SOUTH CAROLINA
DEPARTMENT OF INSURANCE

INSURANCE LICENSING EXAMINATION
CANDIDATE INFORMATION BULLETIN

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Please refer to our website to check for the most updated information at www.psiexams.com

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South Carolina Examination Procedure Checklist

Before registering for an examination, make sure that you have reviewed the following checklist.

- You do not need approval from the State of South Carolina to take the examination.
- Each examination may be taken only six times in a one-year period.
- Passing examination results are valid for one year.

Prepare for your examination:

- Use the examination content outlines provided in this bulletin as the basis of your study.

Register for your examination:

- Complete the registration form online, at www.psiexams.com, and submit it to PSI via the Internet or;
- Completely fill out the PSI Registration Form (see page 2) and mail or fax to PSI or;
- Call (800) 733-9267 to register.
- Send online (no wait time for scheduling the examination date).
- Mailed on (allow 2 weeks for processing before scheduling the examination date).
- Faxed on (allow 4 business days for processing before scheduling the examination date).
- Phoned on (no wait for scheduling the examination date).

Schedule your examination:

- Once you have paid, you are responsible for contacting PSI to schedule an appointment to take the examination. You may either schedule via the Internet, or schedule over the telephone at (800) 733-9267.
- Scheduled for:
  - Examination Date: ______________________
  - Examination Time: ______________________
  - Test Center Location: _____________________
- To change scheduled date, call back by: ______________________

Take your examination:

- Must bring one form of identification, which bears your signature and your photograph.
  - Your name as shown on the application form must exactly match the name on the photo I.D. used when checking in at the examination site.
- Arrive 30 minutes prior to appointment.

After your examination:

- Upon passing the examination, your results will be made available to the State.
- Apply for your license through the South Carolina Department of Insurance (see instructions on page 6).
EXAMINATIONS BY PSI SERVICES LLC

This Candidate Information Bulletin provides you with information about the examination process for obtaining an Insurance License in the state of South Carolina.

The South Carolina Department of Insurance has contracted with PSI Services LLC (PSI) to conduct the examination program. PSI works closely with the Department to make certain that these examinations meet the State’s as well as nationally established technical and professional standards for examination development and administration. PSI provides these examinations through a network of computer examination centers in South Carolina.

EXAMINATION REGISTRATION PAYMENT AND SCHEDULING PROCEDURES

- Each examination may be taken only six times in a one-year period.
- Passing examination results are valid for one year.

Examination Fee $45

NOTE: EXAMINATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. THE EXAMINATION FEE IS VALID FOR ONE YEAR FROM THE DATE OF PAYMENT.

THE EXAMINATION FEE IS FOR FIRST TIME AND RETAKE EXAMINATIONS.

ON-LINE (WWW.PSIEXAMS.COM)

For the fastest and most convenient examination scheduling process, PSI recommends that you register for your examinations using the Internet. You register online by accessing PSI’s registration website at www.psiexams.com. Internet registration is available 24 hours a day.

- Log onto PSI’s website and create an account. You will be asked to put in your email address and the spelling of your name exactly as it is shown on your identification that will be presented at the examination site.
- You will be asked to select the examination. You will then enter your personal and contact information. You will then be ready to pay and schedule for the examination. Enter your zip code and a list of the examination sites closest to you will appear. Once you select the desired examination site, available dates will appear.

TELEPHONE

Call (800) 733-9267, PSI registrars are available to receive payment and to schedule your appointment for the examination. Please call Monday through Friday between 7:30 am and 10:00 pm, and Saturday-Sunday between 9:00 am and 5:30 pm, Eastern Time.

To register by phone, you need a valid credit card (VISA, MasterCard, American Express or Discover.)

FAX REGISTRATION

Complete the PSI registration form (found at the end of this bulletin), including your credit card number and expiration date. Fax the completed form to PSI (702) 932-2666. Fax registrations are accepted 24 hours a day.

Please allow 4 business days to process your Registration. After 4 business days, you may go online or call PSI to schedule the examination.

STANDARD MAIL REGISTRATION

Complete the PSI registration form (found at the end of this bulletin). Payment of fees can be made by credit card (VISA MasterCard, American Express or Discover), money order, company check or cashier’s check. Make your money order or check payable to PSI and print your name on it to ensure that your fees are properly assigned. CASH and PERSONAL CHECKS ARE NOT ACCEPTED. Send the registration form and payment to PSI.

Please allow 2 weeks to process your registration. After 2 weeks, you may go online or call PSI to schedule the examination.

RESCHEDULING/CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee if your cancellation notice is received 2 days before the scheduled examination date. For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday. You may reschedule online at www.psiexams.com or call PSI at (800) 733-9267.

Note: A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak directly to a Customer Service Representative.

RETESTING A FAILED EXAMINATION

It is not possible to make a new examination appointment on the same day you have taken an examination; this is due to processing and reporting scores. A candidate who tests unsuccessfully on a Wednesday can call the next day, Thursday, and retest as soon as Friday, depending upon space availability. You may schedule online at www.psiexams.com or call PSI at (800) 733-9267.

MISSED APPOINTMENT OR LATE CANCELLATION

If you miss your appointment, you will not be able to take the examination as scheduled, further you will forfeit your examination fee, if you:

- Do not cancel your appointment 2 days before the scheduled examination date;
- Do not appear for your examination appointment;
- Arrive after examination start time;
- Do not present proper identification when you arrive for the examination.
EXAM ACCOMMODATIONS

All PSI examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodations will be made in meeting a candidate's needs. A candidate with a disability or a candidate who would otherwise have difficulty taking the examination must follow the instructions on the Exam Accommodations Request Form at the end of this Candidate Information Bulletin.

EXAMINATION SITE CLOSING FOR AN EMERGENCY

In the event that severe weather or another emergency forces the closure of an examination site on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation. However, you may check the status of your examination schedule by calling (800) 733-9267. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You will not be penalized. You will be rescheduled at no additional charge.

SOCIAL SECURITY NUMBER CONFIDENTIALITY

PSI will use your social security number only as an identification number in maintaining your records and reporting your examination results to the State. A Federal law requires State agencies to collect and record the social security numbers of all licensees of the professions licensed by the State.

EXAMINATION SITE LOCATIONS

The following directions are generated from the most current mapping services available. However, new road construction and highway modifications may result in some discrepancies. If you are not familiar with the specific area of the examination site, please consult a reliable map prior to your examination date.

AIKEN

Aiken Technical College
2276 Jefferson Davis Hwy
Graniteville, SC 29829
From Old Graniteville Hwy/SC-191, turn right onto Canal St/SC-191. Turn right onto Chalk Bed Rd. Take the 1st left onto Baker St. Take the 1st right onto US-1 S/US-78W.

BEAUFORT/HILTON HEAD

Regions Bank Building
69 Robert Smalls Pky/SC-170, Unit 4D
Beaufort, South Carolina 29906
From I-95, take the US-17N exit (Exit Number 33) towards Beaufort. After approximately 9 miles, US 21 splits off to the right and goes to Beaufort and US 17 goes to the left towards Charleston. Continue towards Beaufort on US 21 for approximately 12 miles. Turn sharp right onto SC 170 (McDonald's is on the corner) and continue for .3 miles. The building is on your left.

CHARLESTON

4600 Goer Drive, Suite 112A
North Charleston, South Carolina 29406
At juncture of I-26 and I-526, head Southeast in the direction of Charleston. Next exit is Montague Ave, exit East Montague. Take first right at Goer Drive. Site is adjacent to the Marriott Hotel.

CHARLOTTE

Tyvola Executive Park 1
5701 Westpark Dr, #202
Charlotte, NC 28217
From I-77S towards Columbia, exit Tyvola Road (Exit #5). Turn left at Tyvola Road. Make a right at Westpark Dr.
From I-77N, exit Tyvola Road (Exit #5) towards Coliseum Area. Bear right at Tyvola Road. Turn right at Westpark Dr.

COLUMBIA

Synergy Business Park
Congaree Building
121 Executive Center Drive, Suite 143
Columbia, South Carolina 29210
From I-20, take exit 63 (Bush River Road). Proceed west and turn right onto Berryhill Road. Turn left onto Executive Center Drive. Enter the Congaree Building through the front door. From the lobby take the corridor to the right to the end and turn left. PSI Suite 143 is on the left.

CONWAY - COASTAL CAROLINA UNIVERSITY

301 Allied Drive, Room 100
Conway, SC 29526
From Myrtle Beach: Take U.S. 501 north toward Conway. At University Boulevard turn right, opposite the main entrance to the University. Cross over the railroad tracks and turn right onto Allied Drive. The Coastal Science Center is the first building on the left. From Conway: Take U.S. 501 south toward Myrtle Beach. At University Boulevard turn left, opposite the main entrance to the University. Cross over the railroad tracks and turn right onto Allied Drive. The Coastal Science Center is the first building on the left. From the Main Campus: From University Boulevard on the main campus, travel straight across U.S. 501. Cross over the railroad tracks and turn right onto Allied Drive. The Coastal Science Center is the first building on the left.

GRANITEVILLE - AIKEN TECHNICAL COLLEGE

2276 Jefferson Davis Hwy, room 742
Graniteville, South Carolina 29829
From S Carolina 191 S and US-1 S/Canal St., toward Hard St., turn right onto S Carolina 104/Brantley St. Continue to follow S Carolina 104, turn left onto Brantley St. Turn right onto US-1 S/US-78 W/Jefferson Davis Hwy.

GREENVILLE/SPARTANBURG

150 Executive Center Drive, Ste 218
Greenville, South Carolina 29615
From I-85, take I-385 North towards Greenville. Take Roper Mountain exit (Exit 37) and go right (East). Turn right at first street (Independence Blvd). Go 0.7 miles and turn left on Executive Center Drive. The Anderson Building will be on your right.

MYRTLE BEACH

1601 North Oak Street, Suite 305
Myrtle Beach, South Carolina 29577
From the west: Take Rte 501 to 17 Bypass North. Take 17 Bypass North one exit to 10th Avenue (Mr Joe White Ave). Turn right and go about 2 miles to Oak St. Take left on Oak St and follow to #1601(Myrtle Offices). Go around to back of building. PSI is in Suite #305
From the south: Take 17 Bypass North to 10th Avenue. Turn right and follow above directions.
From the North: Take Rte 31 to Robert Grissom Parkway. Follow RGP to 21st Avenue. Turn left on 21st Ave and follow to Oak St. Turn right on Oak St and follow to #1601 (Myrtle Offices). PSI is around the back of building.

Additionally, PSI has examination centers in many other regions across the United States. You may take the written examination at any of these locations by following the instructions on the Out-Of-State Request Form at the end of this Candidate Information Bulletin. (Bail Bondsman candidates are not allowed to test out-of-state.)

**REPORTING TO THE EXAMINATION SITE**

On the day of the examination, you should arrive 30 minutes before your appointment. This extra time is for sign-in, identification, and familiarizing you with the examination process. If you arrive late, you may not be admitted to the examination site and you will forfeit your examination registration fee.

**REQUIRED IDENTIFICATION**

Candidates must register for the exam with their LEGAL first and last name as it appears on their government issued identification. Required identification below must match the first and last name under which the candidate is registered. Candidates are required to bring one (1) form of valid (non-expired) signature bearing identification to the test site. If the candidate fails to bring proper identification or the candidate names do not match, the candidate will not be allowed to test and their examination fee will not be refunded.

**IDENTIFICATION - Choose One**

- State issued driver’s license
- State issued identification card
- US Government Issued Passport
- US Government Issued Military Identification Card
- US Government Issued Alien Registration Card

**PRELICENSING CERTIFICATE OF COMPLETION**

- Bail Bondsman candidates must bring a physical copy of the Certificate of Completion to the examination site.

