

ARIZONA

Department of Insurance

Licensing Information Bulletin

For exams given on or after July 1, 2009

Register online at
www.prometric.com/arizona

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Providing License Examinations for the State of Arizona

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Introduction

A message from the Department

This bulletin provides you with information about the processes for taking an examination and becoming licensed by the Arizona Department of Insurance (the Department). It also contains information that is useful **after** you become licensed. We suggest you keep this bulletin for future reference.

The bulletin **does not** provide instructions pertaining to licensing business entities. For information about licensing a business entity, visit the Insurance Licensing Section Web site at www.id.state.az.us, e-mail the Insurance Licensing Section at Licensing@azinsurance.gov, or call the Insurance Licensing Section at 602.364.4457.

We wish you well in your pursuit of an insurance license. Remember that a license is a privilege, not a right or a gift. Insurance professionals must remain abreast of, and comply with, evolving insurance laws and regulations.

At a glance



Direct questions and requests for information about exams to:

Prometric

Web site: www.prometric.com/arizona

Phone: 800.853.5448

Fax: 800.347.9242

TDD User: 800.790.3926



Direct licensing-related questions to:

Arizona Department of Insurance

Web site: www.id.state.az.us

E-mail: Licensing@azinsurance.gov

Phoenix area or outside Arizona: 602.364.4457

Within Arizona but outside Phoenix: 877.660.0964

Fax: 602.364.4460



Mail or deliver your license application to:

Insurance Licensing Section

2910 N. 44th Street, Suite 210

Phoenix, AZ 85018-7269



To obtain your insurance license

- 1 Review this bulletin thoroughly to determine any exams needed and other licensing requirements.
- 2 Prepare for your exam, using this bulletin and other materials.
The content outlines in this guide are the basis for the exams (see page 18).
- 3 Contact Prometric to register, pay for, and schedule your exam and fingerprinting appointments.
The easiest way to register is online at www.prometric.com/arizona. Phone, fax and mail options are also available (see page 7).
- 4 Take the scheduled exam, bringing required identification to the test center.
You will receive your results immediately after the exam. If you do not pass the exam, repeat steps 2 through 4 until you do. **Please note**, however, that ARS § 20-284(H) only allows you to take an exam for a specific line of authority four times in a 12-month period, and requires you to wait a year after the fourth exam failure to be eligible for another exam.
- 5 If you pass your exam, apply for your license at the Prometric Test Center at a Prometric NIPR kiosk. The Department deposits your (nonrefundable) fee, reviews your application and determines whether you qualify for the license. You (or Prometric on your behalf) will also be required to U.S. mail your fingerprint card and Form L-152.
Per ARS § 20-284(A), an exam score is only valid if the Department receives your license application and fees within one year after you passed the exam.



Note Passing an exam does not guarantee that you will be issued a license. If you take an exam unnecessarily or are found unqualified, neither the exam fee nor the license application fee will be refunded.

Understanding licensing requirements

Arizona Revised Statutes (“ARS”) and Arizona Administrative Code (“AAC”) set forth the requirements for licensees, insurers and insurance products in the state of Arizona. The Arizona Legislature may amend the statutes and the Department may promulgate changes to administrative code as necessary. Licensees must remain aware of changes in law and code that affect their occupational practice. We suggest you sign up for the Department’s mailing lists at <http://www.id.state.az.us/maillinglists.html>.

Types of licenses

In accordance with Arizona law, the Department grants licenses specifying one or more lines of license authority. Each license that the Department grants is valid only for the lines of license authority shown on the license.

Arizona issues licenses to individuals and businesses that reside or maintain their principal place of business within Arizona (residents) and to individuals and businesses from other states (nonresidents). An applicant for a nonresident license must hold a resident license in good standing from the person’s home state.

The following table summarizes required exams, license forms and other requirements that apply for each line of license authority. **Except for adjusters and bail bond agents, only individuals applying for resident licenses must pass an exam.**

License Line	Exam Series	License Form	Other Requirements
Producer License Types (per ARS § 20-282)			
Life Insurance	13-31	L-169	
Accident and Health or Sickness	13-32	L-169	
Life, Accident and Health or Sickness	13-33	L-169	
Variable Life and Variable Annuity Products	None	L-169	Must also hold life producer authority and submit evidence of registration with FINRA.
Property and Casualty	13-34	L-169	
Property	13-42	L-169	
Casualty	13-43	L-169	
Personal Lines	13-44	L-169	
Credit	13-45	L-169	
Travel Accident Ticket or Baggage Insurance	None	L-169	
Managing General Agent (per ARS § 20-311)			
Issued for Life, Accident and Health or Sickness, or Property and Casualty (per ARS § 20-311.01)	None	L-169, L-107, L-106	Application must be made by the insurer for whom the agent will act. Application must include a deposit or surety insurance of between \$50,000 and \$100,000.
Broker License Types (per ARS § 20-411)			
Surplus Lines Broker	13-41	L-169	Must also hold a property or casualty producer authority.
Mexican Insurance Surplus Lines Broker (per ARS § 20-411.01)	None	L-169	Must also hold a property or casualty producer authority.
Other License Types			
Adjuster (per ARS § 20-321.01)	13-36	L-169	Both resident and nonresident applicants must pass the Arizona exam. See Form L-169.
Bail Bond Agent (per ARS § 20-340.01)	13-35	L-169, L-195	Both resident and nonresident applicants must pass the Arizona exam. Bond in the amount of \$10,000 is required. Licensee must maintain an office and primarily transact business in Arizona.
Risk Management Consultant (per ARS § 20-331.01)	None	L-169	Written authorization from political subdivision (city/county) employer.

Consult the instructions to Form L-169 for detailed application requirements.

Moving to Arizona

If you held a resident insurance license in another state and are **relocating to Arizona**, you must submit a license application to the Department within 90 days after canceling the resident license in your former state to avoid having to take an Arizona insurance exam. Because adjusters have already passed the Arizona exam, they are only required to submit an address change. Your application must include a “clearance letter” issued by the insurance department in your former state.

The letter **must specify**:

- The date when your license from the former state was cancelled, expired or converted to a nonresident status (which must be within 90 days of the date the Department receives your application);
- The line(s) of authority for which you were licensed in the other state (Arizona must already issue these license types to residents of this state); and,
- That you were licensed in good standing at the time the license expired, cancelled, or converted to a nonresident status.



Note If your prior home state does not issue clearance letters, contact the Department for the required procedures. Not all license lines of authority are eligible for transfer. See additional application information on page 14.

Nonresident applicants

If you do not hold an Arizona insurance license and are seeking a **nonresident producer license**, you must **either**:

- Submit Form L-169; **or**
- Submit the appropriate NAIC Uniform Application Form; **or**
- Apply online at www.nipr.com.



Note If you use a Uniform Application, carefully review the checklist of application requirements and furnish all specified information.

Fingerprint requirement

If you are an Arizona resident, a nonresident relocating to Arizona, or a nonresident adjuster whose home state does not license adjusters, you must submit fingerprints with your license application (if you have not done so in the past year). If you are adding a line of authority to an existing Arizona insurance license, you **are not** required to submit fingerprints.

The Arizona Department of Public Safety (AZDPS) and the Federal Bureau of Investigations (FBI) use the fingerprints to conduct a criminal history background check. Details on how to satisfy the fingerprint requirement are provided in the “Obtaining your license” section on page 14.

Fees

The following fees may apply to your license application:

- **Examination fee** charged by Prometric (either \$49 or \$62, depending upon the exam you take – see the Exam Registration Form on page 41).
- **Fingerprinting fee** charged by Prometric (\$20) or another professional fingerprinting service (fees vary).
- **License fee**, paid to the Department with your license application, consisting of one or more of the following:

- \$120 for all (one or more) lines of authority other than surplus lines broker (regardless of the number of non-surplus lines broker lines of authority).
- \$1,000 for surplus lines broker license authority for a new license or an existing license that has a remaining term of two years or more;
- \$500 when adding surplus lines broker authority to an existing license with a remaining term of less than two years.
- **FBI fingerprint processing fee**, applicable only if you are required to submit fingerprints as part of your license application. The fee (\$24 as of September 19, 2007), when applicable, must be added to the license fee payment.

Prometric accepts payment by MasterCard, Visa, money order, company check, and cashier's check. **Personal checks and cash are not accepted.** Prometric's fees are also not refundable or transferable.

The Department accepts cash (if you pay in person), check, money order, or, if you apply online using a Prometric NIPR kiosk, by credit card. Please be aware that per ARS § 20-167, the Department cannot refund or prorate fees.



Note Arizona license fees are subject to annual updates each July 1. The FBI fingerprint processing fee may change at any time.

You can obtain up-to-date fee information from the Department's Web site at www.id.state.az.us, or by contacting the Insurance Licensing Section by email at Licensing@azinsurance.gov, or by phone at 602.364.4457 (or 877.660.0964).

Preparing for your exam

Being well prepared can help you pass your exam and possibly save you money and time spent retaking it. This section offers:

- An overview of the exam content outlines in this bulletin.
- Information about study materials.

Content outlines overview

The license exam for each license type consists of questions that test knowledge of topical areas listed in the content outline for that exam. An overview of each exam content outline appears in this bulletin, beginning on page 18. You can view a detailed outline specific to your exam online at www.prometric.com/arizona.

Content outlines were developed in cooperation with the Department and an Examination Review Workshop (ERW) consisting of individuals from the Arizona insurance industry. The purpose of the ERW was to identify and classify the level of knowledge that insurance licensees need to properly serve their clients.

Item-development staff at Prometric and insurance professionals then research the content and write questions. The questions are submitted to industry professionals in Arizona for review and approval. This process ensures that the exams reflect content that you, as an entry-level agent, will need to know to properly perform your duties for the insurance-buying public.



Hint Do not schedule your exam until you are familiar with all subject areas in the applicable content outline.

Study materials You are free to use materials of your choice to prepare for the exam. Various publishers have prepared study guides and manuals to help candidates prepare for license exams. **Neither the Department nor Prometric publishes or reviews study materials.** However, the Department provides a list of some resources for preparing for examinations from its Web site at http://www.id.state.az.us/producer.html#exam_info.

Reference to laws and rules. Each exam contains sections relating to Arizona law (statutes) and administrative code (rules). In addition to your study material, you may wish to consult ARS § Title 20, and AAC Title 20, Chapter 6. These references are available at Arizona State University in Tempe; University of Arizona in Tucson; Northern Arizona University in Flagstaff; in various insurance company offices; and on the Internet through links from the Department's Web site at www.id.state.az.us.

Scheduling your exam

The Department has contracted with Prometric to conduct its examination program. Prometric provides computerized testing through the multistate Prometric Testing Network, which means you can take your Arizona insurance exam on a computer at almost any Prometric testing center in the United States. Test centers in Arizona are listed on page 9.

Exam restriction

It is unlawful for a person to take an examination for a line of authority for which the individual already holds a license in Arizona. ARS § 20-284(G). Additionally, while ARS § 20-284(C) requires the director of insurance to make license examinations available to license applicants, the director is not required to make examinations available to other persons. To promote security over exam questions, the director has instructed Prometric to refuse to administer an examination to a person who is not an applicant for a license.



Important You are limited to four attempts to pass an exam for a particular line of authority within a one-year period. After a fourth unsuccessful attempt, you must wait one year from the date of the last attempt to retake the exam. ARS § 20-284(H).

Registering and scheduling exams Before you can test, you must contact Prometric to:

- 1 Register for your exam.
- 2 If you choose, register for Prometric's fingerprinting services.
- 3 Pay the exam fee and, if applicable, the fingerprinting fee.
- 4 Schedule an appointment to take an examination.

Prometric will provide you a confirmation number as evidence that you have completed the registration process. Please keep your confirmation number—you will need it to schedule, reschedule, cancel, and confirm your appointment.

Social Security Number confidentiality. You must provide your Social Security Number per ARS §25-320(N). It is also used to maintain your exam record and report your grades to the Department. Be assured that Prometric treats your Social Security Number as **confidential**.

Accommodations. If you require accommodation for a disability or additional time because English is not your primary language, see “Special test considerations” on page 9 before registering.

Holidays. Testing generally does not occur on the following holidays:

- New Year’s Day
- Martin Luther King Jr. Day
- Presidents’ Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Test centers may be closed on other state holidays depending upon the state where you schedule to take your exam.



On the Internet—register and schedule at one time

Register and schedule your exam online at any time using our Internet Registration Service. Just follow these steps:

- 1 Access www.prometric.com/arizona.
- 2 Under Insurance, click **Insurance License Exams**.
- 3 Click on **Schedule your test** and follow the prompts.



By phone—a one-step process

You may register and schedule your examination by calling 800.853.5448 between 6 a.m. and 7 p.m. (Mountain time), Monday through Friday. Please have your exam registration form and your Visa or MasterCard information available. At the end of the call, Prometric will provide you a confirmation number. Record and keep this confirmation number for your records.



By fax or mail—a two-step process

You can register by fax or mail in two steps: (1) register and pay your exam fee and (2) schedule your exam appointment by phone.

