

## APPENDIX 2—PROPERTY INSURANCE COURSE REQUIREMENTS

### SECTION A

- I. Principles of Insurance—2 Hours
  - A. Nature of risk
  - B. Risk management
  - C. Insurable and noninsurable risk
  - D. Pooling concept—law of large numbers
  - E. Government as insurer
  - F. Forms of ownership
  - G. Marketing systems
  - H. Competition in the industry
  - I. Functions of insurers
  - J. Reinsurance
- II. General Wisconsin Insurance Laws—3 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 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 solicitation requirements
  - K. Section 628.32, Wis. Stats., written disclosure of fees other than commissions
- 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
  - I. Education of policyholders
  - J. Understanding of client needs

### SECTION B

- IV. Policies, Terms, and Concepts—6 Hours
  - A. Types of policies
    - 1. Standard fire
    - 2. Personal lines
      - a. Dwelling and contents
      - b. CPL (comprehensive personal liability)
      - c. Homeowners
    - 3. Commercial
      - a. General property
      - b. Special multi-peril
      - c. Business owner policy

- d. Business interruption
      - 1) Gross earnings
      - 2) Earnings
      - 3) Extra expense
    - 4. Inland marine
      - a. Personal floaters
      - b. Commercial floaters
    - 5. Others
      - a. Flood
      - b. Watercraft
  - B. Insurance terms and related concepts
    - 1. Insurance
    - 2. Insurable interest
    - 3. Risk
    - 4. Hazard
    - 5. Peril
      - a. Specified (named) perils
        - 1) Standard fire
        - 2) Extended coverage
        - 3) Broad form
      - b. All-risk
    - 6. Loss
      - a. Direct
      - b. Indirect
    - 7. Proximate cause
    - 8. Deductible
    - 9. Indemnity
    - 10. Actual cash value
    - 11. Replacement cost
    - 12. Limits of liability
    - 13. Coinsurance
    - 14. Pair and set clause
    - 15. Extensions of coverage
    - 16. Additional coverages
    - 17. Accident
    - 18. Occurrence
    - 19. Cancellation
    - 20. Nonrenewal
    - 21. Vacancy and unoccupancy
    - 22. Right of salvage
    - 23. Abandonment
    - 24. Liability
    - 25. Negligence
  - C. Policy provisions and contract law
    - 1. Declarations
    - 2. Insuring agreement
    - 3. Conditions
    - 4. Exclusions
    - 5. Definition of the insured
    - 6. Duties of the insured
    - 7. Obligations of the insurance company
    - 8. Mortgagee rights
    - 9. Proof of loss
    - 10. Notice of claim
    - 11. Appraisal
    - 12. Pro rata liability (other insurance)
    - 13. Assignment
    - 14. Subrogation

- 15. Arbitration
- 16. Elements of a contract
- 17. Warranties, representations, and concealment
- 18. Binders
- 19. Sources of insurability information
- 20. Fair Credit Reporting Act
- V. Wisconsin Property Insurance Law—6 Hours
  - A. General rate standards—use and file provisions
  - B. Prohibited classification of risks
  - C. Surplus lines

- 1. Definitions
- 2. Prohibitions and restrictions
- 3. Responsibilities of agents and brokers
- D. Oral contracts
- E. Content of forms
- F. Definition of loss
- G. Wisconsin Insurance Plan
- H. Valued policy law
- I. Vacancy rule
- J. Time period for filing claim