

## Chapter Ins 26

### APPENDIX 1 — CASUALTY 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. Risks
    - 2. Hazards
    - 3. Indemnity
    - 4. Insurable interest
    - 5. Actual cash value
    - 6. Negligence
      - a. Contributory
      - b. Comparative
    - 7. Liability
    - 8. Accident
    - 9. Occurrence
    - 10. Burglary
    - 11. Robbery
    - 12. Theft
    - 13. Mysterious disappearance
    - 14. Fidelity (employee dishonesty)
    - 15. Warranties
    - 16. Representations
    - 17. Concealment
    - 18. Bodily injury liability
    - 19. Property damage liability
    - 20. Personal injury liability
    - 21. Limits of liability
    - 22. Deductibles
    - 23. Incidental contracts
    - 24. Binders
    - 25. Custodian
    - 26. Messenger
    - 27. Guard or watchperson
  - B. Policy provisions
    - 1. Declarations
    - 2. Insuring agreement
    - 3. Conditions
    - 4. Exclusions
    - 5. Definition of the insured
    - 6. Duties of the insured
    - 7. Cancellation and nonrenewal provisions
    - 8. Supplementary payment (additional coverages)
    - 9. Proof of loss
    - 10. Notice of claim
    - 11. Arbitration
    - 12. Pro rata liability (other insurance)
    - 13. Subrogation
    - 14. Compliance with provisions of Fair Credit Reporting Act
    - 15. Claims made policy form
    - 16. Salvage

- 17. Consent to settle a loss
- 18. Limitations
- C. Types of policies, bonds, and related terms
  - 1. Automobile Insurance - personal & family auto and business & commercial 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
    - s. Business auto policy
    - t. Garage liability policy
  - 2. General liability
    - a. Exposures (hazards)
      - (1) Premises and operations
      - (2) Products and completed operations
      - (3) Contractual liability
      - (4) Vicarious liability/independent contractors
    - b. Coverage forms
      - (1) Commercial General Liability (CGL)
        - (a) Occurrence form
        - (b) Claims made form
      - (2) Owners and contractors protective liability
- 3. Commercial general liability
- 4. Bonding and commercial crime insurance
  - a. Theft, disappearance and destruction form
  - b. Robbery and safe burglary form
  - c. Premises burglary coverage form
  - d. Fidelity bonds
  - e. Surety bonds
  - f. Other miscellaneous bonds
- 5. Worker's compensation
- 6. Professional liability
  - a. Errors and omissions
  - b. Directors and officers
- 7. Umbrella/excess liability
- V. Wisconsin 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. Worker's compensation
    - 1. Purpose
    - 2. Definitions
    - 3. Wisconsin worker's compensation insurance pool