You may fax your completed exam registration form (page 41) to Prometric at 800.347.9242. You must include the Visa or MasterCard number and the cardholder’s signature on the fax. Prometric processes faxed registrations within 24 hours, or one business day, of receipt.

You may mail your completed exam registration form and the appropriate exam fee. Allow four to eight days for your mailed registration to be delivered to Prometric, and then allow 48 hours for Prometric to process your request.

Once Prometric has processed your registration, you can schedule an appointment by calling 800.853.5448. At the end of the call, Prometric will provide you a confirmation number. Record and keep this confirmation number for your records.

Registration fee, expiration and refund policy

The fee for each exam is listed on the registration form (see page 41). If you are taking more than one exam, fees for all exams may be included in one payment. Prometric accepts payments by MasterCard, Visa, money order, company check, and cashier’s check. **Personal checks and cash are not accepted.**



Note Exam registration fees **are not refundable or transferable**. An exam registration remains valid for 90 calendar days after it has been processed. It will expire without further notice at that time. We recommend that you do not register for your exam until you are prepared to take your exam.

If you allow your exam registration to expire or do not pass your exam, you must re-register and pay an additional exam registration fee.

Rescheduling your appointment

To avoid a rescheduling fee, you must contact Prometric at least **three full business days** before the day of your scheduled appointment. Refer to the following table to determine the **last day** you may reschedule without paying a \$40 rescheduling fee.

Last day to reschedule with no fee

If your exam is on:	Call by 7 p.m. (Mountain time) the previous:
Monday	Tuesday
Tuesday	Wednesday
Wednesday	Thursday
Thursday	Friday
Friday	Monday

Note that this schedule **does not** include holidays. Since holidays are not business days, they do not count against the three days (call earlier).

If you do not allow at least three full business days to reschedule your appointment, you must pay a \$40 rescheduling fee before making another appointment. To pay this fee by Visa or MasterCard and to reschedule your appointment, call Prometric at 800.853.5448. You may also pay the rescheduling fee by mailing a cashier's check, company check, money order or Visa or MasterCard information to Prometric.

If absent or late for your appointment

If you miss your appointment or arrive late and are not allowed to test, you must pay a \$40 rescheduling fee before making another appointment. This fee will allow you to use your original exam registration.

If you are unable to attend your scheduled exam due to illness or emergency, call Prometric. Under certain circumstances, the fee to reschedule may be waived. Prometric reserves the right to request documentation to support any illness or emergency claim.

Emergency closings

Severe weather or an emergency could require canceling scheduled exams. If this occurs, Prometric will attempt to contact you by phone or e-mail; however, you may check for testing site closures by calling Prometric. If the site is closed, your exam will be rescheduled without a rescheduling fee.

If a testing center is open for testing and you choose not to appear for your appointment, you must pay a \$40 rescheduling fee. You must then reschedule your exam.

Special test considerations

ADA accommodation. If you require testing accommodations under the Americans with Disabilities Act (ADA), please call Prometric at 888.226.9406 to obtain an accommodation request form. Reasonable testing accommodations are provided to allow candidates with documented disabilities recognized under the ADA an opportunity to demonstrate their skills and knowledge.

Candidates should submit professional documentation of the disability with their form to help us determine the necessary testing arrangements. Thirty days' advance notice is required for all testing arrangements. There is no additional charge for these accommodations.

ESL Accommodation. If English is not your primary language, you may qualify for additional time for your test by requesting an ESL authorization from Prometric.

Please include:

- A personal letter requesting the authorization; and
- A letter from your English instructor or sponsoring company (on company letterhead), certifying that English is not your primary language.

If documentation is approved, Prometric may extend the time limit on your examination to time-and-one-half. You will be notified by mail of this approval and should not schedule your exam until you have received the approval letter.

Testing centers

Arizona

Test center locations are subject to change. Test center locations in other states are available online at www.prometric.com or by calling 800.853.5448.

Arizona Test Sites	Directions
Casa Grande 520 N Camino Mercado Blvd., Suite 9 Casa Grande, AZ 85222 520.836.2238	From I-10: Take exit 194 and go west. Take the first left into the Palm Center Complex. Once in the Palm Center parking lot, turn right and continue to end of complex.
Flagstaff 2615 North Fourth Street, Suite 8 Flagstaff, AZ 86004 928.774.0382	From I-40: Take exit 201 (Country Club). Follow the exit ramp on the overpass and go west to Fourth Street. Turn right. The testing center is on the left at the corner of Rose Street. Parking is in the rear of the building.
Goodyear 13770 West Van Buren St. Suite 100 Goodyear, AZ 85338 623.932.7800	From I-10: Take Litchfield Road exit 128 and go south. Turn left on Van Buren Street. The testing center is located on the left-hand side of the road.
Phoenix 1951 W. Camelback Road, Suite 120 Phoenix, AZ 85015 602.973.8945	From I-17: Take the Camelback Road exit and go east. The testing center is located just before the N 19 th Avenue intersection.
Tempe 1275 W. Washington St., Suite 110 Tempe, AZ 85281 602.273.9145	From 202: Take the East Washington Street exit and go west. Continue until East Washington Street becomes West Washington Street. The test center is located between South 56 th Street and North Priest Drive.

<p>Tucson 5255 East Williams Circle Suite 4100 Fourth Floor Tucson, AZ 85711 520.514.6399</p>	<p>From I-10 east: Take the Congress/Broadway Blvd. exit and go east. Go through downtown on Broadway Blvd. Turn right on Williams Blvd. Immediately turn right onto Williams Circle.</p> <p>From I-10 west: Exit at Alvernon Way and go north. Alvernon Way becomes Golf Links Road. Turn left onto Swan Road. Continue to E. Broadway Blvd. and turn right. Turn right at Williams Blvd. Immediately turn right onto Williams Circle.</p> <p>The test center is located on the fourth floor of the West Tower (use the west elevators).</p>
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Taking your exam

Knowing what to expect when taking your exam may help you prepare for it.

This section contains:

- An overview of the testing process.
- Regulations that will be enforced at the testing center.
- Information about the types of exam questions.
- A guide to understanding your exam results.
- Information about appeals.

The testing process

Your exam will be given by computer at a Prometric testing center. You do not need any computer experience or typing skill to take your exam. Before you start the exam, you will receive a personalized introduction to the testing system. You can also take an introductory lesson on the computer.

Arrival. You should arrive at least **30 minutes before** your scheduled exam appointment. This allows time for you to sign in and for Prometric staff to verify your identification and to take your photograph.

Identification required. You must present a valid form of identification before you can test. That identification document **must**:

- Be government-issued (e.g., driver's license, state-issued identification card or military identification card).
- Contain **both** a current photo and your signature.
- Have a name that exactly matches the name used to register for the exam (including designations such as "Jr." and "III").



Important If you fail to provide appropriate identification at the time of the exam, you will not be allowed to take your exam and you will be required to pay a \$40 rescheduling fee before making another appointment.

If you cannot provide the identification listed above, contact Prometric **before** scheduling your appointment to arrange an alternative way to meet this requirement.

Testing policies

To ensure that all candidates are tested under equally favorable conditions, the following policies and procedures will be enforced at each testing center. Failure to follow any of these security procedures may result in the disqualification of your examination. Prometric reserves the right to audiotape and videotape any examination session.

- References**
- No reference materials, papers or study materials are allowed at the test center. If you are found with these or any other aids, you will not be allowed to continue the exam and your answers will not be scored.

- Calculators**
- You will be provided a calculator at the testing center, and you may only use that calculator when completing your exam.

- Personal items**
- Prometric is not responsible for items left in the reception area of the testing center. Although you may use a testing center locker, we recommend you not bring personal items into the testing center. Note the following:
- Electronic items—cell phones, PDAs, pagers, cameras, tape recorders, etc.—are not permitted in the testing room and must be powered off while stored in a locker.
 - Pocket items—keys, wallet, etc.—must remain in your pocket or be stored in a locker during testing.
 - Other personal items—digital watches, outerwear that are not being worn while you are testing (sweater, jacket, etc.), briefcases, purses, etc.—are not permitted in the testing room.

- Breaks**
- If you leave the testing room while an exam is in progress, you must sign out/in on the roster and you will lose exam time.
 - You may not use any electronic devices or phones during breaks.

- Visitors**
- No guests, visitors or family members are allowed at the testing center.

- Misconduct or disruptive behavior**
- Candidates who engage in any kind of misconduct or disruptive or offensive behavior may be dismissed from the examination and may be reported to the Department. Examples include giving or receiving help, taking part in an act of impersonation, removing test materials or notes from the testing room, using rude or offensive language and behavior that delays or interrupts testing.

- Weapons**
- Weapons are not allowed at the testing center.

Copyrighted questions. All test questions are the copyrighted property of Prometric Inc. It is forbidden under federal copyright law to copy, reproduce, record, distribute or display these test questions by any means, in whole or in part, without our written permission. Doing so may subject you to severe civil and criminal penalties, including up to five years in prison and/or a \$250,000 fine for criminal violations.

If questions arise. Testing center administrators are not allowed to answer any questions pertaining to the exam content. If you do not understand a question on the examination, you should answer the question to the best of your ability.

Question types

The questions in your insurance licensing examinations are multiple choice. For each question, you must select your answer from four options.

Question formats. Three different multiple-choice formats are used. Each format is shown in the following examples. An asterisk (*) indicates the correct answer in each sample question.

**Format 1—
Direct question**

Up to a specified limit, which of the following losses are covered under Section I of a Homeowners Policy?

1. Animals, birds or fish
2. Structures used for business
3. Accessories for motor vehicles
- * 4. Money, bank notes and bullion

**Format 2—
Incomplete sentence**

A guaranteed renewable Disability Income Insurance Policy:

- * 1. Is renewable at the insured's option to a specified age
2. Cannot be canceled by the insured before a specified age
3. Is guaranteed to have level premiums for the life of the policy
4. Is renewable at the insurer's option without restrictions or conditions

**Format 3—All of the
following except**

A life insurance policy may include provisions that do all of the following EXCEPT:

1. Restrict coverage if death is caused by suicide
2. Require evidence of insurability to reinstate coverage
- * 3. Extend the contestable period beyond two years
4. Adjust proceeds if the insured's age is misstated on the application

Experimental questions. Your exam may include up to five extra questions distributed throughout the exam to gather statistical information about the questions before Prometric adds them to an actual exam for your state.

These "experimental" questions **will not**:

- Be counted for or against you in your final exam score.
- Take any time away from your allotted testing time.

*Your exam
results*

At the end of your exam, your score will be shown on the screen and you will receive a printed score report. The report shows your overall score and grade, including the numerical percentage of questions answered correctly and whether you passed or failed.

The report also displays your percentage correct in each major section of the exam, as defined by the exam content outline. These section scores are shown to guide you, your employer and your trainer about areas requiring additional preparation for retesting if you do not pass the exam. Even after you pass, you may want to focus on these areas as you begin to provide insurance products and services to the public.



Important Arizona law limits you to four attempts to pass an exam for a particular line of authority within a one-year period. After a fourth unsuccessful attempt, you will have to wait one year from the date of the last attempt to retake the exam. Arizona law treats failing an examination that covers more than one line of license authority the same as failing the examination for each individual line of license authority. ARS § 20-284(H).

Note that the section percentages will not average out to your total percentage score. That is because individual exam outline sections are allocated different numbers of questions on the exam. Your total percentage score is computed by dividing the number of questions you answered correctly by the total number of questions in the exam. The total score is **not** computed by adding the section percentages and dividing by the total number of sections.

Sample score report

Score Report for Sample, Sarah A.			
Arizona Producer's Life Examination			
	Number of Questions	Number Correct	Percent Correct
Life Total Test Score	100	80	80%
Insurance Regulation	5	4	80%
General Insurance	7	5	71%
Life Insurance Basics	20	17	85%
Life Insurance Policies	18	14	78%
Life Insurance Provisions, Options and Riders	18	15	83%
Annuities	14	11	79%
Tax Considerations	12	9	75%
Qualified Plans	6	5	83%
Score: 80%			
Grade: Pass			
(A total score of 70 percent is required to pass)			

Duplicate score report. You may call or write to Prometric to request a duplicate of your score report for a period of one year after an exam. Direct any questions or comments about your exam to Prometric.

Appeals process

Our goal is to provide a quality exam and a pleasant testing experience for every candidate. If you are dissatisfied with either and believe we can correct the problem, we would like to hear from you. We provide an opportunity for general comments at the end of your exam. Our personnel will review your comments, but you will not receive a direct response.

If you are requesting a response about exam content, registration, scheduling or test administration (testing site procedures, equipment, personnel, etc.), please submit an appeal in writing.

Your appeal letter must provide your name and Social Security number, the exam title, the date you tested and the details of your concern, including all relevant facts. Be sure to include your signature and return address. Mail your appeal letter to:

Prometric
ATTN: Appeals Committee
 1260 Energy Lane
 St. Paul, MN 55108

The Appeals Committee will review your concern and send you a written response within 10 business days of receipt. **Faxed appeals will not be accepted** because an original signature is required.