**SECURITY PROCEDURES**

The following security procedures apply during examinations:

- Only non-programmable calculators that are silent, battery-operated, do not have paper tape printing capabilities, and do not have a keyboard containing the alphabet will be allowed in the examination site.
- Candidates may take only approved items into the examination room.
- All personal belongings of candidates should be placed in the secure storage provided at each site prior to entering the examination room. Personal belongings include, but are not limited to, the following items:
  - Electronic devices of any type, including cellular / mobile phones, recording devices, electronic watches, cameras, pagers, laptop computers, tablets, computers (e.g., iPads), music players (e.g., iPods), smart watches, radios, or electronic games.
  - Bulky or loose clothing or coats that could be used to conceal recording devices or notes. For security purposes, outerwear such as, but not limited to, open sweaters, cardigans, shawls, scarves, hoodies, vests, jackets and coats are not permitted in the testing room. In the event you are asked to remove the outerwear, appropriate attire, such as a shirt or blouse should be worn underneath.
  - Hats or headgear not worn for religious reasons or as religious apparel, including hats, baseball caps, or visors.
  - Other personal items, including purses, notebooks, reference or reading material, briefcases, backpacks, wallets, pens, pencils, other writing devices, food, drinks, and good luck items.
- Person(s) accompanying an examination candidate may not wait in the examination center, inside the building or on the building’s property. This applies to guests of any nature, including drivers, children, friends, family, colleagues or instructors.
- No smoking, eating, or drinking is allowed in the examination center.
- During the check in process, all candidates will be asked if they possess any prohibited items. Candidates may also be asked to empty their pockets and turn them out for the proctor to ensure they are empty. The proctor may also ask candidates to lift up the ends of their sleeves and the bottoms of their pant legs to ensure that notes or recording devices are not being hidden there.
- Proctors will also carefully inspect eyeglass frames, tacks, or any other apparel that could be used to harbor a recording device. Proctors will ask to inspect any such items in candidates’ pockets.
- If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle. PSI will not be responsible for the security of any personal belongings or prohibited items.
- Any candidate possessing prohibited items in the examination room shall immediately have his or her test results invalidated, and PSI shall notify the examination sponsor of the occurrence.
- Any candidate seen giving or receiving assistance on an examination, found with unauthorized materials, or who violates any security regulations will be asked to surrender all examination materials and to leave the examination center. All such instances will be reported to the examination sponsor.
- Copying or communicating examination content is violation of a candidate’s contract with PSI, and federal and state law. Either may result in the disqualification of examination results and may lead to legal action. Once candidates have been seated and the examination begins, they may leave the examination room only to use the restroom, and only after obtaining permission from the proctor. Candidate will not receive extra time to complete the examination.
TAKING THE EXAMINATION BY COMPUTER

The examination will be administered via computer. You will be using a mouse and computer keyboard.

IDENTIFICATION SCREEN

You will be directed to a semiprivate testing station to take the examination. When you are seated at the testing station, you will be prompted to confirm your name, identification number, and the examination for which you are registered.

TUTORIAL

Before you start your examination, an introductory tutorial is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included following the tutorial so that you may practice answering questions, and reviewing your answers.

TEST QUESTION SCREEN

The “Function Bar” at the top of the sample question provides mouse-click access to the features available while taking the examination.

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

SCORE REPORTING

Your score will be given to you immediately following completion of the examination. In order to pass the examination, you must achieve a minimum score of $70\%$. The following summary describes the score reporting process:

- **On screen** - your score will appear immediately on the computer screen. This will happen automatically at the end of the time allowed for the examination;
  - If you **pass**, you will immediately receive a successful notification.
  - If you **do not pass**, you will receive a diagnostic report indicating your strengths and weaknesses by examination type with the score report.
- **On paper** - a score report will be printed at the examination site.

DUPLICATE SCORE REPORTS

You may request a duplicate score report after your examination by emailing scorereport@psionline.com or by calling 800-733-9267.

EXPERIMENTAL ITEMS

In addition to the number of examination items specified in the “Examination Content Outlines”, a small number ($5$ to $15$) of “experimental” questions may be administered to candidates during the examinations. These questions will not be scored. However these questions will count against examination time. The administration of such unscored, experimental questions is an essential step in developing future licensing examinations.

TIPS FOR PREPARING FOR YOUR LICENSE EXAMINATION

The following suggestions will help you prepare for your examination:

- Only consider the actual information given in the question, do not read into the question by considering any possibilities or exceptions.
- Planned preparation increases your likelihood of passing.
- Start with a current copy of this Candidate Information Bulletin and use the examination content outline as the basis of your study.
- Read study materials that cover all the topics in the content outline.
- Take notes on what you study. Putting information in writing helps you commit it to memory and it is also an excellent business practice.
- Discuss new terms or concepts as frequently as you can with your colleagues. This will test your understanding and reinforce ideas.
- Your studies will be most effective if you study frequently, for periods of about 45 to 60 minutes. Concentration tends to wander when you study for longer periods of time.

Now you can take the practice exam online at [www.psiexams.com](http://www.psiexams.com) to prepare for your South Carolina Insurance Examination.

Please note that practice exams are intended only to help testing candidates become familiar with the general types of questions that will appear on a licensing examination. They ARE NOT a substitute for proper education and study. Furthermore, scoring well on the practice exam does not guarantee a positive outcome on an actual licensing examination.

Note: You may take the practice exams an unlimited number of times. However, you will need to pay each time.

### Applying for licensure

For licensing information, please contact:

**South Carolina Department of Insurance**

1201 Main Street, Suite 1000  
Columbia, SC 29201  
Phone: (803) 737-6095 **Fax: (803) 737-6100**  
Email: agntmail@doi.sc.gov  
Web site: [www.doi.sc.gov](http://www.doi.sc.gov)

Issuance of a license depends on review and approval of all license application materials.

After you fulfill your exam requirements (if any), apply and pay for your license on the Department’s Web site at [www.doi.sc.gov](http://www.doi.sc.gov). You can verify the status of your application on the Department’s Web site. If the Department approves your application, you can print your license from the Web site and after being appointed by an insurance company may solicit insurance of the type for which you have been licensed and appointed. If your application is denied, you will be notified in writing of the reason for such denial.

### SLED Report

All resident license applications require that the South Carolina State Law Enforcement Division (SLED) conduct a background investigation. If your application requires that you submit a SLED Criminal History Report, you can obtain the report from SLED by submitting a written request to the address below or through their Web site.

**State Law Enforcement Division**

**ATTN: Central Records Depository**  
P.O. Box 21398  
Columbia, SC 29221  
Phone: 803.737.9000  
[www.sled.sc.gov](http://www.sled.sc.gov)

There is a $25 fee for this report. SLED only accepts company checks or money orders. A SLED report expires 90 days after issuance.

### Appointment Paperwork and Fees

**Over 25 appointments.** Insurers with more than 25 appointments per year must appoint online through the National Insurance Producer Registry (NIPR) at [www.nipr.com](http://www.nipr.com).

Under 25 appointments. Insurers with less than 25 appointments each year in South Carolina may submit the appointment paperwork to the Department. All appointment paperwork submitted to the Department requires a notarized wet ink signature by the required individual(s). Appointment fees must be paid in advance by the sponsoring insurer. Therefore, the Department does not accept licensing and appointment requests by fax. All appointment requests must be submitted by the sponsoring insurer with original paperwork. (See S.C. Code Ann. Section 38-43-80.)

### Appointment Cancellations

All insurers must cancel producer appointments within 30 days from the date that the producer’s contract was canceled by the insurer. (See S.C. Code Ann. Section 38-43-50.)

**Over 25 appointments.** Insurers with 25 or more cancellations/terminations each year must cancel/terminate online through the National Insurance Producer Registry (NIPR) at [www.nipr.com](http://www.nipr.com).

Under 25 appointments. Insurers with less than 25 cancellations each year may apply online or must submit to the Department an original South Carolina termination form (Form 3505).

### Change of Address or Name

Address changes should be done online at [www.nipr.com](http://www.nipr.com) or at [www.doi.sc.gov](http://www.doi.sc.gov). On the left-hand side of the Department’s home page, click on SCDOI Connect Login/Logout. All address changes must be updated within 30 days of any changes to a producer’s home, mailing, or business address. (See S.C. Code Ann. Section 38-43-107.) Note P.O. Boxes cannot be used as a home address unless there is no mail receptacle at the home address. Without a correct address, a licensed individual may not receive information pertinent to continuing education compliance, which may result in the cancellation of all licenses due to failure to comply. (See S.C. Code Ann. Section 38-43-106 and S.C. Code Ann. Regulation 69-50.)

Those licensed producers who fail to notify the Department of an address change within 30 days of relocating may be subject to an administrative penalty of up to $2,500.

### Continuing Education

With the exception of those who qualify for an exemption (see below), all producers licensed or qualified for licensure with the Department must meet continuing education (CE) requirements.

**Producer requirements.** Producers must complete 24 hours of continuing insurance education, with at least three hours in Ethics, and pay a CE recordkeeping fee biennially. Producers must certify CE course completion to the CE administrator by the last day of the producers birth month. Producers born in an even numbered year must certify by the last date of the
producer’s month of birth every even numbered year. Producers born in an odd numbered year must certify by the last date of the producer’s month of birth every odd numbered year.

**Multiple lines producer requirements.** Producers licensed for life, accident and health, and property and casualty must complete 24 hours of continuing education, completing at least 1/3 (8) of the hours in each line of authority.

**Exemptions to CE requirements:**
- Nonresident producers who have met the CE requirements of their resident state.
- South Carolina producers licensed solely for credit.
- Crop hail insurance.
- Pre-need burial.
- Travel accident and baggage producers.
- Federal crop insurance.
- Producers who were exempted from continuing education requirements by December 31, 2009.

### EXAMINATION CONTENT OUTLINES

The following outlines give an overview of the content of each of the South Carolina insurance examinations. Each examination will include questions on the subjects contained in the outline. The percentages indicate the relative weight assigned to each section of the examination.

### South Carolina Accident and Health Insurance Producer
**Series 19-02**
**100 questions - 2 hour time limit**

#### 1.0 Insurance Regulation 10%

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<td>Appointment</td>
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#### 1.3 Federal regulation

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#### 2.0 General Insurance 10%

##### 2.1 Concepts

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Methods of handling risk
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- Retention
- Sharing
- Reduction
- Transfer

Elements of insurable risks
- Adverse selection
- Law of large numbers
- Reinsurance

##### 2.2 Insurers

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<td>Insurer underwriting criteria, Characteristics of group, Plan design factors, Persistency factors, Administrative capability, Eligibility for coverage, Annual open enrollment, Employee eligibility, Dependent eligibility, Coordination of benefits provision (Reg 69-43), Change of insurance companies or loss of coverage, Coinsurance and deductible carryover, No-loss no-gain, Events that terminate coverage, Extension of benefits, Continuation of coverage under COBRA, South Carolina continuation and conversion rules (38-71-770)</td>
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8.0 Dental Insurance 3%

8.1 Types of dental treatment
- Diagnostic and preventive
- Restorative
- Oral surgery
- Endodontics
- Periodontics
- Prosthodontics
- Orthodontics

8.2 Indemnity plans
- Choice of providers
- Scheduled versus nonscheduled plans
- Benefit categories
  - Diagnostic/preventive services
  - Basic services
  - Major services
- Deductibles and coinsurance
- Combination plans
- Exclusions
- Limitations
- Predetermination of benefits

8.3 Employer group dental expense
- Integrated deductibles versus stand-alone plans
- Minimizing adverse selection

9.0 Insurance for Senior Citizens and Special Needs Individuals 14%

9.1 Medicare
- Nature, financing and administration
- Part A – Hospital Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
- Part B – Medical Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
  - Exclusions
  - Claims terminology and other key terms
- Part C – Medicare Advantage
- Part D – Prescription Drug Insurance

9.2 Medicare supplements (Reg 69-46)
- Purpose (Sec 1)
- Open enrollment (Sec 11)
- Standardized Medicare supplement plans (Sec 8)
  - Core benefits (B)
  - Additional benefits (C)
- South Carolina regulations and required provisions
  - Advertising (Sec 19)
  - Standards for marketing (Sec 20)
- Permitted compensation arrangements (Sec 16)
- Appropriateness of recommended purchase
  - and excessive insurance (Sec 21)
- Required disclosure provisions (Sec 17)
- Guaranteed issue for eligible persons (Sec 12)
- Reporting of multiple policies (Sec 22)
- Buyer’s guide (Sec 17(A)(6))
- Right to return (Sec 17(A)(5))
- Replacement (Sec 18, 23)
- Benefit standards (Sec 8(A))
- Pre-existing conditions (Sec 8(A)(1))
- Outline of coverage (Sec 17(D))
- Prohibited practices (Sec 20(B))

9.3 Other options for individuals with Medicare
- Employer group health plans
  - Disabled employees
  - Employees with kidney failure
  - Individuals age 65 or older
  - Medicaid
  - Eligibility
  - Benefits

9.4 Long-term care (LTC) insurance (Reg 69-44)
- Eligibility for benefits
  - Levels of care
  - Skilled care
  - Intermediate care
  - Custodial care
  - Home health care (69-44-12)
  - Adult day care
  - Respite care
  - Benefit periods
  - Benefit amounts
  - Optional benefits
  - Guarantee of insurability
  - Return of premium
  - Qualified LTC plans
- Exclusions (Reg 69-44 Sec 6(B))
- Underwriting considerations
- South Carolina regulations and required provisions
  - Renewability (Reg 69-44 Sec 6)
  - Outline of coverage (Reg 69-44 Sec 9)
  - Required disclosure provisions (Reg 69-44 Sec 8)/Free look period (38-72-60(F)(1))
  - Replacement (Reg 69-44 Sec 5)
- Inflation protection (Reg 69-44 Sec 3(F))

9.5 South Carolina Health Insurance Pool (38-74-10-90)
- Eligibility (38-74-30)
- Coverages and limits
- Exclusions

10.0 Federal Tax Considerations for Health Insurance 2%

10.1 Personally-owned health insurance
- Disability income insurance
- Medical expense insurance
- Long-term care insurance

10.2 Employer group health insurance
- Medical, disability and dental expense
- Long-term care insurance
- Accidental death and dismemberment

10.4 Business disability insurance
- Key person disability income
- Buy-sell policy

10.5 Health savings accounts (HSAs)

REFERENCE LIST
The following list of reference materials were used to verify the accuracy of the test items for the examinations. They are listed for the purpose of test validation and do NOT constitute an endorsement or recommendation by PSI or the South Carolina Department of Insurance. Other publications are also available to study for the examinations.

