2. Appearance bond
2. Judgement		3. Cash bond
3. Dispersal of funds		<i>Ref: 17-15-15</i>
4. Arrest after forfeiture		4. Personal Recognizance bond
<b>D. Bond principal limits</b>		5. Ten Percent Cash bond
<b>E. Fair Credit Reporting Act</b>		<i>Ref: 17-15-15; 38-53-10(2)</i>
<i>Ref: 15 USC 1681-1681(d)</i>		6. Real estate property secured by mortgage deed.
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<i>Ref: Black's Law Dictionary, Dictionary of Insurance Terms</i>		<b>C. Court</b>
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<b>B. Adjudicate</b>		2. Fiduciary
<b>C. Bail Piece</b>		<b>D. Miscellaneous</b>
<b>D. Capital Offense</b>		<b>E. Contract</b>
<b>E. Collateral</b>		1. Performance
<b>F. Conviction</b>		2. Payment
		3. Maintenance



# SOUTH CAROLINA SURPLUS LINES BROKER CONTENT OUTLINE

(50 scored questions)

## I. SOUTH CAROLINA SURPLUS LINES LICENSING...20

### A. Insurance Department and Director

1. Powers and duties  
*Ref: 38-3-60, 110*
2. Investigations/Notice of hearing  
*Ref: 38-3-170; 38-57-200*
3. Penalties and fines  
*Ref: 38-2-10-30, 38-45-140, 150*
4. Cease and desist orders  
*Ref: 38-59-30, 270*

### B. Licensing

*Ref: Bulletin 2009-17*

1. Resident Surplus Lines Broker  
*Ref: 38-45-10, 20*
2. License fees and application  
*Ref: 38-5-180, 38-45-10, 20, 40*
3. License probation, revocation, suspension, or denial or reissuance  
*Ref: 38-45-140; 38-2-10*
4. Nonresident License  
*Ref: 38-45-30*
5. Change of Address/name change  
*Ref: 38-45-35*
6. License renewal  
*Ref: 38-45-20; Reg. 69-33*

### C. Unfair and prohibited trade practices

1. Rebating  
*Ref: 38-57-130*
2. Defamation  
*Ref: 38-57-90*
3. Unfair Discrimination  
*Ref: 38-55-50*
4. Misrepresentation  
*Ref: 38-57-40*
5. False advertising  
*Ref: 38-57-40, 50*
6. Boycott, coercion, and intimidation  
*Ref: 38-57-100, 110*
7. Unfair claims settlement practices  
*Ref: 38-59-10, 20*
8. Fraud  
*Ref: 38-43-245*
9. Prohibited inducements  
*Ref: 38-57-130, 150*

### D. South Carolina Property and Casualty Insurance Guaranty Association Act

*Ref: 38-31-10-140*

### E. Consumer information privacy regulation

*Ref: Reg 69-58 Sec 1-16*

## II. GENERAL INSURANCE PRINCIPLES.....15

*Ref: Product Knowledge*

### A. Insurance Terms and Related Concepts

1. Risk
2. Hazard
3. Peril
4. Loss

5. Exposure
6. Adverse selection
7. Law of large numbers

### B. Handling risks

1. Avoidance
2. Retention
3. Sharing
4. Reduction
5. Transfer

### C. Insurers

1. Types of insurers
  - a. Stock and mutual companies
  - b. Lloyd's associations
  - c. Risk retention groups
  - d. Captive companies
  - e. Self-insured funds
2. Private vs. government insurers
3. Admitted vs. nonadmitted insurers
4. Domestic, foreign, alien insurers

### D. Producers and general rules of agency

1. Insurer as principal
2. Producer/insurer relationship
3. Authority and powers of producers
  - a. Express
  - b. Implied
  - c. Apparent
  - d. Responsibilities to the applicant/insured

## III. CONTRACTS..... 5

### A. Elements of a legal contract

1. Offer and acceptance
2. Consideration
3. Competent parties
4. Legal purpose

### B. Characteristics of an insurance contract

1. Contract of adhesion
2. Aleatory contract
3. Unilateral contract
4. Conditional contract

### C. Legal interpretations affecting contract

1. Ambiguities in a contract
2. Indemnity
3. Representations/warranties
4. Concealment
5. Fraud
6. Waiver and estoppel

## IV. SOUTH CAROLINA SURPLUS LINES LAW.....10

### A. Purpose/definitions

*Ref: 38-45-10*

### B. Content and Maintenance of records

*Ref: 38-45-80*

### C. Commissions

*Ref: 38-45-100*

### D. Premiums, evidence of insurance

*Ref: 38-45-10*

### E. Surplus Lines tax

*Ref: 38-45-20(5), 38-45-30(4), 38-45-190*

### F. Diligent Search

*Ref: 38-45-90*

### G. Disclosure and broker personal liability

*Ref: 38-45-110, 120; 38-25-360*

### H. Broker's Fees

*Ref: 38-45-160*