Obtaining your license

This section offers information about:

- Submitting a fingerprint card.
- Applying for your license.
- Maintaining your license.

Submitting a fingerprint card

Most Arizona resident applicants and certain nonresident applicants are required to submit fingerprints as part of the license application (see “Fingerprinting requirements,” page 4 for details). Fingerprints must be applied to Form FD-258 by a professional fingerprinting service. Fees charged by fingerprinting service providers may vary.

The Arizona Department of Public Safety (AZDPS) and Federal Bureau of Investigations (FBI) must be able to properly read the fingerprint card you submit or it will be rejected and you will be required to submit a new set of fingerprints. The Department prefers the applicant use a vendor with LiveScan technology to ensure fingerprints are applied to AZDPS and FBI standards.

Prometric offers LiveScan fingerprinting,

LiveScan fingerprinting. Prometric’s Arizona testing centers provide LiveScan fingerprinting services. Rather than rolling your fingers in ink and pressing them onto a fingerprint card, Prometric collects your fingerprints digitally using an optical scanner. The LiveScan system verifies that it collected readable fingerprints, which allows Prometric to guarantee that the AZDPS and FBI will be able to read your fingerprints. You may register for Prometric’s fingerprinting service at the same time you register for and schedule your exam. Prometric charges \$20 to scan your fingerprints.



Important The FBI determines the fingerprint processing fee (\$24 as of September 19, 2007) and it is subject to change. You should check the Department’s Web site (www.id.state.az.us) to ensure you submit the current processing fee with your application.

Licensees who are adding a line of authority to an existing license are not required to submit fingerprints.

Applying for a license

After passing the license exam (if an exam is required), you will need to submit your license application, along with any other required paperwork, to the Department. The Insurance Licensing Section must receive all required application materials, including the correct nonrefundable license fees, **within one year** after you pass the exam. ARS § 20-284(A).

Submit your paperwork using one of the following methods:

- 1 Complete the “One-stop Licensing Process” using a Prometric NIPR kiosk.
- 2 Download a license application from the Department’s Web site at www.id.state.az.us and mail it to the Department.
- 3 Deliver application materials in person to the Department for “**ON-THE-SPOT**” review.

A Department employee will review your application while you wait and, in many (but not all) cases, can issue a license before you leave. ON-THE-SPOT licensing hours are 8 a.m. to 4 p.m. Monday through Friday (except state-observed holidays).

Licensing Eligibility Requirement (Form L-152)

In 2008, Arizona legislation was passed adding a licensing eligibility requirement for individuals seeking any license in Arizona. Arizona state agencies cannot issue a new or renewed license unless it first receives a completed Form L-152. Form L-152 can be found on page 39 of this Bulletin or on the Department's Web site at www.id.state.az.us/producerforms.html#OtherForms.

Each individual who is an Arizona resident and each individual applying for an adjuster or bail bond license (resident or nonresident) must complete this form, attach a copy of a required form of identification and submit it with the license application. If you are applying online at a Prometric test center, bring the completed form with you to the testing center.

Prometric's One-stop Licensing process

Prometric offers a suite of services for applicants required to pass an examination for a new resident insurance license. With **One-Stop Licensing**:

- 1 Register for the fingerprinting processing service at the same time you register for your required exam.
You must schedule your appointment and pay the test registration fee and Prometric's fingerprint processing fee online at www.prometric.com/arizona/insurance or by calling 800.853.5448 **before arriving** at the test center. (See the registration form on page 41.)
- 2 Once you finish your exam, use the kiosk at the exam center to complete your license application via the National Insurance Producer Registry (NIPR) Electronic Resident Licensing (eRL) system.
Payment for both the license fee and the FBI fingerprint processing fee must be made by Visa, MasterCard, or American Express credit card during the online license application process.
- 3 Have Prometric scan your fingerprints using LiveScan technology.
- 4 Prometric will send your fingerprints and Form L-152 along with a print out of your license application to the Department within two business days. The Department will promptly process your application.
- 5 Using this process could speed up the processing of your application by as much as 30 days.



Note In some cases, based on the content of your application or the type of license for which you are applying, the NIPR eRL system may inform you that you need to provide additional information before the Department can process your application.

Business name

When conducting insurance business, Arizona law requires that you use your legal name unless you obtain permission from the Department to use another name. The instructions to Form L-169 describe how to request permission to use an "assumed name" and how to register a "trade name."

Department of Insurance application review process

It is your responsibility to ensure that you have completed the license application and other supporting documents fully, properly and accurately. If your application is incomplete, the Department will return it to you, delaying the license decision.

Once the Department receives your application, it has up to 120 days to determine whether it contains all required information and is therefore “administratively complete,” and up to an additional 60 days to review the substance of your application. These timeframes are the outer limits by which the Department must grant or deny a license application. The Department processes most license applications within 30 days.

After reviewing your application, the Department will either issue or deny the license. If your application is denied, the Department will inform you of the reason for the denial and your rights of appeal.

If the Department finds your application contains inaccurate or untruthful responses, the Department may deny the license and you may be prevented from being licensed in the future. The Department may deny a license for any cause listed in ARS § 20-295. If the Department issues a license and later discovers that the application contained erroneous or untruthful information, the license may be revoked.

License expiration

When the Department issues an Arizona insurance license to someone who does not already hold a license, the license term is between three and four years and expires on the last day of the licensee’s birth month. Future renewals will be a full four-year term expiring on the last day of your birth month.

If you are adding additional lines of authority to an existing insurance license, the additional authority will expire on the same date as the existing license authority.

Maintaining your license

Insurance professionals are responsible for complying with Arizona insurance laws and rules, including but not limited to timely reporting changes of address and timely renewing insurance licenses.

iPLUS: Insurance Professional License Update System

Arizona has implemented the Insurance Professional License Update System (“**iPLUS**”), accessible at iplus.azinsurance.gov, which enables insurance professionals to update address and telephone information and, in many cases, to renew a license over the Internet without convenience fees or transaction fees (those fees are paid from license renewal fee revenues). Additional information about **iPLUS** is available on the Department’s Web site at www.id.state.az.us.

License renewal

An insurance professional may renew a license up to 90 days before the date the license expires. The licensee is solely responsible for renewing the license before its expiration. If the license expires, the licensee must cease acting under the license and, for up to one year after the expiration of the license, may apply for a “late renewal” by fulfilling the renewal requirements and paying a \$100 late renewal fee (in addition to the license renewal fee).

An individual should use **iPLUS** to renew a license online or to print a renewal application that the individual can deliver or send to the Department. For individuals without Internet access, the Department can mail blank forms upon receiving a request by e-mail (Licensing@azinsurance.gov) or by fax (602.364.4460).

Continuing education (CE) and long-term care training (LTCT)

ARS §§20-2901 through 20-2905 establish continuing education (CE) requirements. The CE requirements apply to resident insurance producers, surplus lines brokers or managing general agents who held a nonresident license in another state at any time during the expiring license term. You are solely responsible for being aware of licenses you hold in Arizona and from other states.

To qualify for renewal of a resident license, if AZ CE is required, each licensee must complete **40 credit hours**.

To fulfill Arizona's CE requirements, you must take Arizona-approved courses from Arizona-approved providers. A list of approved courses and course providers is available online at www.prometric.com/arizona or by calling Prometric's faxback system at 800.899.4184.



New Beginning July 1, 2009, an accident and health or sickness insurance producer (resident or nonresident) who wants to sell, solicit or negotiate long-term care insurance must have first completed eight hours of AZ CE approved long-term care training (LTCT) and must complete four hours of LTCT during each two-year period after July 1, 2009. An insurance producer can apply LTCT credit hours earned toward satisfying Arizona's CE requirement. Nonresidents may satisfy this requirement if they have taken substantially similar courses in another state.

If you are subject to the CE or LTCT requirement, you must retain the original Arizona Course Completion Certificates that course providers issue to you when you complete courses. If you are unable to use **iPLUS** to renew your license online, you will need to submit the original Course Completion Certificates or a printout of your transcript from www.prometric.com/arizona with your renewal application, demonstrating you fulfilled the CE requirement during the license term.

Exceptions to the continuing education requirement. You do not need to complete Arizona-approved CE if you are:

- Licensed in Arizona as a nonresident producer; **or**
- Only licensed as an adjuster or bail bond agent; **or**
- Licensed in Arizona as a resident insurance producer and you were not licensed in any other state at any time during the term of your Arizona license.

Exception to the long-term care training requirement. A nonresident insurance producer can satisfy Arizona's LTCT requirement by satisfying a substantially similar LTCT requirement in the producer's home state. ARS §20-1691.12.

Exam content outlines

The following outlines give an overview of the content of each of the Arizona insurance examinations. Each examination will include questions on the subjects contained in the outline. The percentages indicate the relative weight assigned to each section of the examination.

For example, 10 percent means that 10 questions will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

A detailed outline that includes more descriptive subsections for your exam is available online at www.prometric.com/arizona.

Series 13-31 Exam for Life Insurance Producer

100 questions – Two-hour time limit

1.0 Insurance Regulation 5%

1.1 Licensing

- License application requirements (20-285)
- Licensing eligibility (41-1080)
- Licensing time frames (Rule R20-6-708)
- Types of licensees
- Lines of producer license authority (20-286, 411, 411.01, 1580)
- Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
- Assumed business name (20-297)
- Maintenance and duration
- Disciplinary actions

1.2 State regulation

- Acts constituting insurance transaction (20-106, 282, 401.01)
- Director's general duties and powers (20-142, 157)
- Payment of premiums (20-191)
- Certificate of authority (20-216(B), 217(A))
- Signature on insurance policy (20-229)
- Producer regulation
- Unfair practices and frauds
- Insurance information and privacy protection (20-2101-2122)

1.3 Federal regulation

- Fair Credit Reporting Act (15 USC 1681-1681d)
- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
- Telemarketing Sales Rule (16 CFR 310; 15 USC 6101-6108; A.R.S. 44-1282)
- CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 7%

2.1 Concepts

- Risk management key terms
- Methods of handling risk
- Elements of insurable risks
- Adverse selection

- Law of large numbers
- Reinsurance

2.2 Insurers

- Types of insurers
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers
- Marketing (distribution) systems

2.3 Producers and general rules of agency

- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producers
- Responsibilities to the applicant/insured

2.4 Contracts

- Elements of a legal contract
- Distinct characteristics of an insurance contract
- Legal interpretations affecting contracts

3.0 Life Insurance Basics 21%

3.1 Insurable interest (20-443.02, 20-1104, 1106, 1107)

3.2 Personal uses of life insurance

- Survivor protection
- Estate creation
- Cash accumulation
- Liquidity
- Estate conservation
- Viatical and life settlements

3.3 Determining amount of personal life insurance

- Human life value approach
- Needs approach

3.4 Business uses of life insurance

- Buy-sell funding
- Key person
- Executive bonuses

3.5 Classes of life insurance policies

- Group versus individual
- Ordinary versus industrial (home service)
- Permanent versus term
- Participating versus nonparticipating
- Fixed versus variable life insurance and annuities

3.6 Premiums

- Factors in premium determination
- Premium concepts
- Premium payment mode

3.7 Producer responsibilities

- Solicitation and sales presentations
- Field underwriting
- Delivery

3.8 Individual underwriting by the insurer

- Information sources and regulation
- Selection criteria
- Classification of risks

4.0 Life Insurance Policies 15%

4.1 Term life insurance

- Level term
- Decreasing term

4.2 Whole life insurance

- Continuous premium (straight life)
- Limited payment
- Single premium

4.3 Flexible premium policies

- Adjustable life
- Universal life

4.4 Specialized policies

- Joint life (first-to-die)
- Juvenile life

4.5 Group life insurance

- Individual certificates (20-1265)
- Characteristics of group plans
- Group eligibility (20-1251)
- Types of plan sponsors
- Group underwriting requirements
- Conversion to individual policy (20-1266-1269)

4.6 Credit life insurance

- (Individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 20%

5.1 Standard provisions

- Ownership
- Assignment (20-1122, 1277)
- Limitation of liability (20-1226)
- Entire contract (20-1205)
- Modifications
- Right to examine (free look) (Rule R20-6-209(C)(1))
- Payment of premiums (20-1214)
- Grace period (20-1203, 1259)
- Reinstatement (20-1213)

Incontestability (20-1204, 1217, 1260)
 Misstatement of age (20-1206, 1263)
 Policy title (20-1216)
 Policy settlements and proceeds (20-1228–1230)
 Exclusions (20-1226)
 Payment of claims (20-1215)

5.2 Beneficiaries

Designation options
 Succession
 Revocable versus irrevocable
 Common disaster clause
 Spendthrift clause

5.3 Settlement options

Cash payment
 Interest only
 Fixed-period installments
 Fixed-amount installments
 Life income

5.4 Nonforfeiture options (20-1231)

Cash surrender value
 Extended term
 Reduced paid-up insurance

5.5 Policy loan and withdrawal options (1209, 1209.01)

Cash loans
 Automatic premium loans
 Withdrawals or partial surrenders

5.6 Dividend options

Cash payment
 Reduction of premium payments
 Accumulation at interest
 One-year term option
 Paid-up additions
 Paid-up insurance

