

EXAMINATION CONTENT OUTLINE

MICHIGAN PROPERTY PRODUCER/SOLICITOR SERIES 16-67

# of Questions	Minimum Passing Score	Time Allowed
100	74% (74 correct)	120 Minutes

CONTENT OUTLINE

Insurance Regulation 25% (25 items)
Licensing
Process (500.1201, .1201a, .1204, .1205, .1206, .1206b, .1240)
Types of Licensees (500.1206)
Producer (500.240, 500.1201, .1201a, .1204, .1205, .1206, .1206b, .1240)
Counselor (500.1232, .1234, .1236)
Managing General Agent (500.1401(b), .1405)
Limited (R501.157)
Business Entity (500.1201, .1205)
Financial Institutions (500.1206, .1243)
Resident versus Nonresident (500.1201, 500.1201a, 500.1204-.1206b, 500.1240; R500.635)
Temporary (500.1211b)
Maintenance and Duration
Continuation (24.291; 500.1206, .134, .1153)
Change of Name and Address (500.1206(5), .1238(1))
Reporting of Actions (500.1208b, .1239, .1244, .1246, .1247)
Assumed Names (500.1211a)
Continuing Education Requirements (500.1204, .1204c, .1204d, .1204e, .1204f, .1206)
Bond (500.1153, .1407, .1504)
Disciplinary Actions
Cease and Desist Order (500.1244, .2038)
Suspension, Revocation, Refusal to Issue or Renew (500.1200, .1209, .1239, .1244, .1379, .2029, .2043)

Penalties and Fines (500.1242, .1244, .1379, .2038, .2040, .2064, .2069)
State Regulation
Commissioner's General Duties and Powers (500.102, .200, .202, .210)
Company Regulation
Certificate of Authority (500.108, .402)
Solvency (500.408, .410, .436a, .438)
Rates (500.1609, .1615, .1904, .2106, .2403, 2411, .2603)
Forms and Exceptions (500.2236)
Unfair Claims Settlement Practices (500.2006, .2026)
Producer Appointment (500.1208a, .1208b, .1209, .1411)
Termination of Appointment (500.1208b, .1209)
Producer Regulation
Acting without a License (500.1201a, .1202)
Prohibited Conduct (500.1207, .1216, .2003, .2059, .2062)
Commissions (500.1240, .2011)
Fiduciary Capacity (500.1207)
Types of Compensation - Disclosures
Unfair Insurance Trade Practices (500.1239, .1244, .2003, .2006-.2014, .2016-.2021, .2026, .2029)
Misrepresentation (500.2005, .2005a, .2055, .2057, .2064, .2218)
False Information and Advertising (500.2001, .2002, .2005, .2005a, .2007, .2055, .2057, .2064)
Twisting (500.2005(f), .2064(2))
False Financial Statements (500.1015, .2014, .2018, .2055, .2062, .2474, .2666)
Defamation (500.2007, .2009; 600.2911; 750.389; R500.662, .1377(14))
Boycott, Coercion, and Intimidation (500.1242, .2012)
Unfair Discrimination (500.2019, .2020, .2027, .2082)
Rebating (500.2024, .2069, .2070)
Illegal Inducement (500.2024, .2066, .2069, .2070)
Examination of Books and Records (500.222, 249)
Insurance Fraud Regulation (500.2088, .4501, .4503, .4507, .4509, .4511, .8197; 752.1003, .1005)



Consumer Privacy Regulation (500.501, .505, .507, .515, .535, .2005a, .4501, .4507, .4509)
Federal Regulation
Fair Credit Reporting Act (15 USC 1681-1681d)
Patriot Act
Violent Control Act
General Insurance 6% (6 items)
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
Lloyd's Associations
Risk Retention Groups
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
Indemnity
Utmost Good Faith
Representations/Misrepresentations
Warranties
Concealment
Fraud
Waiver and Estoppel
Property Insurance Basics 27% (27 items)
Principles and Concepts
Insurable Interest
Underwriting
Function
Loss Ratio
Rates
Types
Loss Costs
Components
Hazards



