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 (6% of test) - 3 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
Lines of Insurance
  Four Lines of Insurance
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 5  Introduction to Property Insurance (6% of test) - 3 questions
Declarations
   Who is Insured
   What Property is Covered and Where
   How Much Property is Insured for
Insuring Agreement
   Property Covered
   Perils Insured Against
Exclusions and Limitations
Conditions
   Duties Following Loss
   Valuation
   Coinsurance
   Deductible
   Salvage and Abandonment
   Subrogation
   Appraisal and Arbitration
   Other insurance
   Assignment

Unit 6  Introduction to Liability Insurance (6% of test) - 3 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 7  Dwelling Insurance (8% of test) - 4 questions
The Dwelling Policy
   Perils Insured Against
   Other Coverages
   Conditions
   Basic Policy Coverages
   Replacement Cost Coverage
   Other Endorsements
Unit 8  
**Homeowners Insurance (18% of test) - 9 questions**

The Homeowners Policy
- Eligibility, Insureds
- Extent and Scope of Homeowners Coverage
  - HO-3 - Special Form
  - HO-4 - Contents Broad Form
  - HO-6 - Unit-Owners Form

Section I - Property
- Coverage C - Personal Property
- Coverage D - Loss of Use
- Additional Coverages
- Perils Insured Against
- Limits of Liability, Deductible

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

Homeowners Endorsements
- Section I Endorsements
- Limited Fungi, Wet or Dry Rot, or Bacteria Coverage

Unit 9  
**Personal Auto Insurance (18% of test) - 9 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
  - Other Provisions

- Parts E and F - Conditions
- Underinsured Motorists Coverage
- Personal Auto Policy Endorsements

Unit 10  
**Miscellaneous Personal Insurance (12% of test) - 6 questions**

Flood Insurance
- Coverage

National Flood Insurance Program
Earthquake Insurance
Mobile Home Insurance
Personal Inland Marine Insurance
- Personal Inland Marine Forms

Personal Watercraft Insurance
- Boatowners and Outboard Motor and Boat Policies
- Personal Yacht Policies

Personal Umbrella Insurance
- Coverage for Excluded Losses

FAIR Plans
Insurance Code

Kentucky Law (8% of test) – 4 questions

Scope, General Definitions, and Provisions KRS 304.1
Definition of Property Insurance KRS 304.5-050

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
Lender Insurance Requirements KRS 304.12-150
Unfair Claims Settlement Practices KRS 304.12-230
Auto Insurance Plan KRS 304.13-151
Insurance Contract KRS 304.14
Personal Auto Policies Declanation, 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