5.7 Disability riders

Waiver of premium
 Waiver of cost of insurance
 Disability income benefit
 Payor benefit life/disability (juvenile insurance)

5.8 Accelerated (living) benefit provision/rider (20-1136)

Conditions for payment
 Effect on death benefit
 Long-term care

5.9 Riders covering additional insureds (20-1257)

Spouse/other-insured term rider
 Children's term rider
 Family term rider

5.10 Riders affecting the death benefit amount

Accidental death
 Guaranteed insurability
 Cost of living
 Return of premium

6.0 Annuities 18%

6.1 Standard provisions

Grace period (20-1219, 1271)
 Incontestability (20-1220)

Entire contract (20-1221, 1272)
 Misstatement of age (20-1222, 1227, 1273)
 Reinstatement (20-1224, 1227)
 Free look (20-1233)
 Disclosure (20-1242, 1242.01–1242.05)

6.2 Annuity principles and concepts

Accumulation period versus annuity period
 Owner, annuitant and beneficiary
 Insurance aspects of annuities

6.3 Immediate versus deferred annuities

Single premium immediate annuities (SPIAs)
 Deferred annuities

6.4 Annuity (benefit) payment options

Life contingency options
 Annuities certain (types)

6.5 Annuity products

Fixed annuities
 Equity indexed annuities
 Market value adjusted annuities

6.6 Uses of annuities

Lump-sum settlements
 Qualified retirement plans
 Personal uses
 Compatibility and suitability (20-1243, 1243.01–1243.06)

7.0 Federal Tax Considerations for Life Insurance and Annuities 8%

7.1 Taxation of personal life insurance

Amounts available to policyowner
 Amounts received by beneficiary
 Values included in insured's estate

7.2 Modified endowment contracts (MECs)

Modified endowment versus life insurance
 Seven-pay test
 Distributions

7.3 Taxation of non-qualified annuities

Individually-owned
 Corporate-owned

7.4 Taxation of individual retirement plans

Traditional IRAs
 Roth IRAs

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 6%

8.1 General requirements

8.2 Federal tax considerations

Tax advantages for employers and employees

Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers

Simplified employee pensions (SEPs)
 Self-employed plans (HR 10 or Keogh plans)
 Profit-sharing and 401(k) plans
 SIMPLE plans
 403(b) tax-sheltered annuities (TSAs)

Series 13-32 Exam for Accident and Health or Sickness Insurance Producer

100 questions – Two-hour time limit

1.0 Insurance Regulation 5%

1.1 Licensing

License application requirements (20-285)
 Licensing eligibility (41-1080)
 Licensing time frames (Rule R20-6-708)
 Types of licensees
 Lines of producer license authority (20-286, 411, 411.01, 1580)
 Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
 Assumed business name (20-297)
 Maintenance and duration
 Disciplinary actions

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)
 Director's general duties and powers (20-142, 157)
 Payment of premiums (20-191)
 Certificate of authority (20-216(B), 217(A))
 Signature on insurance policy (20-229)
 Producer regulation
 Unfair practices and frauds
 Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)
 Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
 Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)
 CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 7%

2.1 Concepts

Risk management key terms
 Methods of handling risk
 Elements of insurable risks
 Adverse selection
 Law of large numbers
 Reinsurance

2.2 Insurers

Types of insurers
 Private versus government insurers
 Authorized versus unauthorized insurers
 Domestic, foreign and alien insurers
 Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal
 Producer/insurer relationship
 Authority and powers of producers
 Responsibilities to the applicant/insured

2.4 Contracts

Elements of a legal contract
 Distinct characteristics of an insurance contract
 Legal interpretations affecting contracts

3.0 Disability (Accident and Health) Insurance Basics 18%

3.1 Definitions of perils

Accidental injury
 Sickness

3.2 Principal types of losses and benefits

Loss of income from disability
 Medical expense
 Dental expense
 Long-term care expense

3.3 Classes of health insurance policies

Individual versus group
 Private versus government
 Limited versus comprehensive

3.4 Limited policies

Limited perils and amounts
 Required notice to insured
 Types of limited policies

3.5 Common exclusions from coverage

3.6 Producer responsibilities in individual health insurance

Marketing requirements
 Life and Disability Insurance Guaranty Fund (20-683)
 Field underwriting
 Common situations for errors/omissions

3.7 Individual underwriting by the insurer

Underwriting criteria
 Sources of underwriting information
 Unfair discrimination (20-448)

Genetic testing (20-448(D), (E), 448.02)
 Classification of risks

3.8 Considerations in replacing health insurance

Pre-existing conditions
 Benefits, limitations and exclusions
 Underwriting requirements
 Producer's liability for errors and omissions

4.0 Individual Disability (Accident and Health) Insurance Policy General Provisions 12%

4.1 Uniform required provisions

Entire contract; changes (20-1345)
 Time limit on certain defenses (20-1346)
 Grace period (20-1347)
 Reinstatement (20-1348)
 Claim procedures (20.1349–53)
 Physical examinations and autopsy (20-1354)
 Legal actions (20-1355)
 Change of beneficiary (20-1356)

4.2 Uniform optional provisions

Change of occupation (20-1358)
 Misstatement of age (20-1359, 1373)
 Other insurance in this insurer (20-1360)
 Insurance with other insurers
 Unpaid premium (20-1364)
 Cancellation (20-1365)
 Conformity with state statutes (20-1366)
 Illegal occupation (20-1367)
 Intoxicants and narcotics (20-1368)

4.3 Other general provisions

Right to examine (free look) (Rule R20-6-501)
 Insuring clause
 Consideration clause
 Renewability clause (20-1380)
 Guaranteed issue (20-1379)

5.0 Disability Income and Related Insurance 10%

5.1 Qualifying for disability benefits

Inability to perform duties
 Pure loss of income (income replacement contracts)
 Presumptive disability
 Requirement to be under physician care

5.2 Individual disability income insurance

Basic total disability plan
 Coordination with social insurance and workers compensation benefits
 At-work benefits

Other provisions affecting income benefits
 Other cash benefits
 Refund provisions
 Exclusions

5.3 Unique aspects of individual disability underwriting

Occupational considerations
 Benefit limits
 Policy issuance alternatives

5.4 Group disability income insurance

Group versus individual plans
 Short-term disability (STD)
 Long-term disability (LTD)

5.5 Business disability insurance

Key employee (partner) disability income
 Business overhead expense policy
 Disability buy-sell policy

5.6 Social Security disability

Qualification for disability benefits
 Definition of disability
 Waiting period
 Disability income benefits

5.7 Workers compensation

Eligibility (RL 23-901, 23-901.01)
 Benefits (RL 23-1021)

6.0 Medical Plans 12%

6.1 Medical plan concepts

Fee-for-service basis versus prepaid basis
 Specified coverages versus comprehensive care
 Benefit schedule versus usual/reasonable/customary charges
 Any provider versus limited choice of providers
 Insureds versus subscribers/participants

6.2 Types of providers and plans

Major medical insurance (indemnity plans)
 Health care services organizations (HMOs)
 Preferred provider organizations (PPOs)
 Point-of-service (POS) plans

6.3 Cost containment in health care delivery

Cost-saving services
 Utilization management

6.4 Arizona eligibility requirements (individual and group)

Dependent child age limit (20-1342(A.3))
 Newborn child coverage (20-1342(A.3))
 Coverage of adopted children (20-1342(A.3, 11, 12), 1692, 2321)

Child coverage; non-custodial parents (20-1692.03)
Physically or mentally handicapped dependent coverage (20-1342.01, 1407)

7.0 Group Disability (Accident and Health) Insurance 10%

7.1 Characteristics of group insurance

Group contract
Certificate of coverage (20-1402(A)(2))
Experience rating versus community rating

7.2 Types of eligible groups (20-1401)

Employment-related groups
Associations (alumni, professional, other)
Customer groups (depositors, creditor-debtor, other)

7.3 Marketing considerations

Advertising (Rule R20-6-201)
Regulatory jurisdiction/place of delivery
Disclosure form (20-2323)

7.4 Employer group disability (accident and health) insurance

Insurer underwriting criteria
Eligibility for coverage
Coordination of benefits provision (Rule R20-6-214)
Change of insurance companies or loss of coverage

7.5 Small group disability (accident and health) insurance

Definition of small employer (20-2301(A)(22))
Availability and eligibility (20-2304, 2307, 2308)
Prohibited marketing practices (20-2313)
Renewability (20-2309)
Guaranteed issue (20-2304)
Limitations on exclusion from coverage
Small business health insurance (20-2341)

7.6 HIPAA (Health Insurance Portability and Accountability Act) requirements (20-1379)

Eligibility
Guaranteed issue
Pre-existing conditions
Creditable coverage
Renewability

8.0 Dental Insurance 5%

8.1 Types of dental treatment

Diagnostic and preventive
Restorative
Oral surgery

Endodontics
Periodontics
Prosthodontics
Orthodontics

8.2 Indemnity plans

Choice of providers
Scheduled versus nonscheduled plans
Benefit categories
Deductibles and coinsurance
Combination plans
Exclusions
Limitations
Predetermination of benefits

8.3 Prepaid dental plans

Characteristics
Basic services (R20-6-1806)
Exclusions
Limitations

8.4 Preferred Provider Organization (PPO) Dental Plan

9.0 Insurance for Senior Citizens and Special Needs Individuals 16%

9.1 Medicare

Nature, financing and administration
Part A — Hospital Insurance
Part B — Medical Insurance
Part C — Medicare Advantage
Part D — Prescription drug insurance

9.2 Medicare supplements (Rule R20-6-1101)

Purpose
Open enrollment
Standardized Medicare supplement plans
Arizona regulations and required provisions
Medicare SELECT

9.3 Other options for individuals with Medicare

Employer group health plans
Arizona Health Care Cost Containment System (AHCCCS)

9.4 Long-term care (LTC) insurance

Eligibility for benefits
Levels of care
Benefit periods (20-1691.03(C))
Benefit amounts
Optional benefits
Qualified LTC plans
Exclusions (Rule R20-6-1004(B)(1)–(4))
Underwriting considerations
Arizona regulations and required provisions

10.0 Federal Tax Considerations for Disability (Accident and Health) Insurance 5%

10.1 Personally-owned health insurance

Disability income insurance
Medical expense insurance
Long-term care insurance

10.2 Employer group health insurance

Disability income (STD, LTD)
Medical and dental expense
Long-term care insurance
Accidental death and dismemberment
Section 125 plans

10.3 Medical expense coverage for sole proprietors and partners

10.4 Business disability insurance

Key person disability income
Buy-sell policy

10.5 Health Reimbursement Arrangements (HRAs)

Flexible Spending Accounts (FSAs)
Health Savings Accounts (HSAs)
Medical Savings Accounts (MSAs)

Series 13-33 Exam for Life, Accident and Health or Sickness Insurance Producer

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 4%

1.1 Licensing

License application requirements (20-285)
Licensing eligibility (41-1080)
Licensing time frames (Rule R20-6-708)
Types of licensees
Lines of producer license authority (20-286, 411, 411.01, 1580)
Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
Assumed business name (20-297)
Maintenance and duration
Disciplinary actions

1.2 State regulation

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Signature on insurance policy (20-229)
Producer regulation
Unfair practices and frauds
Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

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- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
- Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)
- CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 6%

2.1 Concepts

- Risk management key terms
- Methods of handling risk
- Elements of insurable risks
- Adverse selection
- Law of large numbers
- Reinsurance

2.2 Insurers

- Types of insurers
- Private versus government insurers
- Authorized versus unauthorized insurers
- Domestic, foreign and alien insurers
- Marketing (distribution) systems

2.3 Producers and general rules of agency

- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producers
- Responsibilities to the applicant/insured

2.4 Contracts

- Elements of a legal contract
- Distinct characteristics of an insurance contract
- Legal interpretations affecting contracts

3.0 Life Insurance Basics 11%

3.1 Insurable interest (20-443.02, 20-1104, 1106, 1107)

3.2 Personal uses of life insurance

- Survivor protection
- Estate creation
- Cash accumulation
- Liquidity
- Estate conservation
- Viatical and life settlements

3.3 Determining amount of personal life insurance

- Human life value approach
- Needs approach

3.4 Business uses of life insurance

- Buy-sell funding
- Key person
- Executive bonuses

3.5 Classes of life insurance policies

- Group versus individual

Ordinary versus industrial (home service)

Permanent versus term

Participating versus nonparticipating

Fixed versus variable life insurance and annuities

3.6 Premiums

- Factors in premium determination
- Premium concepts
- Premium payment mode

3.7 Producer responsibilities

- Solicitation and sales presentations
- Field underwriting
- Delivery

3.8 Individual underwriting by the insurer

- Information sources and regulation
- Selection criteria
- Classification of risks

4.0 Life Insurance Policies 8%

4.1 Term life insurance

- Level term
- Decreasing term

4.2 Whole life insurance

- Continuous premium (straight life)
- Limited payment
- Single premium

4.3 Flexible premium policies

- Adjustable life
- Universal life

4.4 Specialized policies

- Joint life (first-to-die)
- Juvenile life

4.5 Group life insurance

- Individual certificates (20-1265)
- Characteristics of group plans
- Group eligibility (20-1251)
- Types of plan sponsors
- Group underwriting requirements
- Conversion to individual policy (20-1266–1269)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 10%