This examination is CLOSED BOOK. The following reference material is not allowed in the examination center:


All About HSAs, U.S. Treasury Department, https://www.treasury.gov/resource-center/faqs/Taxes/Pages/default.aspx


South Carolina Casualty Insurance Producer
Series 19-06
100 questions - 2 hour time limit

1.0 Insurance Regulation 15%

1.1 Licensing

Process (38-43-100)

Types of licensees

Producer (38-43-10, 30)
Nonresident (38-43-70)
Broker (38-45-10, 38-45-20)

Maintenance and duration (38-43-110)

Reinstatement (38-43-110(B))

Reporting of actions (38-43-247)

Change of address (38-43-107)

Assumed names (38-43-10(C))

Continuing education (38-43-106)

Disciplinary actions

Cease and desist order (38-57-200, 230)

Hearings (38-3-170; 38-57-200)

Penalties (38-2-10-30, 38-43-130)

1.2 State regulation

Director's general duties and powers (38-3-60, 110)
### 2.3 Producers and general rules of agency
- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producers
  - Express
  - Implied
  - Apparent
- Responsibilities to the applicant/insured

### 2.4 Contracts
- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
  - Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Aleatory contract
  - Unilateral contract
  - Conditional contract
  - Legal interpretations affecting contracts
    - Ambiguities in a contract of adhesion
    - Reasonable expectations
    - Indemnity
    - Utmost good faith
    - Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud
  - Waiver and estoppel

### 3.0 Casualty Insurance Basics
#### 3.1 Principles and concepts
- Insurable interest
- Underwriting
  - Function
  - Rates
  - Components
  - Hazards
    - Physical
    - Moral
    - Morale
  - Legal
    - Negligence
      - Elements of a negligent act
      - Defenses against negligence
  - Damages
    - Compensatory
    - Punitive
    - Absolute liability
    - Strict liability
    - Vicarious liability
- **3.2 Policy structure**
  - Declarations
  - Definitions
  - Insuring agreement or clause
  - Additional/supplementary coverage
  - Conditions
  - Exclusions
  - Endorsements

### 3.3 Common policy provisions
- Insureds
  - named, first named, additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
  - Nonconcurrency
- Primary and excess
  - Pro rata
  - Contribution by equal shares
  - Limits of liability
    - Per occurrence (accident)
    - Per person
    - Aggregate — general versus products — completed operations
  - Split
  - Combined single
- Policy limits
- Restoration/nonreduction of limits
- Named insured provisions
  - Duties after loss
  - Insurer provisions
    - Liberalization
    - Subrogation
    - Claim settlement options
  - Duty to defend

### 3.4 South Carolina laws, regulations and required provisions
- South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
- Cancellation, nonrenewal and renewal (38-75-730, 740, 750)

### 4.0 Homeowners (‘11) Policy
#### 4.1 Coverage forms
- HO-2 through HO-6, HO-8, Mobile Homeowner

#### 4.2 Definitions

#### 4.3 Section II — Liability coverages
- Coverage E — Personal liability
- Coverage F — Medical payments to others
- Additional coverages

#### 4.4 Exclusions

#### 4.5 Conditions

#### 4.6 Selected endorsements
- Special provisions — South Carolina (HO 01 39)
  - Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
  - Permitted incidental occupancies (HO 04 42)
  - Home day care (HO 04 97)
  - Business pursuits (HO 24 71)
  - Watercraft (HO 24 75)
  - Personal injury (HO 24 82)
  - Water back-up (HO 04 95)

### 5.0 Auto Insurance
#### 5.1 Laws
- South Carolina Motor Vehicle Financial
- Responsibility Act (RL Title 56, Chapter 9)
- Required limits of liability (38-77-140)
- Uninsured/underinsured motorist (38-77-140, 150-170, 180-230, 260)
- Definitions
  - Bodily injury
  - Property damage
  - Required limits
  - Cancellation/nonrenewal (38-77-120-124, 390; RL 56-10-280)
  - Reasons
  - Notice
## 5.2 Personal ('05) auto policy

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<td>Duties after an accident or loss</td>
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<td>Selected endorsements</td>
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<td>Amendment of policy provisions</td>
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<td>Extended non-owned coverage (PP 03 06)</td>
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<td>Miscellaneous type vehicle</td>
<td>Underinsured motorist (PP 03 11)</td>
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### 5.3 Commercial auto ('13)

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<th>Business auto</th>
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### Coverage form sections

- Covered autos
- Liability coverage
- Garagekeepers coverage
- Physical damage coverage

### Exclusions

- Amendement of policy provisions
- Towing and labor costs (PP 03 03)
- Extended non-owned coverage (PP 03 06)
- Miscellaneous type vehicle (PP 03 23)
- Underinsured motorist (PP 03 11)

### Selected endorsements

- Lessor — additional insured and loss payee (CA 20 01)
- Employees as insureds (CA 99 33)
- Auto medical payments coverage (CA 99 03)
- Hired autos specified as covered autos you own (CA 99 16)
- Individual named insured (CA 99 17)

### Drive other car coverage (DOC)

### 6.0 Commercial Package Policy (CPP) 9%

#### 6.1 Components of a commercial policy

- Common policy declarations
- One or more coverage parts

#### 6.2 Commercial general liability ('13)

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<td>Personal and advertising injury liability</td>
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### Exclusions

- Supplementary payments
- Who is an insured
- Limits of insurance

### Definitions

- Occurrence versus claims-made
- Claims-made features
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- Extended reporting periods — basic versus supplemental

### Claim information

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#### General definitions

- Burglary
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#### Crime coverage forms

- Commercial crime coverage forms
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- Forgery or alteration
- Inside the premises — theft of money and securities
- Outside the premises — robbery or safe burglary of other property
- Computer fraud
- Funds transfer fraud

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### 6.4 Farm coverage

<table>
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<td>Coverage I — Personal and advertising injury liability</td>
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<tr>
<td>Coverage J — Medical payments</td>
</tr>
</tbody>
</table>

### Exclusions

- Additional coverages

### Limits of insurance

- Conditions

### Definitions

- Extortion — commercial entities (CR 04 03)

### 7.0 Businessowners ('10) Policy — Liability 5%

#### 7.1 Characteristics and purpose

#### 7.2 Businessowners Section II — Liability

- Coverages
- Exclusions

### Who is an insured

- Limits of insurance
- General conditions

### Definitions

### 7.3 Businessowners Section III — Common Policy Conditions

### 7.4 Selected endorsements

- Hired auto and non-owned auto liability (BP 04 04)

### Optional coverages

### 8.0 Workers Compensation Insurance 10%

#### 8.1 Workers compensation laws

- Types of laws
  - Monopolistic versus competitive
  - Compulsory versus elective
- South Carolina Workers’ Compensation Law (RL Title 42)
  - Exclusive remedy (RL 42-1-540)
  - Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
  - Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
- Occupational disease (RL 42-11-10)
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- Selected endorsement

**Voluntary compensation**

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- Nature of surety bonds
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- Purpose of license and permit bonds
- Public official bond
- Judicial bonds
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- Nature of fidelity bonds
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- Public employee bonds

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#### 10.3 Surplus lines

- Definitions and markets
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### Reference List

The following list of reference materials were used to verify the accuracy of the test items for the examinations. They are listed for the purpose of test validation and do not constitute an endorsement or recommendation by PSI or the South Carolina Department of Insurance. Other publications are also available to study for the examinations.

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**South Carolina Commercial Lines Adjuster Series 19-24**

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<td>1.6 Federal regulation</td>
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<tr>
<td>Fraud and false statements (18 USC 1033, 1034)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>2.0 Insurance Basics 14%</th>
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</thead>
<tbody>
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<td>2.1 Contract basics</td>
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<tr>
<td>Elements of a legal contract</td>
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<td>Consideration</td>
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<tr>
<td>Distinct characteristics of an insurance contract</td>
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<td>Aleatory contract</td>
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</tr>
</tbody>
</table>
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Insurance fraud act (38-55-510-590)
Arbitration of property damage liability claims (38-77-710-770)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

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- Livestock coverage form
- Mobile agricultural machinery and equipment coverage form
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- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

### 6.0 Businessowners ('10) Policy 10%
#### 6.1 Characteristics and purpose

#### 6.2 Businessowners Section I — Property
- Coverage
- Exclusions
- Limits of insurance
- Deductibles
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#### 6.3 Businessowners Section II — Liability
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- Protective safeguards (BP 04 30)
- Utility services — direct damage (BP 04 56)
- Utility services — time element (BP 04 57)

### 7.0 Workers Compensation Insurance 4%
#### 7.1 Workers compensation laws
- Types of laws
  - Monopolistic versus competitive
  - Compulsory versus elective
- South Carolina Workers' Compensation Law (RL Title 42)
  - Exclusive remedy (RL 42-1-540)
  - Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
  - Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
  - Occupational disease (RL 42-11-10)
  - Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)

#### 7.2 Workers compensation and employers liability insurance policy
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  - Part Two — Employers liability insurance
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  - Voluntary compensation
- 7.3 Sources of coverage
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  - South Carolina residual workers compensation
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### 8.0 Marine Insurance 3%
#### 8.1 Hull coverage
- Characteristics and purpose
  - Assured
  - Agreed value
  - Deductible (or deductible average clause)
  - Premium, return of premium and nonpayment of premium
  - Adventure
  - Causes of loss
  - Claims (general provisions)
  - General average and salvage
  - Sue and labor
  - Collision liability
  - Limitations of liability
  - Pilotage and towage
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#### 8.2 Cargo coverage
- Characteristics and purpose
- Types of cargo losses
  - Total loss — actual total loss versus constructive total loss
  - Partial loss — particular average versus general average
  - Sue and labor expenses
This examination is CLOSED BOOK. The following reference material is not allowed in the examination center:


### South Carolina Crop Hail Insurance Adjuster
Series 19-13
50 questions - 1 hour time limit

1.0 Insurance Regulation 18%

- Director's general duties and powers (38-3-60, 110)
- Licensing requirements
- Qualifications (38-47-10)
- Nonresident (38-47-20)
- Emergency adjuster permit (Reg 69-1)
- Maintenance and duration (38-47-40)
- Change of address (38-47-15)
- Disciplinary actions
- Cease and desist order (38-57-200, 230)
- Hearings (38-3-170; 38-57-200)
- Penalties (38-2-10; 38-47-70)
- Suspension, revocation or cancellation (38-47-70)
- Claim settlement laws and regulations (38-59-20)
- Federal Regulation
- Fraud and false statements (18 USC 1033, 1034)

2.0 Crop Insurance 58%

- Eligibility
- Insureds
- Insurable crops
- Application
- Binder
- Declarations section
- Required signatures
- Required information

---

**REFERENCE LIST**

The following list of reference materials were used to verify the accuracy of the test items for the examinations. They are listed for the purpose of test validation and do NOT constitute an endorsement or recommendation by PSI or the South Carolina Department of Insurance. Other publications are also available to study for the examinations.
Terms of coverage
Inception of coverage
Expiry
Cancellation
Minimum loss
Perils insured against
Exclusions
Limits of coverage
Insurable value
Deductibles
Reduction of insurance
Other provisions
Replanting clause
Acreage variation
Fire department service charge
Pro rata liability clause
Fire and lightning coverage
Subrogation
Claim settlement practices
Notice of loss
Insured's duties after loss
Appraisal
Arbitration
Mandatory endorsements
NCIS - 444 Truck and Vine Crops
NCIS - 578 Tree Fruits
NCIS - 678 Field Diagram

3.0 Loss Adjusting Procedures 24%
Settling the claim
Other insurance
Field inspections and counts
Closing the claim
Deferments
Unsettled claims (snags)
Stages of growth

REFERENCE LIST
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South Carolina Crop Insurance Producer Series 19-22
50 questions - 1 hour time limit

1.0 Insurance Regulation 15%
- Licensing
- Process (38-43-100)
- Types of licensees
- Producer (38-43-10)
- Nonresident (38-43-70)
- Temporary (38-43-102)
- Broker (38-45-10)

- Maintenance and duration
- Change of address (38-43-107)
- Reinstatement (38-43-110(B))
- Reporting of actions (38-43-247)
- Assumed names (38-43-10(C))
- Continuing education (38-43-106)

- Disciplinary actions
- Cease and desist order (38-57-200, 230)
- Hearings (38-3-170; 38-57-200)
- Penalties (38-2-10-30, 38-43-130)

- State Regulation
- Director's general duties and powers (38-3-60, 110)
- Company regulation
- Certificate of authority (38-5-80)
- Solvency (38-5-120)
- Rates (38-3-110)
- Policy forms (38-61-20)
- Unfair claims settlement practices (38-59-20)
- Examination of books and records (38-13-10-30)
- Appointment (38-43-40, 50)
- Termination of appointment (38-43-55)
- Producer regulation
- Record maintenance (38-43-250)
- Failure to act as fiduciary (38-43-240)
- Blank forms (38-43-260)
- Sharing commissions (38-43-200)
- Representing an unauthorized insurer (38-43-160-180)

