Unit Assignments

Unit 1  
**Principles of Insurance (8% of test) - 4 questions**  
Risk  
Managing Risk  
Law of Large Numbers  
Elements of Insurability  
  - Pure Risk, Speculative Risk  
  - Insurable Interest  
  - Other Elements of Insurability  
Other Insurance Terms  
  - Peril  
  - Hazard

Unit 2  
**The Insurance Contract (8% of test) - 4 questions**  
Elements of a Valid Contract  
  - Offer and Acceptance  
  - Consideration  
Characteristics of an Insurance Contract  
  - Principle of Indemnity  
  - Personal  
  - Unilateral  
Parts of the Insurance Contract  
  - Policy Organization

Unit 3  
**Insurance Company Organization and Regulation (2% of test) - 1 question**  
Types of Insurance Organizations  
  - Stock and Mutual Companies  
Insurance Company Organization  
  - The Agent  
  - Insurance Marketing Systems  
  - Other Insurance Functions  
Regulation  
  - Regulation and the Company  
  - Regulation and the Agent

Unit 4  
**The Insurance Transaction (8% of test) - 4 questions**  
Application  
Binders  
Underwriting the Policy  
  - Fair Credit Reporting Act  
Rating the Policy  
  - Judgment and Manual Rating  
Certificate of Insurance  
Misrepresentation, Concealment, and Fraud  
Representations and Warranties  
Waiver and Estoppel  
Cancellation and Nonrenewal
Unit 6  Introduction to Liability Insurance (8% of test) - 4 questions

- Negligence
  - Definition
  - Establishing Negligence
- Defenses Against Negligence
  - Contributory and Comparative Negligence
- Absolute Liability
- Vicarious Liability
- Liability Insurance
  - Third Party Losses
  - Insuring Agreement
  - Exclusions
  - Conditions

Unit 8  Homeowners Insurance (4% of test) - 2 questions

- Section II - Liability
  - Coverage E - Personal Liability
  - Coverage F - Medical Payments to Others
  - Exclusions
  - Additional Coverages

Unit 9  Personal Auto Insurance (10% of test) - 5 questions

- Definitions
- Part A - Liability Coverage
  - Coverage
  - Who is an Insured
  - Supplementary Payments
  - Exclusions
- Part B - Medical Payments Coverage
  - Exclusions
- Part C - Uninsured Motorists Coverage
  - Definition of Uninsured Motor Vehicle
  - Exclusions
  - Other Insurance
- Part D - Coverage for Damage to Your Auto
  - Coverage
  - Transportation Expenses
  - Exclusions
- Parts E and F - Conditions
- Underinsured Motorists Coverage
- Personal Auto Policy Endorsements

Unit 10  Miscellaneous Personal Insurance (4% of test) - 2 questions

- Personal Watercraft Insurance
  - Boatowners and Outboard Motor and Boat Policies
  - Personal Yacht Policies
- Personal Umbrella Insurance
  - Coverage for Excluded Losses

Unit 11  The Commercial Package Policy (4% of test) - 2 questions

- Eligible Coverages
- Common Policy Declarations
- Common Policy Conditions
  - Cancellation
  - Changes, Premiums
  - Examination of Books and Records, Inspections, and Surveys
  - Transfer of Rights and Duties
Unit 12  The Businessowners Policy (4% of test) - 2 questions
Eligibility, Policy Organization
Ineligible Risks
Liability and Medical Expenses Coverage
Exclusions
Conditions
Endorsements
Hired Auto and Nonowned Auto Liability

Unit 15  Commercial General Liability Insurance (8% of test) - 4 questions
Business Liability Exposures
Premises and Operations Exposure
Products - Completed Operations Exposure
Exposures Covered by Commercial General Liability Insurance
Commercial General Liability Coverage Part
Occurrence and Claims-Made Forms
Claims-Made Form
Coverage A - Bodily Injury and Property Damage Liability
Coverage Exclusions
Coverage B - Personal and Advertising Injury Liability
Coverage C - Medical Payments
Coverage Exclusions
Limits of Insurance
Conditions
Duties in the Event of Occurrence, Offense, Claim, or Suit
Other Insurance

Unit 16  Commercial Auto Insurance (4% of test) - 2 questions
Commercial Auto Coverage Part
Business Auto Coverage Form
Definitions
Covered Autos
Liability Coverage
Physical Damage Coverage
Garage Coverage Form
Liability Coverage
Garagekeeper Coverage
Physical Damage Coverage
Truckers Coverage Form
Covered Autos
Trailer Interchange Coverage
Motor Carrier Coverage Form
Motor Carrier Act of 1980

Unit 17  Commercial Crime Insurance (2% of test) - 1 question
Fidelity Bonds
Parties to a Bond
Types of Fidelity Bonds

Unit 18  Workers' Compensation (10% of test) - 5 questions
Workers’ Compensation Laws
Occupations Covered
Benefits Provided
Compensable Injuries
Types of Disability
Compulsory vs. Elective
Workers' Compensation and Employers Liability Policy
Coverages
Exclusions
Unit 19  
**Miscellaneous Commercial Insurance (6% of test) - 3 questions**
- Farm Insurance
- Aviation Insurance
  - Liability Coverage
- Professional Liability Insurance
- Employment Practices Liability Insurance
- Commercial Umbrella Insurance
- Surety Bonds
  - Contract Bonds
  - Judicial Bonds
  - Background

Insurance Code  
**Kentucky Law (10% of test) - 5 questions**
- Scope, General Definitions, and Provisions KRS 304.1
- Agent Licensing
  - Definitions KRS 304.9-020 to 051
  - Licensing Requirements KRS 304.9-080 to 120
  - Change of Address KRS 304.9-200
  - License Renewal KRS 304.9-260
  - Continuing Education KRS 304.9-295
  - Record Retention KRS 304.9-390
  - Suspension or Revocation of License KRS 304.9-440
  - Reporting of Criminal or Administrative Actions KRS 304.9-467
  - Prohibited Practices in Replacement or Repair of Automobile Glass;
    Penalties KRS 304.9-470
- Surplus Lines KRS 304.10
- Unfair Practices, Advertising, Illegal Inducements KRS 304.12-010 to 110
- Unfair Claims Settlement Practices KRS 304.12-230
- Auto Insurance Plan KRS 304.13-151
- Insurance Contract KRS 304.14
- Personal Auto Policies Declaration, Nonrenewal, and Cancellation
  KRS 304.20-040
- Declination, Nonrenewal, and Cancellation KRS 304.20-300 to 350
- Insurance Guaranty Fund KRS 304.36-030
- Motor Vehicle Insurance No-Fault KRS 304.39
- Insurance Fraud KRS 304.47-020
- Conversion of Premium KRS 304.99-010
- Workers' Compensation KRS 342