5.1 Standard provisions

- Ownership
- Assignment (20-1122, 1277)
- Limitation of liability (20-1226)
- Entire contract (20-1205)
- Modifications
- Right to examine (free look) (Rule R20-6-209(C)(1))
- Payment of premiums (20-1214)
- Grace period (20-1203, 1259)
- Reinstatement (20-1213)
- Incontestability (20-1204, 1217, 1260)

Misstatement of age (20-1206, 1263)

Policy title (20-1216)

Policy settlements and proceeds (20-1228–1230)

Exclusions (20-1226)

Payment of claims (20-1215)

5.2 Beneficiaries

- Designation options
- Succession
- Revocable versus irrevocable
- Common disaster clause
- Spendthrift clause

5.3 Settlement options

- Cash payment
- Interest only
- Fixed-period installments
- Fixed-amount installments
- Life income

5.4 Nonforfeiture options (20-1231)

- Cash surrender value
- Extended term
- Reduced paid-up insurance

5.5 Policy loan and withdrawal options (1209,1209.01)

- Cash loans
- Automatic premium loans
- Withdrawals or partial surrenders

5.6 Dividend options

- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions
- Paid-up insurance

5.7 Disability riders

- Waiver of premium
- Waiver of cost of insurance
- Disability income benefit
- Payor benefit life/disability (juvenile insurance)

5.8 Accelerated (living) benefit provision/rider (20-1136)

- Conditions for payment
- Effect on death benefit
- Long-term care

5.9 Riders covering additional insureds (20-1257)

- Spouse/other-insured term rider
- Children's term rider
- Family term rider

5.10 Riders affecting the death benefit amount

- Accidental death
- Guaranteed insurability
- Cost of living
- Return of premium

6.0 Annuities 9%

6.1 Standard provisions

- Grace period (20-1219, 1271)
- Incontestability (20-1220)
- Entire contract (20-1221, 1272)
- Misstatement of age (20-1222, 1227, 1273)

Reinstatement (20-1224, 1227)
Free look (20-1233)
Disclosure (20-1242, 1242.01–1242.05)

6.2 Annuity principles and concepts

Accumulation period versus annuity period
Owner, annuitant and beneficiary
Insurance aspects of annuities

6.3 Immediate versus deferred annuities

Single premium immediate annuities (SPIAs)
Deferred annuities

6.4 Annuity (benefit) payment options

Life contingency options
Annuities certain (types)

6.5 Annuity products

Fixed annuities
Equity indexed annuities
Market value adjusted annuities

6.6 Uses of annuities

Lump-sum settlements
Qualified retirement plans
Personal uses
Compatibility and suitability (20-1243, 1243.01–1243.06)

7.0 Federal Tax Considerations for Life Insurance and Annuities 4%

7.1 Taxation of personal life insurance

Amounts available to policyowner
Amounts received by beneficiary
Values included in insured's estate

7.2 Modified endowment contracts (MECs)

Modified endowment versus life insurance
Seven-pay test
Distributions

7.3 Taxation of non-qualified annuities

Individually-owned
Corporate-owned

7.4 Taxation of individual retirement plans

Traditional IRAs
Roth IRAs

7.5 Rollovers and transfers (IRAs and qualified plans)

7.6 Section 1035 exchanges

8.0 Qualified Plans 3%

8.1 General requirements

8.2 Federal tax considerations
Tax advantages for employers and employees
Taxation of distributions (age-related)

8.3 Plan types, characteristics and purchasers

Simplified employee pensions (SEPs)
Self-employed plans (HR 10 or Keogh plans)
Profit-sharing and 401(k) plans
SIMPLE plans
403(b) tax-sheltered annuities (TSAs)

9.0 Disability (Accident and Health) Insurance Basics 9%

9.1 Definitions of perils

Accidental injury
Sickness

9.2 Principal types of losses and benefits

Loss of income from disability
Medical expense
Dental expense
Long-term care expense

9.3 Classes of health insurance policies

Individual versus group
Private versus government
Limited versus comprehensive

9.4 Limited policies

Limited perils and amounts
Required notice to insured
Types of limited policies

9.5 Common exclusions from coverage

9.6 Producer responsibilities in individual health insurance

Marketing requirements
Life and Disability Insurance Guaranty Fund (20-683)

Field underwriting
Common situations for errors/omissions

9.7 Individual underwriting by the insurer

Underwriting criteria
Sources of underwriting information
Unfair discrimination (20-448)
Genetic testing (20-448(D), (E), 448.02)
Classification of risks

9.8 Considerations in replacing health insurance

Pre-existing conditions
Benefits, limitations and exclusions
Underwriting requirements
Producer's liability for errors and omissions

10.0 Individual Disability (Accident and Health) Insurance Policy General Provisions 6%

10.1 Uniform required provisions

Entire contract; changes (20-1345)

Time limit on certain defenses (20-1346)
Grace period (20-1347)
Reinstatement (20-1348)
Claim procedures (20.1349–53)
Physical examinations and autopsy (20-1354)
Legal actions (20-1355)
Change of beneficiary (20-1356)

10.2 Uniform optional provisions

Change of occupation (20-1358)
Misstatement of age (20-1359, 1373)
Other insurance in this insurer (20-1360)
Insurance with other insurers
Unpaid premium (20-1364)
Cancellation (20-1365)
Conformity with state statutes (20-1366)
Illegal occupation (20-1367)
Intoxicants and narcotics (20-1368)

10.3 Other general provisions

Right to examine (free look) (Rule R20-6-501)
Insuring clause
Consideration clause
Renewability clause (20-1380)
Guaranteed issue (20-1379)

11.0 Disability Income and Related Insurance 5%

11.1 Qualifying for disability benefits

Inability to perform duties
Pure loss of income (income replacement contracts)
Presumptive disability
Requirement to be under physician care

11.2 Individual disability income insurance

Basic total disability plan
Coordination with social insurance and workers compensation benefits
At-work benefits
Other provisions affecting income benefits
Other cash benefits
Refund provisions
Exclusions

11.3 Unique aspects of individual disability underwriting

Occupational considerations
Benefit limits
Policy issuance alternatives

11.4 Group disability income insurance

Group versus individual plans
Short-term disability (STD)
Long-term disability (LTD)

11.5 Business disability insurance

Key employee (partner)
disability income

Business overhead expense policy
 Disability buy-sell policy

11.6 Social Security disability

Qualification for disability benefits
 Definition of disability
 Waiting period
 Disability income benefits

11.7 Workers compensation

Eligibility (RL 23-901, 23-901.01)
 Benefits (RL 23-1021)

12.0 Medical Plans 6%

12.1 Medical plan concepts

Fee-for-service basis versus prepaid basis
 Specified coverages versus comprehensive care
 Benefit schedule versus usual/reasonable/customary charges
 Any provider versus limited choice of providers
 Insureds versus subscribers/participants

12.2 Types of providers and plans

Major medical insurance (indemnity plans)
 Health care services organizations (HMOs)
 Preferred provider organizations (PPOs)
 Point-of-service (POS) plans

12.3 Cost containment in health care delivery

Cost-saving services
 Utilization management

12.4 Arizona eligibility requirements (individual and group)

Dependent child age limit (20-1342(A.3))
 Newborn child coverage (20-1342(A.3))
 Coverage of adopted children (20-1342(A.3, 11, 12), 1692, 2321)
 Child coverage; non-custodial parents (20-1692.03)
 Physically or mentally handicapped dependent coverage (20-1342.01, 1407)

13.0 Group Disability (Accident and Health) Insurance 5%

13.1 Characteristics of group insurance

Group contract
 Certificate of coverage (20-1402(A)(2))
 Experience rating versus community rating

13.2 Types of eligible groups (20-1401)

Employment-related groups

Associations (alumni, professional, other)
 Customer groups (depositors, creditor-debtor, other)

13.3 Marketing considerations

Advertising (Rule R20-6-201)
 Regulatory jurisdiction/place of delivery
 Disclosure form (20-2323)

13.4 Employer group disability (accident and health) insurance

Insurer underwriting criteria
 Eligibility for coverage
 Coordination of benefits provision (Rule R20-6-214)
 Change of insurance companies or loss of coverage

13.5 Small group disability (accident and health) insurance

Definition of small employer (20-2301(A)(22))
 Availability and eligibility (20-2304, 2307, 2308)
 Prohibited marketing practices (20-2313)
 Renewability (20-2309)
 Guaranteed issue (20-2304)
 Limitations on exclusion from coverage
 Small business health insurance (20-2341)

13.6 HIPAA (Health Insurance Portability and Accountability Act) requirements (20-1379)

Eligibility
 Guaranteed issue
 Pre-existing conditions
 Creditable coverage
 Renewability

14.0 Dental Insurance 3%

14.1 Types of dental treatment

Diagnostic and preventive
 Restorative
 Oral surgery
 Endodontics
 Periodontics
 Prosthodontics
 Orthodontics

14.2 Indemnity plans

Choice of providers
 Scheduled versus nonscheduled plans
 Benefit categories
 Deductibles and coinsurance
 Combination plans
 Exclusions
 Limitations
 Predetermination of benefits

14.3 Prepaid dental plans

Characteristics
 Basic services (R20-6-1806)
 Exclusions
 Limitations

14.4 Preferred Provider Organization (PPO) Dental Plan

15.0 Insurance for Senior Citizens and Special Needs Individuals 8%

15.1 Medicare

Nature, financing and administration
 Part A — Hospital Insurance
 Part B — Medical Insurance
 Part C — Medicare Advantage
 Part D — Prescription drug insurance

15.2 Medicare supplements (Rule R20-6-1101)

Purpose
 Open enrollment
 Standardized Medicare supplement plans
 Arizona regulations and required provisions
 Medicare SELECT

15.3 Other options for individuals with Medicare

Employer group health plans
 Arizona Health Care Cost Containment System (AHCCCS)

15.4 Long-term care (LTC) insurance

Eligibility for benefits
 Levels of care
 Benefit periods (20-1691.03(C))
 Benefit amounts
 Optional benefits
 Qualified LTC plans
 Exclusions (Rule R20-6-1004(B)(1)–(4))
 Underwriting considerations
 Arizona regulations and required provisions

16.0 Federal Tax Considerations for Disability (Accident and Health) Insurance 3%

16.1 Personally-owned health insurance

Disability income insurance
 Medical expense insurance
 Long-term care insurance

16.2 Employer group health insurance

Disability income (STD, LTD)
 Medical and dental expense
 Long-term care insurance
 Accidental death and dismemberment
 Section 125 plans

16.3 Medical expense coverage for sole proprietors and partners

16.4 Business disability insurance

Key person disability income
 Buy-sell policy

16.5 Health Reimbursement Arrangements (HRAs)

Flexible Spending Accounts (FSAs)
Health Savings Accounts (HSAs)
Medical Savings Accounts (MSAs)

Series 13-34 Exam for Property and Casualty Insurance Producer

150 questions – 2.5-hour time
limit

1.0 Insurance Regulation 6%

1.1 Licensing

License application requirements (20-285)
Licensing eligibility (41-1080)
Licensing time frames (Rule R20-6-708)
Types of licensees
Lines of producer license authority (20-286, 411, 411.01, 1580)
Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
Assumed business name (20-297)
Maintenance and duration
Disciplinary actions

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)
Director's general duties and powers (20-142, 157)
Payment of premiums (20-191)
Certificate of authority (20-216(B), 217(A))
Signature on insurance policy (20-229)
Producer regulation
Unfair practices and frauds
Insurance information and privacy protection (20-2101–2122)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)
CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 6%

2.1 Concepts

Risk management key terms
Methods of handling risk
Elements of insurable risks
Adverse selection

Law of large numbers
Reinsurance

2.2 Insurers

Types of insurers
Private versus government insurers
Authorized versus unauthorized insurers
Domestic, foreign and alien insurers
Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal
Producer/insurer relationship
Authority and powers of producers
Responsibilities to the applicant/insured

2.4 Contracts

Elements of a legal contract
Distinct characteristics of an insurance contract
Legal interpretations affecting contracts

3.0 Property and Casualty Insurance Basics 15%

3.1 Principles and concepts

Insurable interest (20-1105)
Underwriting
Rates
Hazards
Negligence
Damages
Strict liability
Vicarious liability
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

3.2 Policy structure

Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements

3.3 Common policy provisions

Insureds — named, first named, additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Limits of liability
Policy limits
Restoration/nonreduction of limits
Coinsurance
Vacancy or unoccupancy

Named insured provisions
Insurer provisions
Third-party provisions

3.4 Required provisions

Arizona Property and Casualty Insurance Guaranty Fund (20-662)
Cancellation and nonrenewal Binders (20-1120)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 107–297, 109–144, 110–160)