- Unfair and prohibited practices
- Misrepresentation (38-57-40)
- False advertising (38-57-50)
- Defamation (38-57-90)
- Boycott, coercion, and intimidation (38-57-100)
- False financial statements (38-57-80)
- Unfair discrimination (38-55-50)
- Rebating (38-57-130)
- Prohibited inducements (38-57-130, 150)
### 2.0 General Insurance 10%

**Concepts**
- Risk management key terms
- Risk
- Exposure
- Hazard
- Peril
- Loss

**Methods of Handling Risk**
- Avoidance
- Retention
- Sharing
- Reduction
- Transfer

**Elements of insurable risks**
- Adverse selection
- Law of large numbers
- Reinsurance

**Insurers**
- Types of insurers
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Lloyd's associations
  - Risk retention groups
  - Captive companies (Title 38, Ch 90)
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign, and alien insurers
- Financial status (independent rating services)
- Marketing (distribution) systems

**Producers and general rules of agency**
- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producers
- Express
- Implied
- Apparent

**Responsibilities to the applicant/insured**

**Contracts**
- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
- Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Aleatory contract
  - Personal contract
  - Unilateral contract
  - Conditional contract
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
- Reasonable expectations

### 3.0 Crop Insurance 25%

**Eligibility**
- Insureds
- Insurable crops
- Application
- Binder
- Declarations section
- Required signatures
- Required information

**Terms of coverage**
- Effective date
- Inception of coverage
- Expiration
- Cancellation
- Minimum loss
- Perils insured against
- Limits of coverage
- Insurable value
- Deductibles
- Reduction of insurance
- Other provisions
- Replanting clause
- Acreage variation
- Transit coverage
- Fire department service charge
- Pro rata liability clause
- Fire and lightning coverage
- Windrowed crops
- Assignment
- Subrogation
- Claim settlement practices
- Notice of loss
- Insured's duties after loss
- Appraisal
- Arbitration
- Mandatory endorsements
  - NCIS - 444 Truck and Vine Crops
  - NCIS - 578 Tree Fruits
  - NCIS - 678 Field Diagram

### 4.0 Federal Multiple-Peril Crop Insurance Programs 50%

**Basic crop insurance**
- Eligibility
  - Insureds
  - Insurable crops
  - Actuarial document books
- Yield guarantee
  - Actual Production History (APH)
  - Assigned yield
  - Transitional yield
- Coverage level
- Covered causes of loss
- Application
- Basic unit
- Administrative fee
- Production records
Acreage reporting
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Cancellation
Termination
Multiple peril policy options
Levels of coverage
Price election
Optional units
High-risk land exclusion
Hail and fire exclusion
Replant payments
Late planting coverage
Prevented planting coverage
Transfer of coverage
Assignment of indemnity
Subrogation
Other provisions
Duties after loss
Insured
Insurer

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South Carolina Life Insurance Producer
Series 19-01
100 questions - 2 hour time limit

1.0 Insurance Regulation 15%
1.1 Licensing
Process (38-43-100)
Types of licensees
Producer (38-43-10, 30)
Nonresident (38-43-70)
Broker (38-45-10, 38-45-20)
Maintenance and duration (38-43-110)
Reinstatement (38-43-110(B))
Reporting of actions (38-43-247)
Change of address (38-43-107)
Assumed names (38-43-10(C))
Continuing education (38-43-106); 69-33 sect. (3)(c)
Disciplinary actions
Cease and desist order (38-57-200, 230)
Hearings (38-3-170; 38-57-200)
Penalties (38-2-10-30, 38-43-130)
1.2 State regulation
Director's general duties and powers (38-3-60, 110)
Company regulation
Certificate of authority (38-5-80)
Solvency (38-5-120)
Rates (38-3-110)
Policy forms (38-61-20)
Unfair claims settlement practices (38-59-20)
Examination of books and records (38-13-10 30)
Appointment (38-43-40, 50)
Termination of appointment (38-43-55)
Producer regulation
Records maintenance (38-43-250)
Misappropriation of funds (38-43-130, 240, 420)
Blank forms (38-43-260)
Sharing commissions (38-43-200)
Representing an unauthorized insurer (38-43-160-180)
Unfair and prohibited practices
Misrepresentation (38-57-40)
False advertising (38-57-50)
Defamation (38-57-90)
Boycott, coercion and intimidation (38-57-100)
False financial statements (38-57-80)
Unfair discrimination (38-55-50)
Rebating (38-57-130)
Twisting (38-57-60)
Free insurance (38-57-170)
Prohibited inducements (38-57-130, 150)
1.3 Federal regulation
Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 7%

2.1 Concepts
Risk management key terms
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Methods of handling risk
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2.3 Producers and general rules of agency
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Responsibilities to the applicant/insured

2.4 Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud

Waiver and estoppel

3.0 Life Insurance Basics 26%

3.1 Insurable interest

3.2 Personal uses of life insurance
Survivor protection
Estate creation
Cash accumulation
Liquidity
Estate conservation
Viable settlements
Life settlements
Exemption from claims of creditors (38-63-40, 38-65-90)

3.3 Determining amount of personal life insurance
Human life value approach
Needs approach
Types of information gathered
Determining lump-sum needs
Planning for income needs

3.4 Business uses of life insurance
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3.5 Classes of life insurance policies
Group versus individual
Permanent versus term
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Regulation of variable products (SEC, FINRA and South Carolina) (Reg 69-12 Part A (Art IV), Part B (Art VI))

3.6 Premiums
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3.7 Producer responsibilities
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Illustrations (Reg 69-40 Sec 5-8)
Policy summary (Reg 69-30(D),(E))
Buyer's guide (Reg 69-30(D),(E), Appendix)
Life insurance policy cost comparison methods
Replacement (38-63-220(b); Reg 69-12.1)
Use and disclosure of insurance information/HIV Consent
Field underwriting
Notice of information practices
Application procedures and timing of initial premium collection
Premium collection
Delivery
Policy review
Effective date of coverage

3.8 Individual underwriting by the insurer
Information sources and regulation
Application
Producer report
Attending physician statement
Investigative consumer (inspection) report
Medical Information Bureau (MIB)
Selection criteria and unfair discrimination (38-57-120(1))
### Classification of risks

- Preferred
- Standard
- Substandard

### 4.0 Life Insurance Policies 17%

#### 4.1 Term life insurance
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- Level premium term
- Decreasing term

#### 4.2 Whole life insurance
- Continuous premium (straight life)
- Limited payment
- Single premium

#### 4.3 Flexible premium policies
- Adjustable life
- Universal life
- Variable life
- Variable Universal life

#### 4.4 Specialized policies
- Joint life (first-to-die)
- Survivorship life (second-to-die)

#### 4.5 Group life insurance
- Characteristics of group plans
- Types of plan sponsors
- Group underwriting requirements
- Conversion to individual policy (38-65-210(8-10))

#### 4.6 Credit life insurance (individual versus group)

### 5.0 Life Insurance Policy Provisions, Options and Riders 23%

#### 5.1 Required provisions (38-63-220)
- Modifications (c)
- Right to examine (free look) (b)
- Payment of premiums (h)
- Grace period (i)
- Reinstatement (j)
- Incontestability (d)
- Misstatement of age or gender (e)
- Interest on insurance proceeds (f)
- Entire contract (38-63-210)
- Exclusions (38-63-225)

#### 5.2 Beneficiaries
- Designation options
  - Individuals
  - Classes
  - Estates
  - Minors
  - Trusts
- Succession
  - Revocable versus irrevocable
  - Common Disaster clause
  - Spendthrift clause

#### 5.3 Settlement options
- Cash payment
- Interest only
- Fixed-period installments
- Fixed-amount installments
- Life income
  - Single life
  - Life with period certain
  - Joint and survivor
- Nonforfeiture options
- Cash surrender value

#### 5.4 Nonforfeiture options
- Extended term
- Reduced paid-up insurance

#### 5.5 Policy loan and withdrawal options
- Cash loans
- Automatic premium loans
- Withdrawals or partial surrenders

#### 5.6 Dividend options
- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions

#### 5.7 Disability riders
- Waiver of premium
- Waiver of cost of insurance
- Disability income benefit
- Payor benefit life/disability (juvenile insurance)

#### 5.8 Accelerated (living) benefit provisions/riders
- Conditions for payment
- Effect on death benefit

#### 5.9 Riders covering additional insureds
- Spouse/other-insured term rider
- Children's term rider

#### 5.10 Riders affecting the death benefit amount
- Accidental death
- Guaranteed insurability
- Cost of living

#### 5.11 Standard Life Insurance Provisions
- Ownership
- Assignment

### 6.0 Annuities 9%

#### 6.1 Annuity principles and concepts
- Accumulation period versus annuity period
- Owner, annuitant and beneficiary
- Insurance aspects of annuities

#### 6.2 Immediate versus deferred annuities
- Single premium immediate annuities (SPIAs)
- Deferred annuities
  - Premium payment options
  - Nonforfeiture
  - Surrender and withdrawal charges
  - Death benefits

#### 6.3 Annuity (benefit) payment options
- Life contingency options
  - Pure life versus life with guaranteed minimum
  - Single life versus multiple life
- Annuities certain (types)

#### 6.4 Annuity products
- Fixed annuities
  - General account assets
  - Interest rate guarantees (minimum versus current)
  - Level benefit payment amount
- Equity indexed annuities

#### 6.5 Uses of annuities
- Lump-sum settlements
- Qualified retirement plans
- Group versus individual annuities
- Personal uses
  - Individual retirement plans (IRAs)
  - Tax-deferred growth
  - Retirement income
  - Education funds
7.0 Federal Tax Considerations for Life Insurance and Annuities 3%

7.1 Taxation of personal life insurance
- Amounts available to policyowner
  - Cash value increases
- Dividends
- Policy loans
- Surrenders
  - Amounts received by beneficiary
    - General rule and exceptions
    - Settlement options
  - Values included in insured's estate
- Taxation of non-qualified annuities
  - Individually-owned
    - Accumulation phase (taxation issues related to withdrawals)
    - Annuity phase and the exclusion ratio
    - Distributions at death
  - Corporate-owned
- Taxation of individual retirement plans (IRAs)
  - Traditional IRAs
    - Contributions and distributions
  - Roth IRAs
    - Contributions and distributions
- Section 1035 exchanges

REFERENCE LIST
The following list of reference materials were used to verify the accuracy of the test items for the examinations. They are listed for the purpose of test validation and do not constitute an endorsement or recommendation by PSI or the South Carolina Department of Insurance. Other publications are also available to study for the examinations.

This examination is CLOSED BOOK. The following reference material is not allowed in the examination center:


South Carolina Life, Accident and Health Insurance Producer Series 19-03
150 questions - 165 minute time limit

1.0 Insurance Regulation 15%
1.1 Licensing
- Process (38-43-100)
- Types of licensees
  - Producer (38-43-10, 30)
  - Nonresident (38-43-70)
  - Broker (38-45-10, 38-45-20)
- Maintenance and duration (38-43-110)
- Reinstatement (38-43-110(B))
- Reporting of actions (38-43-247)
- Change of address (38-43-107)
- Assumed names (38-43-10(C))
- Continuing education (38-43-106); 69-33 sect. (3)(c)

Disciplinary actions
- Cease and desist order (38-57-200, 230)
- Hearings (38-3-170; 38-57-200)
- Penalties (38-2-10 30, 38-43-130)

1.2 State regulation
- Director's general duties and powers (38-3-60, 110)

Company regulation
- Certificate of authority (38-5-80)
- Solvency (38-5-120)
- Rates (38-3-110)
- Policy forms (38-61-20)
- Unfair claims settlement practices (38-59-20)
- Examination of books and records (38-13-10 30)
- Appointment (38-43-40, 30)
- Termination of appointment (38-43-55)

Producer regulation
- Records maintenance (38-43-250)
- Misappropriation of funds (38-43-130, 240, 420)
- Blank forms (38-43-260)
- Sharing commissions (38-43-200)
- Representing an unauthorized insurer (38-43-160-180)
- Unfair and prohibited practices
  - Misrepresentation (38-57-40)
  - False advertising (38-57-50)
  - Defamation (38-57-90)
  - Boycott, coercion and intimidation (38-57-100)
  - False financial statements (38-57-80)
  - Unfair discrimination (38-55-50)
- Rebating (38-57-130)
- Twisting (38-57-60)
- Free insurance (38-57-170)
- Prohibited inducements (38-57-130, 150)
- Insurance fraud act (38-55-510-590)
- Consumer information privacy regulation (Reg 69-58 Sec 1-16)

1.3 Federal regulation
- Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 5%
2.1 Concepts
- Risk management key terms
- Risk
- Exposure
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Peril
Loss
Methods of handling risk
Avoidance
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Sharing
Reduction
Transfer
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

2.2 Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Lloyd's associations
Alien Captive companies (Title 38, Ch 90-10)
Private versus government insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems

2.3 Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producers
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Implied
Apparent
Responsibilities to the applicant/insured