Physical
Moral
Morale
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/Repair Cost
Agreed Value
Stated Amount
Valued Policy
Policy Structure
Declarations
Definitions
Insuring Agreement or Clause
Additional/Supplementary Coverage
Conditions
Exclusions
Endorsements
Common Policy Provisions
Insureds - Named, First Named, Additional
Policy Period
Policy Territory
Cancellation and Nonrenewal
Deductibles
Other Insurance
Nonconcurrency
Primary and Excess
Pro Rata
Property 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
Third-Party Provisions
Standard Mortgage Clause
Loss Payable Clause
No Benefit to the Bailee
Michigan Laws, Regulations, and Required Provisions
Michigan Property and Casualty Guaranty Association (500.7901-.7949)
Mandatory Fire Policy Provisions (500.2833)
Cancellation and Nonrenewal (500.2833, .3020)
Appraisal (500.2833)
Concealment, Misrepresentation or Fraud (500.2833)
Federal Terrorism Insurance Program (15 U.S.C. 6701; Public Law 107-297, 109-144, 110-160)
Termination Of Authority to Represent Insurer (500.1209)
Essential Insurance Act (500.2101-.2131)
Dwelling Policy ('02) 9% (9 items)
Characteristics and Purpose
Coverage Forms - Perils Insured Against
Basic
Broad
Special
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



General Exclusions
Conditions
Selected Endorsements
Special Provisions - Michigan (DP 01 21)
Automatic Increase in Insurance (DP 04 11)
Broad Theft Coverage (DP 04 72)
Dwelling Under Construction (DP 11 43)
Personal Liability Supplement
Homeowners Policy ('00) 14% (14 items)
Coverage Forms
HO-2 through HO-6
Definitions
Section I - Property Coverages
Coverage A - Dwelling
Coverage B - Other Structures
Coverage C - Personal Property
Coverage D - Loss Of Use
Additional Coverages
Perils Insured Against
Exclusions
Conditions
Selected Endorsements
Special Provisions - Michigan (HO 01 21)
Limited Fungi, Wet or Dry Rot, or Bacteria Coverage (HO 04 26, HO 04 27)
Permitted Incidental Occupancies - Residence
Earthquake (HO 04 54)
Scheduled Personal Property (HO 04 61)
Personal Property Replacement Cost (HO 04 90)
Home Day Care (HO 04 97)
Home Business Insurance Coverage (HO 07 01)
Commercial Package Policy (CPP) 10% (10 items)
Components of a Commercial Policy
Common Policy Declarations
Common Policy Conditions
Interline Endorsements
One or More Coverage Parts
Commercial Property ('07)

Commercial Property Conditions Form
Coverage Forms
Building and Personal Property
Condominium Association
Condominium Commercial Unit-Owners
Builders Risk
Business Income
Legal Liability
Extra Expense
Causes of Loss Forms
Basic
Broad
Special
Selected Endorsements
Ordinance or Law (CP 04 05)
Spoilage (CP 04 40)
Peak Season Limit of Insurance (CP 12 30)
Value Reporting Form (CP 13 10)
Commercial Inland Marine
Nationwide Marine Definition
Commercial Inland Marine Conditions Form
Inland Marine Coverage Forms
Accounts Receivable
Bailee's Customer
Commercial Articles
Contractors Equipment Floater
Electronic Data Processing
Equipment Dealers
Installation Floater
Jewelers Block
Signs
Valuable Papers and Records
Transportation Coverages
Common Carrier Cargo Liability
Motor Truck Cargo Forms
Transit Coverage Forms
Equipment Breakdown ('08)
Equipment Breakdown Protection Coverage Form (EB 00 20)



Selected Endorsement
Actual Cash Value (EB 99 59)
Farm Coverage
Farm Property Coverage Form ('03)
Coverage A - Dwellings
Coverage B - Other Private Structures
Coverage C - Household Personal Property
Coverage D - Loss of Use
Coverage E - Scheduled Farm Personal Property
Coverage F - Unscheduled Farm Personal Property
Coverage G - Other Farm Structures
Mobile Agriculture Machinery and Equipment Coverage Form
Livestock Coverage Form
Definitions
Causes of Loss (Basic, Broad, and Special)
Conditions
Exclusions
Limits
Additional Coverages
Businessowners Policy ('06) 8% (8 items)
Characteristics and Purpose
Businessowners Section I - Property
Coverage
Exclusions
Limits of Insurance
Deductibles
Loss Conditions
General Conditions
Optional Coverages
Definitions
Businessowners Section III - Common Policy Conditions
Selected Endorsements
Protective Safeguards (BP 04 30)
Utility Services - Direct Damage (BP 04 56)
Utility Services - Time Element (BP 04 57)
Other Coverages and Options 1% (1 item)
National Flood Insurance Program

"Write Your Own" versus Government
Eligibility
Coverage
Limits
Deductibles
Other Policies
Boatowners
Residual Markets
Joint Underwriting or Joint Reinsurance Pool (500.2464, .2658)