4.0 Dwelling ('02) Policy 9%

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against

Basic
Broad
Special

4.3 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

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements

Special provisions — Arizona (DP 01 02)
Automatic increase in insurance (DP 04 11)
Broad theft coverage (DP 04 72)
Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('00) Policy 15%

5.1 Coverage forms

HO-2 through HO-6
HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages

5.4 Section II — Liability coverages

Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — Arizona (HO 01 02)

Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 Permitted incidental occupancies (HO 04 42)
 Earthquake (HO 04 54)
 Scheduled personal property (HO 04 61)
 Personal property replacement cost (HO 04 90)
 Home day care (HO 04 97)
 Business pursuits (HO 24 71)
 Watercraft (HO 24 75)
 Personal injury (HO 24 82)

6.0 Auto Insurance 13%

6.1 Laws

Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)
 Arizona Automobile Insurance Plan (RL 28-4008)
 Premium payments and administrative fees (20-267)
 Uninsured/underinsured motorist (20-259.01)
 Personal auto cancellation/nonrenewal
 Subrogated claim (20-268)

6.2 Personal ('05) auto policy
 Definitions

Liability coverage
 Medical payments coverage
 Uninsured motorist coverage
 Coverage for damage to your auto
 Duties after an accident or loss
 General provisions
 Selected endorsements

6.3 Commercial auto ('06)

Commercial auto coverage forms
 Coverage form sections
 Selected endorsements

7.0 Commercial Package Policy (CPP) 17%

7.1 Components of a commercial policy

Common policy declarations
 Common policy conditions
 Interline endorsements
 One or more coverage parts

7.2 Commercial general liability ('07)

Commercial general liability coverage forms
 Occurrence versus claims-made
 Claims-made features
 Premises and operations
 Products and completed operations
 Insured contract

7.3 Commercial property ('07)

Commercial property conditions form
 Coverage forms
 Causes of loss forms
 Selected endorsements

7.4 Commercial crime ('06)

General definitions
 Crime coverage forms
 Coverages
 Other crime coverage

7.5 Commercial inland marine

Nationwide marine definition (Rule R20-6-602)
 Personal inland marine conditions form
 Inland marine coverage forms
 Transportation coverages

7.6 Equipment breakdown ('08)

Equipment breakdown protection coverage form (EB 00 20)
 Selected endorsement

7.7 Farm coverage

Farm property coverage form ('03)
 Farm liability coverage form ('06)
 Livestock coverage form
 Cause of loss (basic, broad and special)
 Exclusions
 Additional coverages
 Limits of insurance
 Conditions
 Definitions

8.0 Businessowners ('06) Policy 6%

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

Coverage
 Exclusions
 Limits of insurance
 Deductibles
 Loss conditions
 General conditions
 Optional coverages
 Definitions

8.3 Businessowners Section II — Liability

Coverages
 Exclusions
 Who is an insured
 Limits of insurance
 General conditions
 Definitions

8.4 Businessowners Section III — Common Policy Conditions

8.5 Selected endorsements

Arizona changes (BP 01 38)
 Hired auto and non-owned auto liability (BP 04 04)
 Protective safeguards (BP 04 30)
 Utility services — direct damage (BP 04 56)
 Utility services — time element (BP 04 57)

9.0 Workers Compensation Insurance 5%

9.1 Workers compensation laws

Types of laws

Arizona Workers Compensation Law
 Federal workers compensation laws

9.2 Workers compensation and employers liability insurance policy

General section
 Part One — Workers compensation insurance
 Part Two — Employers liability insurance
 Part Three — Other states insurance
 Part Four — Your duties if injury occurs
 Part Five — Premium
 Part Six — Conditions
 Voluntary compensation endorsement

9.3 Premium computation

Job classification — payroll and rates
 Experience modification factor
 Premium discounts

9.4 Other sources of coverage

Assigned risk plan (RL 23-1091)
 Arizona workers compensation fund (RL 23-981)
 Self-insured employers and employer groups (RR R20-5-201–208)

10.0 Other Coverages and Options 8%

10.1 Umbrella/excess liability policies

Personal (DL 98 01)
 Commercial (CU 00 01)

10.2 Specialty liability insurance

Professional liability
 Errors and omissions
 Directors and officers liability
 Fiduciary liability
 Liquor liability
 Employment practices liability

10.3 Surplus lines

Definitions and markets
 Licensing requirements

10.4 Surety bonds

Principal, obligee, surety
 Contract bonds
 License and permit bonds
 Judicial bonds

10.5 Aviation insurance

Aircraft hull
 Aircraft liability

10.6 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

10.7 Other policies

Boatowners
 Difference in conditions

**Series 13-35
Exam for Bail Bond Agent**

**60 questions – One-hour time
limit**

1.0 Insurance Regulation 25%

1.1 Licensing

(Rule R20-6-601(C))

License application requirements
(20-285)

Persons to be licensed
(20-340, 340.01)

Surety bond required
(20-340.02)

Maintenance and duration of
license

Disciplinary actions

1.2 Agent regulation

Director's general duties and
powers (20-142, 340.05)

Bail recovery agent (20-340,
340.04, RL 13-3885(C–G))

Place of business (20-
340.01(C))

Employees (Rule R20-6-
601(D)(2, 3); RL 13-3885(D);
20-340.03(A)(9), (B))

Records maintenance
(20-340.01(D–G);

Rule R20-6-601(D)(8))

Prohibited conduct (20-340.03;
Rule R20-6-601(D))

Charges, refunds and rebates
(Rule R20-6-601(E))

2.0 The Legal Framework 30%

2.1 Authority

Express

Implied

Apparent

2.2 Contracts

Elements of a legal contract

Classifications of contracts

Concealment

Fraud

2.3 Court jurisdictions

Original jurisdiction

Appellate jurisdiction

2.4 Terminology

Acquit

Adjudicate

Capital offense

Collateral

Conviction

Custody

Defendant

Disposition

Exoneration

Extradition

Felony

Forfeiture

Fugitive

Hearing

Incarceration

Indictment

Misdemeanor

Recognizance

Revoke

Supervening indictment

Suspend

Warrant

Writ

**3.0 Bail Bond Principles and
Practices 45%**

3.1 Parties to a surety bond

Principal

Indemnitor for principal

Indemnity agreement

Obligee

Surety

3.2 Duties of bail bond agent

Approval

Premium receipt (20-340.01(E);
Rule R20-6-601(E)(3))

Power of attorney

Collateral and trust obligations
(Rule R20-6-601(E)(4))

3.3 Types of bonds

Personal surety bond

Corporate surety bond

Criminal defendant bonds

3.4 Bonding procedure

Application for bond
(Surety/defendant contract)

Collateral security

Surety contract

Posting the bond

Informational notice

3.5 Court procedures

Court appearances

Conditions of release

Failure to appear

Revocation of bail

3.6 Release of surety

Exoneration of bond

Return of collateral
(20-340.03(A)(6);
Rule R20-6-601(E)(4))

**3.7 Surrender of principal
(defendant)**

Return of premium

(Rule R20-6-601(E)(5))

3.8 Bond forfeiture

Motion

Notice to defendant and sureties

Judgment

Dispersal of funds

Time limit for appeals

Arrest after forfeiture

**Series 13-36
Exam for Property and Casualty
Insurance Adjuster**

**150 questions – 2.5-hour time
limit**

1.0 Insurance Regulation 6%

**1.1 Licensing requirements
(20-321, 321.01)**

Assumed name (20-297)

Qualifications

License application requirements

Licensing exceptions

1.2 Maintenance and duration

Expiration, surrender and
renewal (20-289, 321.02)

Inactive status during military
service (20-289.01)

Report of actions (20-301,
321.02)

1.3 Disciplinary actions

Denial, suspension, revocation or
refusal to renew
(20-295, 296, 321.02)

Cease and desist orders
(20-292, 321.02)

Civil penalties (20-295(F, G),
321.02)

**1.4 Claim settlement laws and
regulations (20-461, 462;
Rule R20-6-801;
RR R20-5-163)**

2.0 Insurance Basics 21%

2.1 Contract basics

Elements of a legal contract

Distinct characteristics of an
insurance contract

Legal interpretations affecting
contracts

**2.2 Insurance principles and
concepts**

Insurable interest

Hazards

Negligence

Damages

Strict liability

Vicarious liability

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

2.3 Policy structure

Declarations

Definitions

Insuring agreement or clause

Additional/supplementary
coverage

Conditions

Exclusions

Endorsements

2.4 Common policy provisions

Insureds — named, first named,
additional

Policy period

Policy territory

Cancellation and nonrenewal

Deductibles

Other insurance

Limits of liability

Policy limits

Restoration/nonreduction of
limits

Coinsurance

Vacancy or unoccupancy

Assignment

Insurer provisions

Third-party provisions

2.5 Required provisions

- Cancellation and nonrenewal Fraud; liability for reporting (20-463)
- Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

3.0 Adjusting Losses 30%

3.1 Role of the adjuster

- Duties and responsibilities
- Staff and independent adjuster versus public adjuster
- Relationship to the legal profession

3.2 Claim reporting

- Claim investigation
- Claim file documentation of events
- Types of reports

3.3 Property losses

- Duties of insured after a loss
- Determining value and loss
- Claim settlement options
- Payment and discharge

3.4 Liability losses

- Investigation procedures
- Gathering evidence
- Determining value of intangible damages

3.5 Coverage problems

- Dealing with coverage disputes

3.6 Claims adjustment procedures

- Settlement procedures
- Subrogation procedures
- Alternative dispute resolution

4.0 Dwelling ('02) Policy 5%

4.1 Characteristics and purpose

4.2 Coverage forms — Insured perils

- Basic
- Broad
- Special

4.3 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

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements

- Special provisions — Arizona (DP 01 02)
- Automatic increase in insurance (DP 04 11)
- Broad theft coverage (DP 04 72)
- Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('00) Policy 10%

5.1 Coverage forms

- HO-2 through HO-6
- HO-8

5.2 Definitions

5.3 Section I — Property coverages

- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Loss of use
- Additional coverages

5.4 Section II — Liability coverages

- Coverage E — Personal liability
- Coverage F — Medical payments to others
- Additional coverages

5.5 Insured perils

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

- Special provisions — Arizona (HO 01 02)
- Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
- Permitted incidental occupancies (HO 04 42)
- Earthquake (HO 04 54)
- Scheduled personal property (HO 04 61)
- Personal property replacement cost (HO 04 90)
- Home day care (HO 04 97)
- Business pursuits (HO 24 71)
- Watercraft (HO 24 75)
- Personal injury (HO 24 82)

6.0 Auto Insurance 12%

6.1 Laws

- Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)
- Arizona Automobile Insurance Plan (RL 28-4008)
- Uninsured/underinsured motorist (20-259.01)
- Personal auto cancellation/nonrenewal Subrogated claim (20-268)

6.2 Personal ('05) auto policy

- Definitions
- Liability coverage
- Medical payments coverage
- Uninsured motorist coverage
- Coverage for damage to your auto
- Duties after an accident or loss
- General provisions
- Selected endorsements

6.3 Commercial auto ('06)

- Commercial auto coverage forms
- Coverage form sections
- Selected endorsements
- Commercial carrier regulations

7.0 Commercial Package Policy (CPP) 7%

7.1 Components of a commercial policy

- Common policy declarations
- Common policy conditions
- Interline endorsements
- One or more coverage parts

7.2 Commercial general liability ('07)

- Commercial general liability coverage forms
- Occurrence versus claims-made
- Claims-made features
- Premises and operations
- Products and completed operations
- Insured contract

7.3 Commercial property ('07)

- Commercial property conditions form
- Coverage forms
- Causes of loss forms
- Selected endorsements

7.4 Commercial crime ('06)

- General definitions
- Crime coverage forms
- Coverages
- Other crime coverage

7.5 Commercial inland marine

- Nationwide marine definition (Rule R20-6-602)
- Commercial inland marine conditions form
- Inland marine coverage forms
- Transportation coverages

7.6 Equipment breakdown ('08)

- Equipment breakdown protection coverage form (EB 00 20)
- Selected endorsement

7.7 Farm coverage

- Farm property coverage form ('03)
- Farm liability coverage form ('06)
- Livestock coverage form
- Cause of loss (basic, broad and special)
- Exclusions
- Additional coverages
- Limits of insurance
- Conditions
- Definitions

8.0 Businessowners ('06) Policy 7%

8.1 Characteristics and purpose

8.2 Businessowners Section I — Property

- Coverage
- Exclusions
- Limits of insurance
- Deductibles
- Loss conditions
- General conditions
- Optional coverages
- Definitions

8.3 Businessowners Section II — Liability

Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions

8.4 Businessowners Section III — Common Policy Conditions**8.5 Selected endorsements**

Arizona changes (BP 01 38)
Hired auto and non-owned auto liability (BP 04 04)
Protective safeguards (BP 04 30)
Utility services — direct damage (BP 04 56)
Utility services — time element (BP 04 57)

9.0 Other Coverages and Options 2%**9.1 Umbrella/excess liability policies**

Personal (DL 98 01)
Commercial (CU 00 01)

9.2 Specialty liability insurance

Professional liability
Errors and omissions
Directors and officers liability
Fiduciary liability
Liquor liability
Employment practices liability