2.4 Contracts
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Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

3.0 Life Insurance Basics 9%
1.1 Insurable interest
1.2 Personal uses of life insurance
   Survivor protection
   Estate creation
   Cash accumulation
   Liquidity
   Estate conservation
   Viatical settlements

3.3 Determining amount of personal life insurance
   Human life value approach
   Needs approach
   Types of information gathered
   Determining lump-sum needs
   Planning for income needs

3.4 Business uses of life insurance
   Buy-sell funding
   Key person
   Deferred Compensation
   Executive bonuses

3.5 Classes of life insurance policies
   Group versus individual
   Permanent versus term
   Participating versus nonparticipating
   Fixed versus variable life insurance and annuities
   Regulation of variable products (SEC, FINRA
   and South Carolina) (Reg 69-12 Part A (Art IV), Part B (Art VI))

3.6 Premiums
   Factors in premium determination
   Mortality
   Interest
   Expense
   Premium payment mode

3.7 Producer responsibilities
   Solicitation and sales presentations
   Advertising (38-57)
   Life and Accident and Health Insurance
   Guaranty Association (38-29-130)
   Illustrations (Reg 69-40 Sec 5-8)
   Policy summary (Reg 69-30(D),(E))
   Buyer's guide (Reg 69-30(D),(E), Appendix)
   Life insurance policy cost comparison methods
   Replacement (38-63-220(b); Reg 69-12.1)
   Use and disclosure of insurance information/HIV Consent
   Field underwriting
   Notice of information practices
   Application procedures and timing of initial premium collection
   Premium collection
   Delivery
   Policy review
   Effective date of coverage

3.8 Individual underwriting by the insurer
   Information sources and regulation
   Application
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   Attending physician statement
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- Values included in insured's estate

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### 8.0 Health Insurance Basics 8%

#### 8.1 Definitions of perils

- Accidental injury
- Sickness

#### 8.2 Principal types of losses and benefits

- Loss of income from disability
- Medical expense
- Dental expense
- Long-term care expense

#### 8.3 Classes of health insurance policies

- Individual versus group
- Private versus government
- Limited versus comprehensive

#### 8.4 Limited policies

- Required notice to insured
- Limited benefits

#### 8.5 Common exclusions from coverage

#### 8.6 Producer responsibilities in individual health insurance

- Marketing requirements
  - Advertising (Reg 69-17)
  - Life and Accident and Health Insurance Guaranty Association (38-29-30)
  - Sales presentations (Reg 69-34.1)
  - Outline of coverage (38-71-550)
- Field underwriting
  - Nature and purpose
  - Disclosure of information about individuals
  - Application procedures
  - Requirements at delivery of policy
- Underwriting criteria
  - Sources of underwriting information
  - Application
  - Producer report
  - Attending physician statement
  - Investigative consumer (inspection) report
  - Medical Information Bureau (MIB)
  - Medical examinations and lab tests
  - Unfair discrimination (38-57-120(2))
- Genetic testing
  - Classification of risks
  - Preferred
  - Standard

### 8.8 Considerations in replacing health insurance

- Pre-existing conditions
- Benefits, limitations and exclusions
- Underwriting requirements
- Producer liability for errors and omissions

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- Time limit on certain defenses (2)
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- Physical examinations and autopsy (10)
- Legal actions (11)
- Change of beneficiary (12)
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- Misstatement of age (2)
- Other insurance in this insurer (3)
- Insurance with other insurers
  - Expense-incurred benefits (4)
  - Other benefits (5)
  - Unpaid premium (7)
- Illegal occupation (8)
- Intoxicants and narcotics (9)

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- Insuring clause
- Consideration clause
- Renewability clause
  - Noncancelable
  - Guaranteed renewable
  - Conditionally renewable
  - Renewable at option of insurer
  - Nonrenewable (cancelable, term)

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- Qualifying for disability benefits
  - Inability to perform duties
    - Own occupation
    - Any occupation
  - Pure loss of income (income replacement contracts)
    - Presumptive disability
    - Requirement to be under physician care
- Individual disability income insurance
  - Basic total disability plan
    - Income benefits (monthly indemnity)
    - Elimination and benefit periods
    - Waiver of premium feature
    - Coordination with social insurance and workers compensation benefits
    - Additional monthly benefit (AMB)
    - Social insurance supplement (SIS)
    - Occupational versus nonoccupational coverage
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### 10.0 Dental Insurance 2%

#### 10.1 Types of dental treatment
- Diagnostic and preventive
- Restorative
- Oral surgery
- Endodontics
- Periodontics
- Prosthodontics
- Orthodontics

#### 10.2 Indemnity plans
- Choice of providers
- Scheduled versus nonscheduled plans
- Benefit categories
  - Diagnostic/preventive services
  - Basic services
  - Major services
  - Deductibles and coinsurance
  - Combination plans
  - Exclusions
  - Limitations
- Predetermination of benefits

#### 10.3 Employer group dental expense
- Integrated deductibles versus stand-alone plans
- Minimizing adverse selection

### 10.4 Insurance for Senior Citizens and Special Needs Individuals 8%

#### 10.4.1 Medicare
- Nature, financing and administration
- Part A — Hospital Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
- Part B — Medical Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
  - Exclusions
  - Claims terminology and other key terms
- Part C — Medicare Advantage
- Part D — Prescription Drug Insurance

#### 10.4.2 Medicare supplements (Reg 69-46)
- Purpose (Sec 1)
- Open enrollment (Sec 11)
- Standardized Medicare supplement plans (Sec 8)
  - Core benefits (B)
  - Additional benefits (C)
- South Carolina regulations and required provisions
- Advertising (Sec 19)
- Standards for marketing (Sec 20)
- Permitted compensation arrangements (Sec 16)
- Appropriateness of recommended purchase
- and excessive insurance (Sec 21)
- Required disclosure provisions (Sec 17)
- Guaranteed issue for eligible persons (Sec 12)
- Reporting of multiple policies (Sec 22)
- Buyer’s guide (Sec 17(A)(6))
- Right to return (Sec 17(A)(5))
- Replacement (Sec 18, 23)
- Benefit standards (Sec 8(A))

### 10.5 South Carolina Health Insurance Pool (38-74-10 90)
- Eligibility (38-74-30)
- Coverages and limits
- Exclusions
- Required disclosure provisions (Reg 69-44 Sec 8)/Free look period (38-72-60(F)(1))
- Replacement (Reg 69-44 Sec 5)
- Inflation protection (Reg 69-44 Sec 13(A))

### 11.0 State and Federal Tax Considerations for Health Insurance 3%

#### 11.1 Personally-owned health insurance
- Disability income insurance
- Medical expense insurance
- Long-term care insurance

#### 11.2 Employer group health insurance
- Medical, disability and dental expense
- Long-term care insurance
- Accidental death and dismemberment

#### 11.4 Business disability insurance
- Key person disability income
- Buy-sell policy

### 11.5 Health savings accounts (HSAs)

#### Pre-existing conditions (Sec 8(A)(1))
- Outline of coverage (Sec 17(D))
- Prohibited practices (Sec 20(B))
- Medicare select (Sec 10)

#### 14.3 Other options for individuals with Medicare
- Employer group health plans
- Disabled employees
- Employees with kidney failure
- Individuals age 65 or older
- Medicaid
  - Eligibility
  - Benefits

#### 14.4 Long-term care (LTC) insurance (Reg 69-44)
- Eligibility for benefits
- Levels of care
  - Skilled care
  - Intermediate care
  - Custodial care
  - Home health care (69-44-12)
  - Adult day care
  - Respite care
- Benefit periods
- Benefit amounts
- Optional benefits
- Guarantee of insurability
- Return of premium
- Qualified LTC plans
- Exclusions (Reg 69-44 Sec 6(B))

#### 14.5 South Carolina Health Insurance Pool (38-74-10 90)
- Eligibility (38-74-30)
- Coverages and limits
- Exclusions
- Required disclosure provisions (Reg 69-44 Sec 8)/Free look period (38-72-60(F)(1))
- Replacement (Reg 69-44 Sec 5)
- Inflation protection (Reg 69-44 Sec 13(A))

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South Carolina Personal Lines Adjuster Series 19-23
100 questions - 2 hour time limit

1.0 Insurance Regulation 10%
1.1 Director's general duties and powers (38-3-60, 110)
1.2 Licensing requirements
   - Qualifications (38-47-10)
   - Nonresident (38-47-20)
   - Emergency adjuster permit (Reg 69-1)
1.3 Maintenance and duration (38-47-40)
   - Change of address (38-47-15)
1.4 Disciplinary actions
   - Cease and desist order (38-57-200, 230)
   - Hearings (38-3-170; 38-57-200)
   - Penalties (38-2-10-30; 38-47-70)
1.5 Claim settlement laws and regulations (38-59-20)
1.6 Federal regulation
   - Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 14%
2.1 Contract basics
   - Elements of a legal contract
   - Offer and acceptance
   - Consideration
   - Competent parties

Legal purpose
   - Distinct characteristics of an insurance contract
   - Contract of adhesion
   - Aleatory contract
   - Personal contract
   - Unilateral contract
   - Conditional contract

Legal interpretations affecting contracts
   - Ambiguities in a contract of adhesion
   - Reasonable expectations
   - Indemnity
   - Utmost good faith
   - Representations/misrepresentations
   - Warranties
   - Concealment
   - Fraud
   - Waiver and estoppel

2.2 Insurance principles and concepts
   - Insurable interest
   - Hazards
   - Physical
   - Moral
   - Morale
   - Negligence
   - Elements of a negligent act
   - Defenses against negligence

Damages
   - Compensatory — special versus general
   - Punitive
   - Absolute liability
   - Strict liability
   - Vicarious liability
   - Causes of loss (perils)
   - Named perils versus special (open) perils
   - Direct loss
   - Consequential or indirect loss
   - Blanket versus specific insurance
   - Basic types of construction

Loss valuation
   - Actual cash value
   - Replacement cost
   - Functional replacement cost
   - Market value
   - Agreed value
   - Stated amount

2.3 Policy structure
   - Declarations
   - Definitions
   - Insuring agreement or clause
   - Additional/supplementary coverage
   - Conditions
   - Exclusions
   - Endorsements

2.4 Common policy provisions
   - Insureds — named, first named, additional
   - Policy period
   - Policy territory
   - Cancellation and nonrenewal
   - Deductibles
   - Other insurance
   - Nonconcurrency
   - Primary and excess
### Pro rata
- Limits of liability
  - Per occurrence (accident)
  - Per person
  - Split
- Combined single
- Restoration/nonreduction of limits

### Coinsurance
- Vacancy or unoccupancy
- Named insured provisions
- Duties after loss
- Assignment
- Abandonment
- Insurer provisions
- Liberalization
- Subrogation
- Salvage
- Claim settlement options
- Duty to defend
- Third-party provisions
  - Standard mortgage clause
  - Loss payable clause
  - No benefit to the bailee

2.5 South Carolina laws, regulations and required provisions
- South Carolina Valued Policy Law (38-75-20, 30)
- South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
- Cancellation, nonrenewal and renewal (38-75-710-790)
- Insurance fraud act (38-55-510-590)
- Arbitration of property damage liability claims (38-77-710-770)
- Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

### 3.0 Adjusting Losses 20%
#### 3.1 Role of the adjuster
- Duties and responsibilities
  - Staff and independent adjuster versus public adjuster
  - Relationship to the legal profession

#### 3.2 Claim reporting
- Claim investigation
- Claim file documentation of events
  - Types of reports
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    - Interim or status
    - Full formal

#### 3.3 Property losses
- Duties of insured after a loss
  - Notice to insurer
  - Minimizing the loss
  - Proof of loss
  - Special requirements
  - Production of books and records
  - Abandonment
  - Determining value and loss
    - Burden of proof of value and loss
    - Estimates
    - Depreciation
    - Salvage
  - Claim settlement options
  - Payment and discharge

#### 3.4 Liability losses
- Investigation procedures
  - Verify coverage
  - Determine liability
  - Gathering evidence
  - Physical evidence
  - Witness statements
  - Determining value of intangible damages

#### 3.5 Coverage problems
- Dealing with coverage disputes
  - Reservation of rights letter
  - Nonwaiver agreement
  - Declaratory judgment action

#### 3.6 Claims adjustment procedures
- Settlement procedures
  - Advance payments
  - Draft authority
  - Execution of releases

  - Subrogation procedures
  - Alternative dispute resolution
    - Appraisal
    - Arbitration
    - Competitive estimates
    - Mediation
    - Negotiation

### 4.0 Dwelling ('02) Policy 7%
#### 4.1 Characteristics and purpose

#### 4.2 Coverage forms — Perils insured against
- Basic
- Broad
- Special

#### 4.3 Property coverages
- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Fair rental value
- Coverage E — Additional living expense
- Other coverages

#### 4.4 General exclusions

#### 4.5 Conditions

#### 4.6 Selected endorsements
- Special provisions — South Carolina (DP 01 39)
- Automatic increase in insurance (DP 04 11)
- Broad theft coverage (DP 04 72)
- Dwelling under construction (DP 11 43)

