

Chapter Ins 26

APPENDIX 2 – PROPERTY INSURANCE COURSE REQUIREMENTS

SECTION A

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

SECTION B

- IV. Terms, Concepts, and Policies — 10 Hours
 - A. Insurance terms and related concepts
 - 1. Insurance
 - 2. Insurable interest
 - 3. Hazard
 - a. Physical
 - b. Moral
 - c. Morale
 - 4. Peril (causes of loss)
 - a. Specified (named) perils
 - (1) Standard fire
 - (2) Extended coverage
 - (3) Broad form
 - b. Open perils (all physical loss)
 - 5. Loss
 - a. Direct
 - b. Indirect
 - 6. Proximate cause
 - 7. Deductible
 - 8. Principle of Indemnity
 - 9. Actual cash value
 - 10. Replacement cost
 - 11. Limits of liability
 - 12. Coinsurance
 - 13. Pair and set clause
 - 14. Extensions of coverage
 - 15. Additional coverages
 - 16. Accident
 - 17. Occurrence
 - 18. Cancellation
 - 19. Nonrenewal
 - 20. Vacancy and unoccupancy
 - 21. Right of salvage
 - 22. Abandonment
 - 23. Liability
 - 24. Negligence
 - B. Policy provisions and contract law
 - 1. Parts of a policy
 - a. Declarations
 - b. Insuring agreement
 - c. Conditions
 - d. Exclusions
 - 2. Definition of the insured
 - 3. Duties of the insured
 - 4. Obligations of the insurance company
 - 5. Mortgagee rights
 - 6. Proof of loss
 - 7. Notice of claim
 - 8. Appraisal
 - 9. Pro rata liability (other insurance)
 - 10. Assignment
 - 11. Subrogation
 - 12. Arbitration
 - 13. Elements of a contract
 - 14. Warranties, representations, and concealment

- 15. Warranty
 - a. Affirmative
 - b. Promissory
- 16. Breach of warranty
- 17. Concealment
- 18. Binders
- 19. Sources of insurability information
- 20. Fair Credit Reporting Act
- C. Types of policies
 - 1. Standard fire
 - 2. Personal lines
 - a. Dwelling (DP forms)
 - b. Homeowners (HO) forms
 - c. Mobile homes
 - 3. Homeowners policy
 - 4. Watercraft
 - 5. Flood insurance
 - 6. Commercial Lines
 - a. Commercial package policy (CPP)
 - (1) Building and personal property coverage Form
 - (2) Causes of loss forms
 - (3) Business income coverage form
 - (4) Extra expense coverage form
 - (5) Boiler and machinery coverage form
- 7. Inland marine
 - a. Personal floaters
 - b. Commercial floaters
- 8. Other policies
 - a. Flood insurance
 - b. Personal Watercraft
 - c. Farm and ranch insurance
 - d. Commercial ocean marine
 - e. Earthquake insurance
- V. Wisconsin Property Insurance Law — 2 Hours
 - A. General rate standards – use and file provisions
 - B. Prohibited classification of risks
 - C. Surplus lines
 - 1. Definitions
 - 2. Prohibitions and restrictions
 - 3. Responsibilities of agents and brokers
 - D. Oral contracts
 - E. Content of forms
 - F. Definition of loss
 - G. Wisconsin Insurance Plan
 - H. Valued policy law
 - I. Vacancy rule
 - J. Time period for filing claim