

Chapter Ins 26

APPENDIX 2M – PERSONAL LINES INSURANCE COURSE REQUIREMENTS

SECTION A

- I. Principles of Insurance — 1 Hour
 - A. Definition of risk
 - B. Risk management
 - C. Insurable and noninsurable risk
 - D. Pooling concept—law of large numbers
 - E. Types of insurance companies
 - F. Reinsurance
- II. General Wisconsin Insurance Laws — 4 Hours
 - A. Duties and powers of Insurance Commissioner—statutory and rule-making
 - B. Knowledge of administrative action process, including hearings and penalties
 - C. Purpose of licensing, including procedures and who must be licensed
 - D. Record keeping and changes in agent status, including change of name or address
 - E. Agent license expiration, revocation, suspension, and limitation
 - F. General regulations regarding misrepresentation, knowledge of acts of agent, rebating
 - G. Regulation of specific insurance contract changes regarding cancellation, nonrenewal, notice of proof of loss, and payment of claims
 - H. Unfair claims methods and practices—timely payment of claims
 - I. Fair rating practices
 - J. Home and telephone solicitation requirements
 - K. Section 628.32, Wis. Stat., written disclosure of fees other than commissions
 - L. Controlled business
 - M. Proper exchange of business
 - N. Unfair marketing practices
 - 1. Misrepresentation
 - 2. Unfair inducement
 - 3. Unfair discrimination
 - 4. Extra charges
 - 5. Influencing employers
 - 6. Unfair use of official position
 - 7. Returning indicia of agency
 - 8. Churning
 - 9. Twisting
 - 10. Restraint of competition
 - 11. Unfair restriction of contracting parties choice of insurer
 - O. Insurance contracts in Wisconsin
- III. Ethics — 3 Hours
 - A. Fiduciary duties, and responsibilities
 - B. Conflict of interest
 - C. Ethical marketing practices, including fair and ethical treatment of policyholders

- D. Appropriate claims practices
- E. Suitability of product to client
- F. Social responsibility of insurance agent
- G. Agent/company relationships
- H. Maintaining appropriate insurance expertise

SECTION B

IV. Terms, Concepts and Policies — 10 Hours

- A. Insurance terms and related concepts
 - 1. Insurance
 - 2. Risks
 - 3. Peril (causes of loss)
 - a. Specified (named) perils
 - (1) Standard fire
 - (2) Extended coverage
 - (3) Broad form
 - b. Open perils (all physical loss)
 - 4. Hazards
 - 5. Loss
 - a. Direct
 - b. Indirect
 - 6. Accident
 - 7. Occurrence
 - 8. Indemnity
 - 9. Insurable interest
 - 10. Actual cash value
 - 11. Deductible
 - 12. Limits of liability
 - 13. Replacement cost
 - 14. Negligence
 - a. Contributory
 - b. Comparative
 - 15. Proximate cause
 - 16. Warranties
 - 17. Representations
 - 18. Concealment
 - 19. Liability
 - 20. Bodily injury liability
 - 21. Property damage liability
 - 22. Personal injury liability
 - 23. Incidental contracts
 - 24. Binders
 - 25. Coinsurance
 - 26. Pair and set clause
 - 27. Extensions of coverage
 - 28. Additional coverages
 - 29. Cancellation
 - 30. Nonrenewal
 - 31. Vacancy and unoccupancy

- 32. Right of salvage
 - 33. Abandonment
 - 34. Negligence
 - B. Policy provisions
 - 1. Elements of a contract
 - 2. Declarations
 - 3. Insuring agreement
 - 4. Sources of insurability information
 - 5. Conditions
 - 6. Exclusions
 - 7. Limitations
 - 8. Warranties, representations, and concealment
 - a. Warranty
 - b. Affirmative
 - 9. Promissory
 - 10. Breach of warranty
 - 11. Concealment
 - 12. Binders
 - 13. Definition of the insured
 - 14. Duties of the insured
 - 15. Obligations of the insurance company
 - 16. Mortgagee rights
 - 17. Cancellation and nonrenewal provisions
 - 18. Supplementary payment (additional coverages)
 - 19. Proof of loss
 - 20. Notice of claim
 - 21. Appraisal
 - 22. Assignment
 - 23. Arbitration
 - 24. Pro rata liability (other insurance)
 - 25. Salvage
 - 26. Consent to settle a loss
 - 27. Subrogation
 - 28. Compliance with provisions of Fair Credit Reporting Act
 - C. Types of policies and related terms
 - 1. Automobile Insurance – personal & family auto
 - a. Bodily injury
 - b. Property damage
 - c. Limits
 - (1) Split
 - (2) Single
 - d. Medical payments
 - e. Supplementary payments
 - f. Physical damage
 - (1) Collision
 - (2) Comprehensive
 - g. Uninsured motorist
 - h. Underinsured motorist
 - i. Named insureds
 - j. Insureds
 - k. Owned automobile
 - L. Nonowned automobile
 - m. Temporary substitute auto
 - n. Hired auto
 - o. Cancellation and nonrenewal
 - p. Towing and labor
 - q. Personal auto policy
 - r. Family auto policy
 - 2. Personal Watercraft
 - 3. Standard fire
 - 4. Personal lines
 - a. Dwelling (DP forms)
 - b. Homeowners (HO) forms
 - c. Mobile homes
 - 5. Homeowners policy
 - 6. Farm and ranch insurance
 - 7. Flood insurance
 - 8. Inland marine – Personal floaters
 - 9. Earthquake insurance
 - 10. Personal Umbrella/excess liability
- V. Wisconsin Property and Casualty Insurance Law — 2 Hours
 - A. General rate standards
 - B. Prohibited classification of risks
 - C. Surplus lines
 - 1. Definition
 - 2. Prohibitions and restrictions
 - 3. Responsibilities of agents and brokers
 - D. Oral contracts
 - E. Automobile liability
 - 1. Financial responsibility
 - a. Definition
 - b. Persons required to show proof
 - 2. Required coverages and prohibited exclusions
 - a. Uninsured motorist
 - 3. Cancellation or nonrenewal
 - 4. Responsibility for minors operating motor vehicles
 - 5. Wisconsin Automobile Insurance Plan
 - F. Definition of loss
 - G. Wisconsin Insurance Plan
 - H. Valued policy law
 - I. Vacancy rule
 - J. Time period for filing claim