#### 4.7 Personal liability supplement

### 5.0 Homeowners ('00) Policy 22%
#### 5.1 Coverage forms
- HO-2 through HO-6
- HO-8

#### 5.2 Definitions

#### 5.3 Section I — Property coverages
- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Loss of use
- Additional coverages

#### 5.4 Section II — Liability coverages
- Coverage E — Personal liability
- Coverage F — Medical payments to others
- Additional coverages

#### 5.5 Perils insured against

#### 5.6 Exclusions
5.7 Conditions
5.8 Selected endorsements
- Special provisions — South Carolina (HO 01 39)
- Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
- Permitted incidental occupancies (HO 04 42)
- Earthquake (HO 04 54)
- Scheduled personal property (HO 04 61)
- Personal property replacement cost (HO 04 90)
- Home day care (HO 04 97)
- Business pursuits (HO 24 71)
- Watercraft (HO 24 75)
- Personal injury (HO 24 82)

6.0 Auto Insurance 24%
6.1 Laws
- South Carolina Motor Vehicle Financial Responsibility Act (RL Title 56, Chapter 9)
- Required limits of liability (38-77-140)
- Uninsured/underinsured motorist (38-77-150-170, 180-230, 260)
- Definitions
- Bodily injury
- Property damage
- Required limits
- Cancellation/nonrenewal (38-77-120-124, 390)
- Reasons
- Notice
- Constructive total loss
- Arbitration
6.2 Personal (’05) auto policy
- Definitions
- Liability coverage
- Bodily injury and property damage
- Supplementary payments
- Exclusions
- Medical payments coverage
- Uninsured motorists coverage
- Coverage for damage to your auto
- Collision
- Other than collision
- Deductibles
- Transportation expenses
- Exclusions
- Duties after an accident or loss
- General provisions
- Selected endorsements
- Amendment of policy provisions — South Carolina (PP 01 78)
- Towing and labor costs (PP 03 03)
- Extended non-owned coverage (PP 03 06)
- Miscellaneous type vehicle (PP 03 23)
- Joint ownership coverage (PP 03 34)

7.0 Other Coverages and Options 3%
7.1 Umbrella/excess liability policies
- Personal (DL 98 01)
7.2 National Flood Insurance Program
- Write your own versus government
- Eligibility
- Coverage
- Limits
- Deductibles
7.3 South Carolina Wind and Hail Underwriting

Association (SCWUA) (38-75-310-460)
- Eligibility
- Coverage
- Limits
- Deductible

REFERENCE LIST

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This examination is CLOSED BOOK. The following reference material is not allowed in the examination center:


South Carolina Personal Lines Insurance Producer Series 19-17
100 questions - 2 hour time limit

1.0 Insurance Regulation 15%
1.1 Licensing
- Process (38-43-100)
- Types of licensees
  - Producer (38-43-10, 30)
  - Nonresident (38-43-70)
  - Broker (38-45-10, 38-45-20)
  - Maintenance and duration (38-43-110)
  - Reinstatement (38-43-110(B))
- Reporting of actions (38-43-247)
### 1.2 State regulation

**Director's general duties and powers (38-3-60, 110)**
- **Company regulation**
  - Certificate of authority (38-5-80)
  - Solvency (38-5-120)
  - Rates (38-3-110)
  - Policy forms (38-61-20)
  - Unfair claims settlement practices (38-59-20)
  - Examination of books and records (38-13-10-30)
  - Appointment (38-43-40, 50)
  - Termination of appointment (38-43-55)

**Producer regulation**
- Records maintenance (38-43-250)
- Misappropriation of funds (38-43-130, 240, 420)
- Blank forms (38-43-260)
- Sharing commissions (38-43-200)
- Representing an unauthorized insurer (38-43-160-180)

**Unfair and prohibited practices**
- Misrepresentation (38-57-40)
- False advertising (38-57-50)
- Defamation (38-57-90)
- Boycott, coercion and intimidation (38-57-100)
- False financial statements (38-57-80)
- Unfair discrimination (38-55-50)
- Rebating (38-57-130)
- Twisting (38-57-60)
- Free insurance (38-57-170)
- Prohibited inducements (38-57-130, 150)
- Insurance fraud act (38-55-510-590)
- Consumer information privacy regulation (Reg 69-58 Sec 1-16)

### 1.3 Federal regulation

**Fraud and false statements (18 USC 1033, 1034)**

### 2.0 General Insurance 5%

#### 2.1 Concepts
- Risk management key terms
  - Risk
  - Exposure
  - Hazard
  - Peril
  - Loss
- Methods of handling risk
  - Avoidance
  - Retention
  - Sharing
  - Reduction
  - Transfer
- Elements of insurable risks
  - Adverse selection
  - Law of large numbers
  - Reinsurance

#### 2.2 Insurers
- Types of insurers
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Lloyd's associations
  - Risk retention groups
  - Definition and purpose of captive companies
  - Self-insured funds
  - Private versus government insurers
  - Authorized versus unauthorized insurers
  - Domestic, foreign and alien insurers
  - Financial status (independent rating services)
  - Marketing (distribution) systems

### 2.3 Producers and general rules of agency

**Insurer as principal**
- Producer/insurer relationship
- Authority and powers of producers
  - Express
  - Implied
  - Apparent
  - Responsibilities to the applicant/insured

### 2.4 Contracts

**Elements of a legal contract**
- Offer and acceptance
- Consideration
- Competent parties
- Legal purpose
- Distinct characteristics of an insurance contract
- Contract of adhesion
- Aleatory contract
- Unilateral contract
- Conditional contract
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
  - Reasonable expectations
  - Indemnity
  - Utmost good faith
  - Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud
  - Waiver and estoppel

### 3.0 Property and Casualty Insurance Basics 15%

#### 3.1 Principles and concepts
- Insurable interest
- Underwriting
  - Function
  - Loss ratio
- Rates
  - Types
  - Loss costs
  - Components
- Hazards
  - Physical
  - Moral
  - Morale
  - Legal
- Negligence
  - Elements of a negligent act
  - Defenses against negligence
- Damages
  - Compensatory — special versus general
  - Punitive
  - Absolute liability
Strict liability
Vicarious liability
Causes of loss (perils)
Named perils versus special (open) perils
Direct loss
Consequential or indirect loss
Blanket versus specific insurance
Basic types of construction
Loss valuation
Actual cash value
Replacement cost
Functional replacement cost
Market value
Agreed value
Stated amount

3.2 Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements

3.3 Common policy provisions
Insureds – named, first named, additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Nonconcurrency
Primary and excess
Pro rata
Limits of liability
Per occurrence (accident)
Per person
Split
Combined single
Policy limits
Restoration/nonreduction of limits
Coinsurance
Vacancy or unoccupancy
Named insured provisions
Duties after loss
Assignment
Abandonment
Insurer provisions
Liberalization
Subrogation
Salvage
Claim settlement options
Duty to defend
Third-party provisions
Standard mortgage clause
Loss payable clause
No benefit to the bailee

3.4 South Carolina laws, regulations and required provisions
South Carolina Valued Policy Law (38-75-20, 30)
South Carolina Property and Casualty Insurance
Guaranty Association (38-31-10-170)
Cancellation, nonrenewal and renewal (38-75-730, 740, 750)

4.0 Dwelling (‘02) Policy  10%
6.2 Personal ('05) auto policy

Definitions
- Liability coverage
- Bodily injury and property damage
- Supplementary payments

Exclusions
- Medical payments coverage
- Uninsured/underinsured motorists coverage
- Coverage for damage to your auto
- Collision
- Other than collision
- Deductibles (38-77-280)
- Transportation expenses
- Exclusions
- Duties after an accident or loss
- General provisions

Selected endorsements
- Amendment of policy provisions — South Carolina (PP 01 78)
- Towing and labor costs (PP 03 03)
- Extended non-owned coverage (PP 03 06)
- Miscellaneous type vehicle (PP 03 23)
- Underinsured motorist (PP 03 11)

7.0 Other Coverages and Options 10%

7.1 Umbrella/excess liability policies
- Personal (DL 98 01)

7.2 Specialty liability insurance
- Identity Fraud Expense Coverage (BP 14 01, HO 04 55)

7.3 Surplus Lines
- Definitions and markets
- Licensing requirements

7.4 National Flood Insurance Program
- Write your own versus government
- Eligibility
- Coverage
- Limits
- Deductibles

7.5 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)
- Eligibility
- Coverage
- Limits
- Deductibles

7.6 Other policies
- Boatowners
- Personal Inland Marine

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South Carolina Bail Bondsman/Runner Series 19-16
60 questions - 65 minute time limit

1.0 Insurance Regulation 10%

Licensing
- Director’s general duties and powers (38-53-20)
- Process (38-53-80, 90)
- Persons to be licensed (38-53-80, 190)

Types of licensees
- Professional bondsman (38-53-10(9)-40)
- Accommodation bondsman (38-53-10(11))
- Surety bondsman (38-53-10(12))
- Runner (38-53-10(10))

Requirements
- Appointment (38-53-230, 260)
- Security deposits (38-53-270, 280, 300)

Maintenance and duration
- Renewal (38-53-140)
- Continuing education (38-53-85)
- Change of address (38-43-107)

Disciplinary actions
- Cease and desist order (38-53-150)
- Suspension, revocation or nonrenewal (38-53-102, 150)
- Fines (38-53-150(B), 340) 38-2-10
- Criminal charges and convictions (38-53-150(6))

Licensee Regulation
- Record maintenance (38-43-250, 38-53-310)
- Record examination (38-53-320)
- Prohibited acts (38-53-170)
- Return of collateral (38-53-170(e))

Federal Regulation
- Fair Credit Reporting Act (15 USC 1681-1681d)
- Fraud and false statements (18 USC 1033, 1034)

2.0 The Legal Framework 29%

Authority
- Express
- Implied
- Apparent
- Contracts
3.0 Bail Bond Principles and Practices 61%

Parties to a surety bond
- Principal
- Indemnitor for principal
- Indemnity agreement
- Obligee
- Surety

Duties of bail bondsmen
- Premium receipt (38-53-170)
- Power of attorney (38-53-200)
- Collateral and trust obligations

Types of bonds and collateral
- Cash
- Property
- Personal recognizance

Procedure
- Writing and underwriting bonds
- Application for bond (surety/defendant contract)
- Collateral security
- Surety contract
- Posting the bond

Court procedures
- Court appearances
- Arraignment
- Trial
- Appeal
- Conditions of release (38-53-250; RL 17-15-20-40)
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5.0 Homeowners ('11) Policy 15%
5.1 Coverage forms
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5.2 Definitions
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5.4 Perils insured against
5.5 Exclusions
5.6 Conditions
5.7 Selected endorsements
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Permitted incidental occupancies (HO 04 42)
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Scheduled personal property (HO 04 61)
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6.2 Personal ('05) auto policy
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- Bailee's customer
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9.3 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)

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Deductibles

9.4 Other policies

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Personal Inland Marine

REFERENCE LIST

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This examination is CLOSED BOOK. The following reference material is not allowed in the examination center:


1. Federal regulation

1.1 Licensing

- Process (38-43-100)
- Types of licensees
  - Producer (38-43-10, 30)
  - Nonresident (38-43-70)
  - Broker (38-45-10, 38-45-20)
- Maintenance and duration (38-43-110)
- Reinstatement (38-43-110(B))
- Reporting of actions (38-43-247)
- Change of address (38-43-107)
- Assumed names (38-43-10(C))
- Continuing education (38-43-106)

Disciplinary actions

- Cease and desist order (38-57-200, 230)
- Hearings (38-3-170; 38-57-200)
- Penalties (38-2-10 30, 38-43-130)

1.2 State regulation

- Director's general duties and powers (38-3-60, 110)

Company regulation

- Certificate of authority (38-5-80)
- Solvency (38-5-120)
- Rates (38-3-110)
- Policy forms (38-61-20)
- Unfair claims settlement practices (38-59-20)
- Examination of books and records (38-13-10-30)
- Appointment (38-43-40, 50)
- Termination of appointment (38-43-55)

Producer regulation

- Records maintenance (38-43-250)
- Misappropriation of funds (38-43-130, 240, 420)
- Blank forms (38-43-260)
- Sharing commissions (38-43-200)
- Representing an unauthorized insurer (38-43-160-180)

Unfair and prohibited practices

- Misrepresentation (38-57-40)
- False advertising (38-57-50)
- Defamation (38-57-90)
- Boycott, coercion and intimidation (38-57-100)
- False financial statements (38-57-80)
- Unfair discrimination (38-55-50)
- Rebating (38-57-130)
- Twisting (38-57-60)
- Free insurance (38-57-170)
- Prohibited inducements (38-57-130, 150)

Insurance fraud act (38-55-510-590)

Consumer information privacy regulation (Reg 69-58 Sec 1-16)

1.3 Federal regulation

- Fraud and false statements (18 USC 1033, 1034)

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**South Carolina Property, Casualty, Surety and Marine Insurance Producer - Series 19-04**