9.3 Surplus lines

Definitions and markets

9.4 Aviation insurance

Aircraft hull
Aircraft liability

9.5 National Flood Insurance Program

"Write your own" versus government
Eligibility
Coverage
Limits
Deductibles

9.6 Other policies

Boatowners
Difference in conditions

**Series 13-41
Exam for Surplus Lines
Insurance Broker**

**60 questions — One-hour time
limit**

1.0 Insurance Regulation 35%**1.1 Licensing**

Assumed name (20-297)
Who needs a license (20-407, Bulletin 2004-4)
Who may be licensed (20-411)
Licensing requirements (20-411)
Maintenance and duration

Disciplinary actions

1.2 Authority of surplus lines broker

Binding
Underwriting
Claims
Commissions (20-298, 412)
Service fees (20-410(C))
Mexican insurance surplus lines broker limited authority (20-411.01, 422)

1.3 General prohibitions

Unfair practices and frauds
Unfair claim settlement practices (20-461)

1.4 General requirements

Recognized surplus lines (20-409)
Diligent effort (20-401(1), 407)
Validity of contracts (20-402, 410(A))
Exemptions from surplus lines provisions (20-420)
Notice to insured (20-410(B))

2.0 Markets 40%**2.1 United States nonadmitted market**

Nonadmitted insurers
Insurance exchanges

2.2 Alien nonadmitted market

London market
Other alien markets
United States trust funds

2.3 Alternative markets

Foreign risk retention groups
Industrial insureds

2.4 Qualified unauthorized insurers (20-413)

Requirements
List of unauthorized insurers
Withdrawal of certificate
Service of process (20-419)

3.0 Records and Tax 25%**3.1 Record of coverage (20-414)****3.2 Report of broker (20-408)**

Timeliness (20-408(A), (E))
Contents (20-408(A))
Surplus Lines Association (20-408(C))
Stamping fee (20-167(I), 20-408(D))

3.3 Statement of transactions (20-415)**3.4 Surplus lines tax (20-416, 417)**

Amount
Collection
Remittance
Tax report
Civil penalty

**Series 13-42
Exam for Property
Insurance Producer**

**100 questions — Two-hour time
limit**

1.0 Insurance Regulation 9%**1.1 Licensing**

License application requirements (20-285)
Licensing eligibility (41-1080)
Licensing time frames (Rule R20-6-708)
Types of licensees
Lines of producer license authority (20-286, 411, 411.01, 1580)
Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
Assumed business name (20-297)
Maintenance and duration
Disciplinary actions

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)
Director's general duties and powers (20-142, 157)
Payment of premiums (20-191)
Certificate of authority (20-216(B), 217(A))
Signature on insurance policy (20-229)
Producer regulation
Unfair practices and frauds
Insurance information and privacy protection (20-2101-2122)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681-1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
Telemarketing Sales Rule (16 CFR 310; 15 USC 6101-6108; A.R.S. 44-1282)
CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 7%**2.1 Concepts**

Risk management key terms
Methods of handling risk
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

2.2 Insurers

Types of insurers
Private versus government insurers
Authorized versus unauthorized insurers

- Domestic, foreign and alien insurers
- Marketing (distribution) systems
- 2.3 Producers and general rules of agency**
 - Insurer as principal
 - Producer/insurer relationship
 - Authority and powers of producers
 - Responsibilities to the applicant/insured
- 2.4 Contracts**
 - Elements of a legal contract
 - Distinct characteristics of an insurance contract
 - Legal interpretations affecting contracts

3.0 Property Insurance Basics 17%

- 3.1 Principles and concepts**
 - Insurable interest (20-1105)
 - Underwriting
 - Rates
 - Hazards
 - 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
- 3.2 Policy structure**
 - Declarations
 - Definitions
 - Insuring agreement or clause
 - Additional/supplementary coverage
 - Conditions
 - Exclusions
 - Endorsements
- 3.3 Common policy provisions**
 - Insureds — named, first named, additional
 - Policy period
 - Policy territory
 - Cancellation and nonrenewal
 - Deductibles
 - Other insurance
 - Policy limits
 - Restoration/nonreduction of limits
 - Coinsurance
 - Vacancy or unoccupancy
 - Named insured provisions
 - Insurer provisions
 - Third-party provisions
- 3.4 Required provisions**
 - Arizona Property and Casualty Insurance Guaranty Fund (20-662)
 - Cancellation and nonrenewal Binders (20-1120)
 - Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

4.0 Dwelling ('02) Policy 10%

- 4.1 Characteristics and purpose**
- 4.2 Coverage forms — Perils insured against**
 - Basic
 - Broad
 - Special
- 4.3 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
- 4.4 General exclusions**
- 4.5 Conditions**
- 4.6 Selected endorsements**
 - Special provisions — Arizona (DP 01 02)
 - Automatic increase in insurance (DP 04 11)
 - Broad theft coverage (DP 04 72)
 - Dwelling under construction (DP 11 43)
- 4.7 Personal liability supplement**

5.0 Homeowners ('00) Policy 16%

- 5.1 Coverage forms**
 - HO-2 through HO-6
 - HO-8
- 5.2 Definitions**
- 5.3 Section I — Property coverages**
 - Coverage A — Dwelling
 - Coverage B — Other structures
 - Coverage C — Personal property
 - Coverage D — Loss of use
 - Additional coverages
- 5.4 Perils insured against**
- 5.5 Exclusions**
- 5.6 Conditions**
- 5.7 Selected endorsements**
 - Special provisions — Arizona (HO 01 02)
 - Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 - Permitted incidental occupancies (HO 04 42)
 - Earthquake (HO 04 54)
 - Scheduled personal property (HO 04 61)
 - Personal property replacement cost (HO 04 90)
 - Home day care (HO 04 97)

6.0 Auto Insurance 13%

- 6.1 Laws**
 - Personal auto cancellation/nonrenewal
- 6.2 Personal ('05) auto policy**
 - Definitions
 - Coverage for damage to your auto

- Duties after an accident or loss
- General provisions
- Selected endorsements
- 6.3 Commercial auto ('06)**
 - Commercial auto coverage forms
 - Coverage form sections
 - Selected endorsements

7.0 Commercial Package Policy (CPP) 16%

- 7.1 Components of a commercial policy**
 - Common policy declarations
 - Common policy conditions
 - Interline endorsements
 - One or more coverage parts
- 7.2 Commercial property ('07)**
 - Commercial property conditions form
 - Coverage forms
 - Causes of loss forms
 - Selected endorsements
- 7.3 Commercial inland marine**
 - Nationwide marine definition (Rule R20-6-602)
 - Commercial inland marine conditions form
 - Inland marine coverage forms
 - Transportation coverages
- 7.4 Equipment breakdown ('08)**
 - Equipment breakdown protection coverage form (EB 00 20)
 - Selected endorsement
- 7.5 Farm coverage**
 - Farm property coverage form ('03)
 - Livestock coverage form
 - Cause of loss (basic, broad and special)
 - Exclusions
 - Additional coverages
 - Limits of insurance
 - Conditions
 - Definitions

8.0 Businessowners ('06) Policy — Property 6%

- 8.1 Characteristics and purpose**
- 8.2 Businessowners Section I — Property**
 - Coverage
 - Exclusions
 - Limits of insurance
 - Deductibles
 - Loss conditions
 - General conditions
 - Optional coverages
 - Definitions
- 8.3 Businessowners Section III — Common Policy Conditions**
- 8.4 Selected endorsements**
 - Arizona changes (BP 01 38)
 - Protective safeguards (BP 04 30)
 - Utility services — direct damage (BP 04 56)
 - Utility services — time element (BP 04 57)

**9.0 Other Coverages and Options
6%**

- 9.1 Aviation insurance**
Aircraft hull
- 9.2 National Flood Insurance Program**
"Write your own" versus government
Eligibility
Coverage
Limits
Deductibles
- 9.3 Other policies**
Boatowners
Difference in conditions

**Series 13-43
Exam for Casualty Insurance
Producer**

**100 questions – Two-hour time
limit**

1.0 Insurance Regulation 9%

- 1.1 Licensing**
License application requirements (20-285)
Licensing eligibility (41-1080)
Licensing time frames (Rule R20-6-708)
Types of licensees
Lines of producer license authority (20-286, 411, 411.01, 1580)
Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
Assumed business name (20-297)
Maintenance and duration
Disciplinary actions
- 1.2 State regulation**
Acts constituting insurance transaction (20-106, 282, 401.01)
Director's general duties and powers (20-142, 157)
Payment of premiums (20-191)
Certificate of authority (20-216(B), 217(A))
Signature on insurance policy (20-229)
Producer regulation
Unfair practices and frauds
Insurance information and privacy protection (20-2101-2122)
- 1.3 Federal regulation**
Fair Credit Reporting Act (15 USC 1681-1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
Telemarketing Sales Rule (16 CFR 310; 15 USC 6101-6108; A.R.S. 44-1282)
CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 9%

- 2.1 Concepts**
Risk management key terms
Methods of handling risk
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance
- 2.2 Insurers**
Types of insurers
Private versus government insurers
Authorized versus unauthorized insurers
Domestic, foreign and alien insurers
Marketing (distribution) systems
- 2.3 Producers and general rules of agency**
Insurer as principal
Producer/insurer relationship
Authority and powers of producers
Responsibilities to the applicant/insured
- 2.4 Contracts**
Elements of a legal contract
Distinct characteristics of an insurance contract
Legal interpretations affecting contracts

**3.0 Casualty Insurance Basics
15%**

- 3.1 Principles and concepts**
Insurable interest
Underwriting
Rates
Hazards
Negligence
Damages
Strict liability
Vicarious liability
- 3.2 Policy structure**
Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements
- 3.3 Common policy provisions**
Insureds — named, first named, additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Limits of liability
Named insured provisions
Insurer provisions
- 3.4 Required provisions**
Arizona Property and Casualty Insurance Guaranty Fund (20-662)
Cancellation and nonrenewal

Binders (20-1120)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

**4.0 Homeowners ('00) Policy
15%**

- 4.1 Coverage forms**
HO-2 through HO-6
HO-8
- 4.2 Definitions**
- 4.3 Section II — Liability coverages**
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages
- 4.4 Exclusions**
- 4.5 Conditions**
- 4.6 Selected endorsements**
Special provisions — Arizona (HO 01 02)
Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
Permitted incidental occupancies (HO 04 42)
Home day care (HO 04 97)
Business pursuits (HO 24 71)
Watercraft (HO 24 75)
Personal injury (HO 24 82)

5.0 Auto Insurance 19%

- 5.1 Laws**
Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)
Arizona Automobile Insurance Plan (RL 28-4008)
Premium payments and administrative fees (20-267)
Uninsured/underinsured motorist (20-259.01)
Personal auto
cancellation/nonrenewal
Subrogated claim (20-268)
- 5.2 Personal ('05) auto policy**
Definitions
Liability coverage
Medical payments coverage
Uninsured motorist coverage
Coverage for damage to your auto
Duties after an accident or loss
General provisions
Selected endorsements
- 5.3 Commercial auto ('06)**
Commercial auto coverage forms
Coverage form sections
Selected endorsements

**6.0 Commercial Package Policy
(CPP) 13%**

- 6.1 Components of a commercial policy**
Common policy declarations
Common policy conditions

Interline endorsements
One or more coverage parts

6.2 Commercial general liability ('07)

Commercial general liability coverage forms
Occurrence versus claims-made
Claims-made features
Premises and operations
Products and completed operations
Insured contract

6.3 Commercial crime ('06)

General definitions
Crime coverage forms
Coverages
Other crime coverage

6.4 Farm coverage

Farm liability coverage form ('06)
Exclusions
Additional coverages
Limits of insurance
Conditions
Definitions

7.0 Businessowners ('06) Policy – Liability 6%

7.1 Characteristics and purpose

7.2 Businessowners Section II – Liability

Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions

7.3 Businessowners Section III – Common Policy Conditions

7.4 Selected endorsements

Arizona changes (BP 01 38)
Hired auto and non-owned auto liability (BP 04 04)

8.0 Workers Compensation Insurance 8%

8.1 Workers compensation laws

Types of laws
Arizona Workers Compensation Law
Federal workers compensation laws

8.2 Workers compensation and employers liability insurance policy

General section
Part One — Workers compensation insurance
Part Two — Employers liability insurance
Part Three — Other states insurance
Part Four — Your duties if injury occurs
Part Five — Premium
Part Six — Conditions
Voluntary compensation endorsement

8.3 Premium computation

Job classification — payroll and rates
Experience modification factor
Premium discounts

8.4 Other sources of coverage

Assigned risk plan (RL 23-1091)
Arizona workers compensation fund (RL 23-981)
Self-insured employers and employer groups (RR R20-5-201-208)

9.0 Other Coverages and Options 6%

9.1 Umbrella/excess liability policies

Personal (DL 98 01)
Commercial (CU 00 01)

9.2 Specialty liability insurance

Professional liability
Errors and omissions
Directors and officers liability
Fiduciary liability
Liquor liability
Employment practices liability

