

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