150 questions - 165 minute time limit

1.0 Insurance Regulation 10%

1.1 Licensing

- Process (38-43-100)
- Types of licensees
  - Producer (38-43-10, 30)
  - Nonresident (38-43-70)
  - Broker (38-45-10, 38-45-20)
- Maintenance and duration (38-43-110)
- Reinstatement (38-43-110(B))
- Reporting of actions (38-43-247)
- Change of address (38-43-107)
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- Continuing education (38-43-106)

Disciplinary actions

- Cease and desist order (38-57-200, 230)
- Hearings (38-3-170; 38-57-200)
- Penalties (38-2-10 30, 38-43-130)

1.2 State regulation

- Director's general duties and powers (38-3-60, 110)

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- Certificate of authority (38-5-80)
- Solvency (38-5-120)
- Rates (38-3-110)
- Policy forms (38-61-20)
- Unfair claims settlement practices (38-59-20)
- Examination of books and records (38-13-10-30)
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- Termination of appointment (38-43-55)

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- Records maintenance (38-43-250)
- Misappropriation of funds (38-43-130, 240, 420)
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Unfair and prohibited practices

- Misrepresentation (38-57-40)
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- Twisting (38-57-60)
- Free insurance (38-57-170)
- Prohibited inducements (38-57-130, 150)

Insurance fraud act (38-55-510-590)

Consumer information privacy regulation (Reg 69-58 Sec 1-16)

1.3 Federal regulation

- Fraud and false statements (18 USC 1033, 1034)
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| 6.3 Commercial auto ('13)                                |
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| Business auto physical damage                             |
| Truckers                                      |
| Motor carrier                                     |
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| 7.2 Commercial general liability ('13) |
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| Claims-made features      |
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7.5 Commercial inland marine
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 Electronic data processing
 Equipment dealers
 Installation floater
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 Valuable papers and records
 Transportation coverages
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7.6 Equipment breakdown (‘11)
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8.3 Businessowners Section II – Liability
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8.4 Businessowners Section III – Common Policy Conditions

8.5 Selected endorsements
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 Protective safeguards (BP 04 30)
 Utility services – direct damage (BP 04 56)
 Utility services – time element (BP 04 57)
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9.0 Workers Compensation Insurance 5%
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9.3 Premium computation
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9.4 Sources of coverage
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10.0 Surety and Fidelity 3%
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11.3 Surplus lines
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11.4 South Carolina Wind and Hail Underwriting Association (SCWHUA) (38-75-310-460)
Eligibility
Coverage
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11.5 Other policies
Boatowners
Personal Inland Marine

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South Carolina Property, Casualty, Surety and Marine Insurance Adjuster Series 19-11
100 questions - 2 hour time limit

1.0 Insurance Regulation 10%
1.1 Director’s general duties and powers (38-3-60, 110)
1.2 Licensing requirements
Qualifications (38-47-10)
Emergency adjuster permit (Reg 69-1)
1.3 Maintenance and duration (38-47-40)
Change of address (38-47-15)
1.4 Disciplinary actions
Cease and desist order (38-57-200, 230)
Hearings (38-3-170; 38-57-200)
Penalties (38-2-10-30; 38-47-70)
1.5 Claim settlement laws and regulations (38-59-20)
1.6 Federal regulation
Fraud and false statements (18 USC 1033, 1034)

2.0 Insurance Basics 14%

2.1 Contract basics
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Unilateral contract
Conditional contract
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Reasonable expectations
Indemnity
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2.2 Insurance principles and concepts
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Hazards
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Morale
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Punitive
Absolute liability
Strict liability
Vicarious liability
Causes of loss (perils)
Named perils versus special (open) perils
Direct loss
Consequential or indirect loss
Blanket versus specific insurance
Basic types of construction
Loss valuation
Actual cash value
Replacement cost
Functional replacement cost
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Agreed value
Stated amount

2.3 Policy structure
Declarations
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2.4 Common policy provisions
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Cancellation and nonrenewal
Deductibles
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Nonconcurrency
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Pro rata
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Per person
Split
Combined single
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Vacancy or unoccupancy
Named insured provisions
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Assignment
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Insurer provisions
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Subrogation
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Duty to defend
Third-party provisions
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2.5 South Carolina laws, regulations and required provisions
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South Carolina Property and Casualty Insurance
Cancellation, nonrenewal and renewal (38-75-710-790)
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3.5 Coverage problems
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4.0 Dwelling ('02) Policy 7%

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4.2 Coverage forms — Perils insured against
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Broad
Special

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Coverage C — Personal property
Coverage D — Fair rental value
Coverage E — Additional living expense
Other coverages

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements
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Broad theft coverage (DP 04 72)
Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('11) Policy 15%

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HO-8

5.2 Definitions

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5.4 Section II — Liability coverages
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5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements
Special provisions — South Carolina (HO 01 39)
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Permitted incidental occupancies (HO 04 42)
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Constructive total loss
Arbitration

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Transportation expenses
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Duties after an accident or loss
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Selected endorsements
Amendment of policy provisions - South Carolina (PP 01 78)
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REFERENCE LIST

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South Carolina Code of Regulations, Title 42, Chapter 69:

South Carolina Code of Laws, Title 38


South Carolina Public Adjuster  
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**South Carolina Surety Insurance Producer**

**Series 19-08**

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**www.psiexams.com**
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<td>Competent parties</td>
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<td>Legal purpose</td>
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<tr>
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<tr>
<td>Conditional contract</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Legal interpretations affecting contracts</th>
</tr>
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<tbody>
<tr>
<td>Ambiguities in a contract of adhesion</td>
</tr>
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<td>Reasonable expectations</td>
</tr>
<tr>
<td>Indemnity</td>
</tr>
<tr>
<td>Utmost good faith</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Representations/misrepresentations</th>
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<tbody>
<tr>
<td>Warranties</td>
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<tr>
<td>Concealment</td>
</tr>
<tr>
<td>Fraud</td>
</tr>
<tr>
<td>Waiver and estoppel</td>
</tr>
</tbody>
</table>

### 3.0 Surety Bonds  40% (20 items)

#### 3.1 Nature of surety bonds

<table>
<thead>
<tr>
<th>Surety bonds versus insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parties of a surety bond</td>
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<tr>
<td>Principal</td>
</tr>
<tr>
<td>Obligee</td>
</tr>
<tr>
<td>Surety</td>
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</tbody>
</table>

#### 3.2 Types of surety bonds

<table>
<thead>
<tr>
<th>Contract bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bid</td>
</tr>
<tr>
<td>Performance</td>
</tr>
<tr>
<td>Payment</td>
</tr>
<tr>
<td>Maintenance</td>
</tr>
<tr>
<td>Purpose of license and permit bonds</td>
</tr>
<tr>
<td>Types of guarantees</td>
</tr>
<tr>
<td>Financial</td>
</tr>
<tr>
<td>Indemnity</td>
</tr>
<tr>
<td>Public official bond</td>
</tr>
<tr>
<td>Statutory, common law, or voluntary</td>
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<tr>
<td>Individual</td>
</tr>
<tr>
<td>Name schedule</td>
</tr>
<tr>
<td>Position schedule</td>
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<tr>
<td>Judicial bonds</td>
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<tr>
<td>Attachment</td>
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<td>Garnishment</td>
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<td>Replevin</td>
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<td>Counter-replevin</td>
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<td>Stay of execution</td>
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<td>Release attachment</td>
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<tr>
<td>Bail</td>
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<tr>
<td>Appeal</td>
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<td>Cost</td>
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<td>Injunction</td>
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<tr>
<td>Dissolve injunction</td>
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<tr>
<td>Discharge mechanics lien</td>
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<td>Fiduciary bonds</td>
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<tr>
<td>Probate</td>
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<td>Equity</td>
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<tr>
<td>Miscellaneous surety bonds</td>
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<td>Reclamation</td>
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<td>Self-insurance workers compensation</td>
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#### 4.0 Fidelity Coverages  10% (5 items)

<table>
<thead>
<tr>
<th>Nature of fidelity bonds</th>
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<tbody>
<tr>
<td>Insuring agreement</td>
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<tr>
<td>Discovery versus loss sustained forms</td>
</tr>
<tr>
<td>Bond period</td>
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<tr>
<td>Discovery period</td>
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<tr>
<td>Limit of liability</td>
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<td>Aggregate</td>
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<td>Single loss</td>
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<td>Termination of coverage</td>
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#### 4.2 Employee theft coverage

<table>
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<tr>
<th>Individual bonds</th>
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<tr>
<td>Blanket</td>
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<td>Scheduled</td>
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<tr>
<td>Named employee</td>
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<tr>
<td>Specified position</td>
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</tbody>
</table>
1.2 General requirements

South Carolina Property and Casualty Insurance
Guaranty Association
Plan of operation (38-31-70)
Powers and duties of director (38-31-80)
Definitions (38-31-20)
Application of chapter (38-31-30)
Recovery rights and nonduplication (38-31-90, 100)
Rates and premiums (38-31-140)
Insurer regulation
Rates (38-3-110)
Policy forms (38-61-20)
Causes of Insolvencies
Key Indicators of Insolvencies
Roles and Concerns of Regulators
Personal liability (38-45-120, 38-25-360)

1.3 Surplus lines coverages and authority of broker

Types of coverages available
Characteristics and uses
Classification of Surplus Lines Risks
Distressed
Unique
High Capacity
Binding
Claims
Commissions (38-45-100)
Errors and omissions

1.4 General prohibitions

Unfair and prohibited practices
Misrepresentation (38-57-40)
False advertising (38-57-50)
Unfair discrimination (38-55-50)
Rebating (38-57-130)
Prohibited inducements (38-57-130, 150)
Unfair claim settlement practices (38-59-20)
Dodd-Frank changes

2.0 General Insurance 20%

2.1 Concepts

Risk management key terms
Risk
Exposure
Hazard
Peril
Loss
Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer

Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

2.2 Insurers

Types of insurers
Lloyd's associations
Risk retention groups
Private versus government insurers
Authorized versus unauthorized insurers
Domestic, foreign and alien insurers
Financial status (-independent rating services)
This examination is CLOSED BOOK. The following reference material is not allowed in the examination center:

- **Lloyd’s of London website, www.lloyds.com**

### Reference List

The following list of reference materials were used to verify the accuracy of the test items for the examinations. They are listed for the purpose of test validation and do NOT constitute an endorsement or recommendation by PSI or the South Carolina Department of Insurance. Other publications are also available to study for the examinations.

#### Marketing (distribution) systems

- 2.3 Producers and general rules of agency
  - Insurer as principal
  - Producer/insurer relationship
  - Authority and powers of producers
  - Express
  - Implied
  - Apparent
  - Responsibilities to the applicant/insured

#### 2.4 Contracts

- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
  - Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Aleatory contract
  - Personal contract
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  - Conditional contract
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
  - Reasonable expectations
  - Indemnity
  - Utmost good faith
  - Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud
  - Waiver and estoppel

#### 3.0 Surplus Lines Markets and Practices 34%

- 3.1 United States and alien nonadmitted markets
  - United States nonadmitted markets
  - Nonadmitted insurers
  - Insurance exchanges
  - Alien nonadmitted markets
  - Lloyd’s of London
  - Other alien markets

- 3.2 General markets
  - Wholesalers
  - Alternative Markets
  - Captive insurers
  - Industrial insurers
  - Risk retention groups
  - Purchasing groups (38-87-90, 100)

- 3.3 Eligible surplus lines insurers (38-45-90, 110, 170)
  - Requirements (38-5-180, 38-45-110, 38-75-770)
  - List of approved eligible surplus lines carriers
  - Diligent search (38-45-90)

- 3.4 Fees, records and surplus lines premium tax
  - Broker’s fees (38-45-160)
  - Content and maintenance of records (38-45-80)
  - Amount of tax (38-45-20)

#### South Carolina Producer’s Examination for Title Insurance

<table>
<thead>
<tr>
<th>Series 19-10</th>
<th>60 questions - 65 minute time limit</th>
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<td>1.0 Insurance Regulation 10%</td>
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<td>Process (38-43-100)</td>
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<td>Types of licensees</td>
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<td>Reporting of actions (38-43-247)</td>
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<td>Assumed names (38-43-10(C))</td>
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<td>Renewal (38-43-110; SC Reg. 69-33)</td>
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<td>Disciplinary actions</td>
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<td>Cease and desist order (38-57-200, 230)</td>
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<tr>
<td>Hearings (38-3-170; 38-57-200)</td>
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<td>Penalties (38-2-10-30, 38-43-130)</td>
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<td>SC Reg. 69-18(2)(c)</td>
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<td>Licensee Regulation</td>
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<td>Director’s general duties and powers (38-3-60, 110)</td>
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<td>Company regulation</td>
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<td>Certificate of authority (38-5-80)</td>
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<td>Solvency (38-5-120)</td>
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<td>Rates (38-3-110)</td>
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<td>Policy forms (38-61-20)</td>
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<tr>
<td>Unfair claims settlement practices (38-59-20)</td>
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<tr>
<td>Examination of books and records (38-13-10-30)</td>
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<tr>
<td>Appointment (38-43-40, 50)</td>
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<td>Termination of appointment (38-43-55)</td>
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<td>Producer regulation</td>
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<td>Commissions (38-43-200)</td>
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<td>Failure to act as fiduciary (38-43-240)</td>
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<tr>
<td>Unfair inducements and marketing practices in obtaining title insurance business (Reg 69-18)</td>
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<tr>
<td>Sharing commissions (38-43-200)</td>
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<tr>
<td>Representing an unauthorized insurer (38-43-160-180)</td>
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<tr>
<td>Financial interest (38-75-960)</td>
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</table>
## 2.0 General Insurance 5%

