EXAMINATION CONTENT OUTLINE

PROPERTY & CASUALTY ADVISER EXAMINATION

SCOPE OF WORK

<table>
<thead>
<tr>
<th>Portion</th>
<th># of Items</th>
<th>Minimum Passing Score</th>
<th>Time Allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>40</td>
<td>70% (28 correct)</td>
<td>48 minutes</td>
</tr>
<tr>
<td>State</td>
<td>10</td>
<td>70% (7 correct)</td>
<td>12 minutes</td>
</tr>
<tr>
<td>Both</td>
<td>50</td>
<td>70% (35 correct)</td>
<td>60 minutes</td>
</tr>
</tbody>
</table>

GENERAL PORTION CONTENT OUTLINE

I. GENERAL INSURANCE

A. Crime & Surety (2 Items)
   1. Crime Coverage
      a. Commercial crime coverage forms
      b. Government crime coverage forms
   2. Surety Bonds
      a. Purpose and Type of Surety Bonds
         (1) Contract
         (2) Court
         (3) Public Official
         (4) Miscellaneous

B. Workers' Compensation Insurance/Employers' Liability Insurance (3 Items)
   1. Policy Concepts
   2. Loss Sensitive Rating Plans
   3. NCCI Experience Modifications

C. Property and Casualty Policy Provisions, Contract Law, and Endorsements (2 Items)
   1. Insuring Agreement or Clause
   2. Loss
   3. Duties of the Insured
   4. Valuation
   5. Appraisal
   6. Mortgagee/Lienholder Rights
   7. Salvage
   8. Subrogation

D. Types of Property Insurance Policies and Forms (9 Items)
   1. Personal Lines
      a. Building and Personal Property Coverage Forms
      b. Contract Purchasers Endorsement (Real Property)
   2. Commercial Lines
      a. Commercial Property
      b. Commercial Package Policy (CPP)
      c. Businessowners Policy (BOP)
      d. Boiler and Machinery
         (1) Equipment breakdown protection coverage form
         (2) Selected endorsements
            (a) Business income (Report of values)
            (b) Refrigeration Interruption Coverage

II. PROPERTY & CASUALTY INSURANCE BASICS

A. Insurance Terms and Related Concepts (9 Items)
   1. Insurable Interest
   2. Underwriting
      a. Function
      b. Loss ratio
   3. Rates
      a. Types
   (c) Refrigeration Interruption - Report of Values
   (d) Turbine Units Explosion Coverage
   (e) Pressure or Vacuum Equipment
   (f) Production Machinery Exclusion
   (g) Business Income Coverage Form
   (h) Extra Expense Coverage

3. Commercial Inland Marine
   a. Inland Marine Coverage Forms
      (1) Accounts receivable
      (2) Bailee's customer
      (3) Industrial articles
   b. Commercial Inland Marine Conditions Forms
      (4) Contractors equipment floater
      (5) Electronic data processing
      (6) Equipment dealers
      (7) Installation floater
      (8) Signs
      (9) Valuable papers and records

4. Ocean Marine
   a. Hull
   b. P & I (Protection and Indemnity)
   c. Cargo
   d. Commercial Ocean Marine

5. Other Forms of Property Insurance
   a. Flood/Earthquake
   b. Open Cargo
   c. Crop/Hail
   d. Difference in Conditions

E. Types of Casualty Insurance Policies and Forms (10 Items)
   1. Commercial General Liability (CGL)
      a. Basic Hazards
      b. Commercial General Liability Coverage Forms
         (1) Bodily Injury and Property Damage Liability
         (2) Personal and Advertising Injury Liability
         (3) Medical Payments
         (4) Supplemental Payments
         (5) Who is an Insured
         (6) Limits of Liability
         (7) Conditions
         (8) Definitions
         (9) Exclusions
   2. Automobile: Personal and Commercial
      a. Who is an Insured
      b. Liability
      c. Physical Damage
         (1) Collision
         (2) Other than collision
         (3) Deductibles
         (4) Transportation expenses
         (5) Exclusions
      d. Garbage Coverage Forms
      e. Protection against Uninsured/Underinsured Motorists

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b. Loss costs
c. Components
4. Hazards
   a. Physical
   b. Moral
5. Torts
6. Damages
   a. Compensatory (special versus general)
   b. Punitive
7. Liability
8. Vicarious Liability
9. Causes of Loss (Basic, Broad and Special Forms)
10. Direct Loss
11. Consequential vs Indirect Loss
12. Blanket versus Specific Insurance
13. Basic Types of Construction
14. Loss Valuation
   a. Actual cash value
   b. Replacement cost
   c. Functional replacement cost
   d. Guaranteed Replacement Cost
   e. Market value
   f. Agreed value

III. PROFESSIONAL LIABILITY

A. Professional Liability (2 Items)
   1. Errors and Omissions

IV. UMBRELLA-EXCESS

A. Umbrella and Excess Liability (1 Item)

V. DIRECTORS AND OFFICERS LIABILITY

A. Directors and Officers Liability (1 Item)

VI. EMPLOYMENT PRACTICES LIABILITY

A. Employment Practices Liability (1 Item)

STATE PORTION CONTENT OUTLINE

VII. STATE LAWS & REGULATIONS
   Ref: Maryland Insurance Code, unless otherwise noted

A. State Laws, Rules, and Regulations (6 Items)
   1. Regulation and Licensing of Advisers
   2. Adviser Practices, Responsibilities and Duties
   3. State Specific Definitions
      Ref: Insurance Article Annotated Code- Sec. 10-401(d)(1)(i); Sec. 10-401(d)(1)(ii); Sec. 27-209(2)(i); Sec. 27-213; Sec. 27-209(2)(i); Sec. 10-201; Ref: COMAR- Sec. 31.08.06.02

VIII. STATE AUTO INSURANCE REGULATIONS
   Ref: Maryland Insurance Code, unless otherwise noted

A. State Auto Insurance Laws & Regulations (2 Items)
   1. State Required Limits of Liability
      Ref: Insurance Article Annotated Code- Sec. 19-512
      a. Grounds
      b. Notice
      c. Notice of Eligibility in Assigned Risk Plan
   2. Grounds
      Ref: Insurance Article Annotated Code- Sec. 19-505; Sec. 20-501(b); Sec. 20-502; Sec. 20-509(e-1)(ii); Sec. 20-201; Sec. 20-511

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 MIA. Other publications are also available to study for the examinations.

Candidates may use a silent, nonprinting, non-programmable calculator in the examination center.

This examination is CLOSED BOOK.

The following reference materials are not allowed in the examination center:

For General Portion:


For Maryland State Specific Portion:

Maryland Laws
www.dsd.state.md.us/comar

Health General Article - Title 19 Subtitle 7- Annotated Code of Maryland (just for HMO's)
www.dsd.state.md.us/comar

COMAR - Office of the Secretary of State: Division of State Documents www.dsd.state.md.us/comar

MD Glossary of Insurance Terms
www.mdinsurance.state.md.us/