### Concepts
- Elements of insurable risks
- Insurable interest

### Producers and general rules of agency
- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producers

### Responsibilities to the applicant/insured
- Express
- Implied
- Apparent

### Contracts
- Elements of legal contract
- Offer and acceptance
- Consideration
- Competent parties
- Legal purpose

### Legal interpretations affecting contracts
- Ambiguities in a contract of adhesion
- Reasonable expectations
- Indemnity
- Utmost good faith
- Representations/misrepresentations

### Warranties
- Concealment
- Fraud
- Waiver and estoppel

## 3.0 Real Property 35%

### Concepts, principles, and practices
- Definition of real property
- Types of real property
- Title to real property

### Marketable title
- Acquisition and transfer of real property
  - Conveyances
    - Deed covenants and warranties
  - Encumbrances (29-1-10)
  - Adverse possession
  - Condemnation
  - Accession
  - Escheats
  - Involuntary alienation
  - Abandonment
  - Judicial sales
  - Decedents estates
  - Intestate
  - Testate

## 4.0 Title insurance 20%

### Title insurance principles
- Risks covered by title insurance
- Risk of error in public records
- Hidden off-record title risks
- Risk of omission and commission by producer
- Entities that can be insured; need for insurance

### Individual
- Commercial

### Interests that can be insured
- Fee simple estate
- Leasehold estate
- Life estate
- Easements

### Title insurance forms
- Title insurance policy structure and provisions
  - Covered risks
  - Schedule A
  - Schedule B - Exceptions from coverage
  - Exclusions from coverage
  - Conditions
  - Endorsements

## 5.0 Title Exceptions and Procedures for Clearing Title 30%

### Principles and concepts
- General exceptions
- Voluntary and involuntary liens
- Federal liens

### Federal liens
- Mortgage
- Judgments
- Taxes and assessments
- Surveys
- Condominiums
- Water rights
- Mineral rights
- Equitable interests
- Executions
- Covenants
- Conditions
Restrictions  
Unauthorized practices of law  
Special problem areas and concerns  
Acknowledgments  
Mechanic’s lien  
Bankruptcy  
Probate  
Good faith  
Foreclosure  
Claims against the title  
Lis pendens  
Insuring manufactured homes as real property  
Principle of clearing title  
Releases  
Assignments  
Subordinations  
Affidavits  
Settlement or closing procedures  
Closing protection letter  

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American Land Title Association (ALTA) Loan Policy, American Land Title Association, (202) 296-3671, www.alta.org/forms/  

American Land Title Association (ALTA) Owners Policy, American Land Title Association, (202) 296-3671, www.alta.org/forms/  


South Carolina Code of Laws, Title 33 - Corporations, Partnerships, and Associations, South Carolina Legislature, http://www.scstatehouse.gov  


Morgan v. Blackwell, South Carolina Supreme Court, http://www.scstatehouse.gov/civil/actions/2006/05/06/006075_9_09_0040192_SC.htm?qx  

South Carolina Code of Laws, Title 29 - Mortgages and Other Liens, South Carolina Legislature, http://www.scstatehouse.gov  


South Carolina Variable Contracts Producer Series 19-07  
100 questions - 2 hour time limit  

1.0 Insurance Regulation 15%  

1.1 Licensing  
Process (38-43-100)  
Types of licensees  
Producer (38-43-10, 30)  
Nonresident (38-43-70)  
Temporary (38-43-102)  
Broker (38-45-10)  
Maintenance and duration (38-43-110)  
Reinstatement (38-43-110(B))  
Reporting of actions (38-43-247)  
Change of address (38-43-107)  
Assumed names (38-43-10(C))  
Continuing education (38-43-106)  
Disciplinary actions  
Cease and desist order (38-57-200, 230)  
Hearings (38-3-170; 38-57-200)  
Penalties (38-2-10-30, 38-43-130)  

1.2 State regulation  
Director’s general duties and powers (38-3-60, 110)  
Company regulation  
Certificate of authority (38-5-80)  
Solvency (38-5-120)  
Rates (38-3-110)  
Policy forms (38-61-20)  
Unfair claims settlement practices (38-59-20)  
Examination of books and records (38-13-10-30)  
Appointment (38-43-40, 50)  
Termination of appointment (38-43-55)  
Producer regulation  
Records maintenance (38-43-250)  
Misappropriation of funds (38-43-240, 420)  
Blank forms (38-43-260)  
Sharing commissions (38-43-200)  
Representing an unauthorized insurer (38-43-160-180)  
Unfair and prohibited practices  
Misrepresentation (38-57-40)  
False advertising (38-57-50)  
Defamation (38-57-90)  
Boycott, coercion and intimidation (38-57-100)  
False financial statements (38-57-80)  
Unfair discrimination (38-55-50)  
Rebating (38-57-130)  
Twisting (38-57-60)  

www.psiexams.com
Free insurance (38-57-170)
Prohibited inducements (38-57-130, 150)
Insurance fraud act (38-55-510 590)
Consumer information privacy regulation (Reg 69-58 Sec 1-16)

1.3 Federal regulation
Fair Credit Reporting Act (15 USC 1681-1681d)
Fraud and false statements (18 USC 1033, 1034)

2.0 General Insurance 10%

2.1 Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss
Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

2.2 Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Lloyd's associations
Private versus government insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems

2.3 Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producers
Express
Implied
Apparent
Responsibilities to the applicant/insured

2.4 Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations

Warranties
Concealment
Fraud
Waiver and estoppel

3.0 Regulation of Variable Products 10%

3.1 Securities Exchange Act of 1933
3.2 Securities Exchange Act of 1934

4.0 Nature of Variable Life Products 15%
4.1 Variable life versus variable universal life
4.2 Fixed premium payment versus flexible payment
4.3 Face value versus death benefit
4.4 Cash values
4.5 Separate accounts
4.6 Charges and fees
4.7 Loans

5.0 Annuities 30%

5.1 Annuity principles and concepts
Accumulation period versus annuity period
Owner, annuitant and beneficiary
Insurance aspects of annuities

5.2 Immediate versus deferred annuities
Single premium immediate annuities (SPIAs)
Deferred annuities

5.3 Annuity (benefit) payment options
Life contingency options
Pure life versus life with guaranteed minimum
Single life versus multiple life
Annuities certain (types)

5.4 Variable annuities
Assets in a separate account
Free look
Contract charges
Sales charge
Deferred sales charge
Annual contract fee
Mortality and expense charge
Investment management charge
State premium tax
Accumulation period — units
Annuity period — units
Assumed interest rate (AIR)
Combination annuities — contracts with fixed and variable accounts
Riders (living benefits and death benefits)

5.5 Annuity products
Fixed annuities
General account assets
Interest rate guarantees (minimum versus current)
Level benefit payment amount
Equity indexed annuities
Market value adjusted annuities

5.6 Uses of annuities
Lump-sum settlements
Qualified retirement plans
Group versus individual annuities
Personal uses
Individual retirement plans (IRAs)
Tax-deferred growth
Retirement income
Education funds
7.0 Federal Tax Considerations for Life Insurance and Annuities 10%
6.5 Rollovers and transfers (IRAs and qualified plans)
6.4 Taxation of individual retirement plans (IRAs)
6.3 Taxation of non-qualified annuities
6.2 Modified endowment contracts (MECs)
6.1 Taxation of personal life insurance
5.0 Life insurance communications and salesforce practices 15%
4.5 Marketing of life insurance
4.4 Life insurance underwriting
4.3 Life insurance policy components
4.2 Life insurance policy types
4.1 The basics of life insurance
3.4 Group long-term care insurance
3.3 Long-term care insurance
3.2 Hospital indemnity insurance
3.1 Medical expense insurance
2.5 Group plan types, characteristics and purchasers
2.4 Group plan options
2.3 Group plan forms
2.2 Group plan requirements
2.1 Contract basics
1.3 Payment of premiums
1.2 Enforceability of contract
1.1 Offer and acceptance

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<th>South Carolina Workers Compensation Insurance Adjustor Series 19-25</th>
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<tbody>
<tr>
<td>75 questions - 1.5 hour time limit</td>
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<th>1.0 Insurance Regulation 8%</th>
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<tr>
<td>1.1 Director’s general duties and powers (38-3-60, 110)</td>
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<tr>
<th>1.2 Licensing requirements</th>
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<tr>
<td>Qualifications (38-47-10)</td>
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<td>Nonresident (38-47-20)</td>
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<td>Emergency adjuster permit (Reg 69-1)</td>
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<td>Cease and desist order (38-57-200, 230)</td>
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<tr>
<td>Hearings (38-3-170; 38-57-200)</td>
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<tr>
<td>Penalties (38-2-10-30; 38-47-70)</td>
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<table>
<thead>
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<th>1.5 Claim settlement laws and regulations (38-59-20)</th>
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<td>1.6 Federal regulation</td>
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<td>Fraud and false statements (18 USC 1033, 1034)</td>
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<tr>
<td>2.1 Contract basics</td>
</tr>
<tr>
<td>Elements of a legal contract</td>
</tr>
<tr>
<td>Offer and acceptance</td>
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<tr>
<td>Consideration</td>
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</table>
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Utmost good faith
Representations/misrepresentations
Fraud

2.2 Insurance principles and concepts
Negligence
Elements of a negligent act
Defenses against negligence
Absolute liability
Strict liability
Vicarious liability

2.3 Policy structure
2.4 Common policy provisions
2.5 South Carolina laws, regulations and required provisions
South Carolina Property and Casualty Insurance Guaranty Association (38-31-10-170)
Insurance fraud act (38-55-590–590)

3.0 Adjusting Losses 32%
3.1 Role of the adjuster
Duties and responsibilities
Relationship to the legal profession
3.2 Claim reporting
3.3 Liability losses
3.4 Coverage problems
3.5 Claims adjustment procedures

4.0 Workers Compensation Insurance 30%
2.1 Workers compensation laws
Types of laws
Monopolistic versus competitive
Compulsory versus elective
South Carolina Workers’ Compensation Law (RL Title 42)
Exclusive remedy (RL 42-1-540)
Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
Occupational disease (RL 42-11-10)
Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)
2.2 Workers compensation and employers liability insurance policy
General section
Part One — Workers compensation insurance
Part Two — Employers liability insurance
Part Three — Other states insurance
Part Four — Your duties if injury occurs
Part Five — Premium
Part Six — Conditions
Selected endorsement
Voluntary compensation
2.3 Sources of coverage
South Carolina Workers’ Compensation Uninsured

EmpLOYERS’ Fund (RL 42-7-200)
Self-insured employers (RL 42-5-20, 50)
South Carolina residual workers compensation
Voluntary market

4.0 Understanding the Language of Medical 10%
4.1 Medical terminology and abbreviations
Location terms
Movement terms
Prefixes, suffixes and root words
Abbreviations used in medical reports
Medical specialties

4.2 Basic human anatomy
Skeletal structure
Nervous system
Respiratory system
Cardiovascular system
Abdominal organs

4.3 Common occupational injuries and disease
Strains and sprains
Dislocations
Fractures
Soft tissue injuries
Brain injuries
Burn classifications
Cumulative trauma
Repetitive motion injuries
Lung diseases

4.4 Medical tests
Laboratory
Radiography (X-ray)
Magnetic resonance imaging (MRI)
Computerized tomography (CT or CAT)
Electromyography (EMG)
Nerve conduction studies
Myelography
Arthroscopy
Electrocardiogram (EKG or ECG)
Electroencephalography (EEG)

REFERENCE LIST
The following list of reference materials were used to verify the accuracy of the test items for the examinations. They are listed for the purpose of test validation and do NOT constitute an endorsement or recommendation by PSI or the South Carolina Department of Insurance. Other publications are also available to study for the examinations.

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Last Name First Name M.I.

Social Security: ___________ - ________ - ________ (FOR IDENTIFICATION PURPOSES ONLY)

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City ___________________________ State ________ Zip Code ___________ 

Telephone: __________________ Cell: __________________ Race: ________ Gender: __________________

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Examination: (check one)
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☐ Casualty Insurance Producer - Series 19-06 ☐ Property Insurance Producer - Series 19-05
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☐ Crop Insurance Producer - Series 19-22 ☐ Public Adjuster - Series 19-14
☐ Life Insurance Producer - Series 19-01 ☐ Surety Insurance Producer - Series 19-08
☐ Life, Accident and Health Insurance Producer - Series 19-03 ☐ Surplus Lines Broker - Series 19-26
☐ Motor Vehicle Damage Appraiser - Series 19-15 ☐ Title Insurance Producer - Series 19-10
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