9.3 Surplus lines

Definitions and markets
Licensing requirements

9.4 Surety bonds

Principal, obligee, surety
Contract bonds
License and permit bonds
Judicial bonds

9.5 Aviation insurance

Aircraft liability

9.6 Other policies

Boatowners

**Series 13-44
Exam for Personal Lines
Insurance Producer**

100 questions – Two-hour time limit

1.0 Insurance Regulation 10%

1.1 Licensing

License application requirements (20-285)
Licensing eligibility (41-1080)
Licensing time frames (Rule R20-6-708)
Types of licensees
Lines of producer license authority (20-286, 411, 411.01, 1580)
Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
Assumed business name (20-297)
Maintenance and duration
Disciplinary actions

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

Director's general duties and powers (20-142, 157)
Payment of premiums (20-191)
Certificate of authority (20-216(B), 217(A))
Signature on insurance policy (20-229)
Producer regulation
Unfair practices and frauds
Insurance information and privacy protection (20-2101-2122)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681-1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)
Telemarketing Sales Rule (16 CFR 310; 15 USC 6101-6108; A.R.S. 44-1282)
CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 10%

2.1 Concepts

Risk management key terms
Methods of handling risk
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

2.2 Insurers

Types of insurers
Private versus government insurers
Authorized versus unauthorized insurers
Domestic, foreign and alien insurers
Marketing (distribution) systems

2.3 Producers and general rules of agency

Insurer as principal
Producer/insurer relationship
Authority and powers of producers
Responsibilities to the applicant/insured

2.4 Contracts

Elements of a legal contract
Distinct characteristics of an insurance contract
Legal interpretations affecting contracts

3.0 Property and Casualty Insurance Basics 17%

3.1 Principles and concepts

Insurable interest (20-1105)
Underwriting
Rates
Hazards
Negligence
Damages
Strict liability
Vicarious liability
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

3.2 Policy structure

Declarations
 Definitions
 Insuring agreement or clause
 Additional/supplementary coverage
 Conditions
 Exclusions
 Endorsements

3.3 Common policy provisions

Insureds — named, first named, additional
 Policy period
 Policy territory
 Cancellation and nonrenewal
 Deductibles
 Other insurance
 Limits of liability
 Policy limits
 Restoration/nonreduction of limits
 Coinsurance
 Vacancy or unoccupancy
 Named insured provisions
 Insurer provisions
 Third-party provisions

3.4 Required provisions

Arizona Property and Casualty Insurance Guaranty Fund (20-662)
 Cancellation and nonrenewal (20-1651-1656)
 Binders (20-1120)
 Federal Terrorism Insurance Program (15 USC 6701; Public Law 107-297, 109-144, 110-160)

4.0 Dwelling ('02) Policy 11%

4.1 Characteristics and purpose

4.2 Coverage forms — Perils insured against

Basic
 Broad
 Special

4.3 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

4.4 General exclusions

4.5 Conditions

4.6 Selected endorsements

Special provisions — Arizona (DP 01 02)
 Automatic increase in insurance (DP 04 11)

Broad theft coverage (DP 04 72)
 Dwelling under construction (DP 11 43)

4.7 Personal liability supplement

5.0 Homeowners ('00) Policy 23%

5.1 Coverage forms

HO-2 through HO-6
 HO-8

5.2 Definitions

5.3 Section I — Property coverages

Coverage A — Dwelling
 Coverage B — Other structures
 Coverage C — Personal property
 Coverage D — Loss of use
 Additional coverages

5.4 Section II — Liability coverages

Coverage E — Personal liability
 Coverage F — Medical payments to others
 Additional coverages

5.5 Perils insured against

5.6 Exclusions

5.7 Conditions

5.8 Selected endorsements

Special provisions — Arizona (HO 01 02)
 Limited fungi, wet or dry rot, or bacteria coverage (HO 04 26, HO 04 27)
 Permitted incidental occupancies (HO 04 42)
 Earthquake (HO 04 54)
 Scheduled personal property (HO 04 61)
 Personal property replacement cost (HO 04 90)
 Home day care (HO 04 97)
 Business pursuits (HO 24 71)
 Watercraft (HO 24 75)
 Personal injury (HO 24 82)

6.0 Auto Insurance 23%

6.1 Laws

Arizona Motor Vehicle Financial Responsibility Law (RL Title 28, Chapter 9)
 Arizona Automobile Insurance Plan (RL 28-4008)
 Premium payments and administrative fees (20-267)
 Uninsured/underinsured motorist (20-259.01)
 Personal auto
 cancellation/nonrenewal
 Subrogated claim (20-268)

6.2 Personal ('05) auto policy

Definitions
 Liability coverage
 Medical payments coverage
 Uninsured motorist coverage
 Coverage for damage to your auto
 Duties after an accident or loss

General provisions
 Selected endorsements

7.0 Other Coverages and Options 6%

7.1 Umbrella/excess liability policies

Personal (DL 98 01)

7.2 National Flood Insurance Program

"Write your own" versus government
 Eligibility
 Coverage
 Limits
 Deductibles

7.3 Other policies

Boatowners

Series 13-45 Exam for Credit Insurance Producer

60 questions — One-hour time limit

1.0 Insurance Regulation 10%

1.1 Licensing

License application requirements (20-285)
 Licensing eligibility (41-1080)
 Licensing time frames (Rule R20-6-708)
 Types of licensees
 Lines of producer license authority (20-286, 411, 411.01, 1580)
 Fingerprinting requirements (20-142(E), 285(F), 286(C), 289(D))
 Assumed business name (20-297)
 Maintenance and duration
 Disciplinary actions

1.2 State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)
 Director's general duties and powers (20-142, 157)
 Payment of premiums (20-191)
 Certificate of authority (20-216(B), 217(A))
 Signature on insurance policy (20-229)
 Producer regulation
 Unfair practices and frauds
 Insurance information and privacy protection (20-2101-2122)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681-1681d)
 Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)
 CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)

2.0 General Insurance 9%

- 2.1 Concepts**
 - Risk management key terms
 - Methods of handling risk
 - Elements of insurable risks
 - Adverse selection
 - Law of large numbers
 - Reinsurance
- 2.2 Insurers**
 - Types of insurers
 - Private versus government insurers
 - Authorized versus unauthorized insurers
 - Domestic, foreign and alien insurers
 - Marketing (distribution) systems
- 2.3 Producers and general rules of agency**
 - Insurer as principal
 - Producer/insurer relationship
 - Authority and powers of producers
 - Responsibilities to the applicant/insured
- 2.4 Contracts**

Elements of a legal contract
 Distinct characteristics of an insurance contract
 Legal interpretations affecting contracts

3.0 Consumer Credit Insurance Basics 40%

- 3.1 Nature of consumer credit insurance**
 - Parties involved
 - Advantages for debtors and for creditors
 - Markets
 - Types of credit covered — closed-end versus open-end
- 3.2 Coverage characteristics**
 - Group versus individual coverage
 - Underwriting considerations
 - Premiums
 - Benefit payments
- 3.3 Regulation**
 - Arizona regulation
 - Federal regulation

4.0 Types of Consumer Credit Insurance 41%

- 4.1 Credit life insurance (20-1603(3))**
 - Eligibility of the individual insured

Contributory versus non-contributory
 Gross coverage versus net payoff coverage
 Types of insurance coverages
 Suicide clause
 (Rule R20-6-604.04(C)(2)(a))

4.2 Credit disability insurance (20-1603(2))

Eligibility of the individual insured
 Qualifying for benefits
 Benefit amount
 Special types of coverage
 Common exclusions
 (Rule R20-6-604.05(C)(4))

4.3 Credit unemployment insurance (20-1603(5))

Eligibility of the individual insured (20-1606.01(B))
 Qualifying for benefits
 Benefit amount
 Excluded forms of unemployment
 (20-1606.01(A)(1))

4.4 Other credit insurance (20-1621.01(6))

Credit property
 Mortgage guaranty

License application and forms

This section provides printable copies of various forms and information that may be needed or helpful for completing them. It contains the following:

- Instructions for completing Form L-169.
- Arizona Application for an Individual Insurance License (Form L-169).
- L-152 License Eligibility Document.
- Exam registration form.

INSTRUCTIONS FOR FORM L-169

This set of application and instructions may be used until June 30, 2010. If submitting an application after June 30, 2010, please obtain the current application from the Insurance Licensing Section web site. <http://www.id.state.az.us/producerforms.html>.

KEEP THESE INSTRUCTIONS -- Do not return them with your license application

1. **LICENSING ELIGIBILITY REQUIREMENT** for all resident applicants, and all applicants (resident or nonresident) for adjuster or bail bond agent licensing -- Submit an original of Form L-152 and a copy of both sides of one of the required forms of identification with your license application. Form L-152 is available on the "Forms" section of the Department's PRODUCERS Web site at <http://www.id.state.az.us/producerforms.html>
2. **Carefully read all instructions** before completing your application. **Incomplete applications are returned and delay processing.** If you need help:
 - Visit our Web site at www.id.state.az.us (which is the fastest way to obtain information or forms), or
 - Send e-mail to licensing@azinsurance.gov
 - Call the Insurance Licensing Section at 602-364-4457 (or 877-660-0964 toll-free within Arizona but outside the Phoenix Area).
3. **Clearly print or type in ink all information** to avoid the return of the application.
4. **Fees.** You must pay a **NON-REFUNDABLE** fee [ARS § 20-167(B)] made payable to **INSURANCE LICENSING SECTION**. Fees for applications received before June 30, 2010, are as follows:
 - APPLICATION FEE (For all lines other than Surplus Lines): \$120.00 for one or more lines of authority (*meaning \$120 in total, regardless of the number of non-surplus lines broker lines of authority for which you are applying*). The same fee is required to add non-surplus-lines authority to an existing license. Added authority expires on the same date as existing authority. Fees are not prorated per ARS § 20-167(B).
 - SURPLUS LINES LICENSE AUTHORITY: The fee for Surplus Lines Broker or Mexican Insurance Surplus Lines Broker is:
 - \$500.00 to add the authority to an existing Arizona insurance license that has a remaining term of two years or less; or
 - \$1,000.00 to add the authority to an Arizona insurance license that has more than two years remaining in its term, or as part of a newly issued Arizona insurance license.
 - Surplus Lines Broker authority and Mexican Insurance Surplus Lines Broker authority expire on the same date as other authority on an Arizona insurance producer license.
 - IF APPLYING FOR BOTH, SURPLUS LINES AUTHORITY AND OTHER AUTHORITY, you must pay both, the fee for the surplus lines authority and the fee for the other authority. (\$1,120.00)
 - FINGERPRINT PROCESSING FEE: If you are required to submit a fingerprint card as part of your license application (see Paragraph 6, "Fingerprint Requirements," for details), you must include **\$24.00** (subject to change) per ARS § 41-1750 for the FBI fingerprint card-processing fee. The FBI fee is not related to the amount you may have to pay to have your fingerprints applied to a fingerprint card.
 - Fees may be paid with one or multiple checks/money orders. Personal and Business checks are accepted. Credit cards are only accepted with online transactions.
5. **Examination Requirements.** You may be required to pass an examination administered by Prometric before submitting your license application. For examination information, access Prometric's Internet web site at www.prometric.com/arizona, or contact Prometric at 800.853.5448, or, for individuals using a Telecommunications Device for the Deaf (TDD), 800.790.3926. You can contact Prometric in writing at the following address:

Prometric, 1260 Energy Lane, St. Paul, MN 55108
6. **Fingerprint Requirements.** If you are an Arizona resident or if you are an adjuster who does not hold a resident license in your resident state, you must include a fingerprint card with your application if you have not submitted a fingerprint card to the Arizona Department of Insurance within the past year. Licensees adding authority to an existing insurance license are not required to submit fingerprints. Fingerprints MUST be on Form FD-258. Fingerprint Clearance Cards are **NOT** accepted.

Your fingerprints must be applied on the card by a professional fingerprinting service. We recommend that you have Prometric apply your fingerprints because of the consistent quality of their service and their use of LiveScan technology. If your fingerprints are determined not readable by the Department of Public Safety, you will be required to submit a replacement card.
7. **Nonresident Applicants.** The Department of Insurance will determine your license status by checking the Producer Database, maintained by the National Insurance Producer Registry. If we cannot verify your license status, you may need to submit a letter of certification from your home state.

If you are a nonresident applying for limited-line license authority that is not shown in SECTION II of the application, write the line of authority on the line entitled, "Other limited line." You must be licensed in good standing in your home state for the limited line of authority.

INSTRUCTIONS FOR FORM L-169

Continued from the reverse

8. **Relocating to Arizona.** You will not be required to pass a pre-license examination if your license application, completed fingerprint card, Form L-152, photocopy of identification, fee payment, and a "clearance letter¹," are received by the Department within 90 days after the cancellation of your license in your former state of residence.
9. **Adjusters.** All adjusters (resident and nonresident) must pass the Arizona adjuster examination [ARS § 20-321.01(C)(3)]. Resident adjusters and nonresident adjusters who do not hold a resident adjusters license in their RESIDENT state will be required to submit a completed fingerprint card. Non-resident adjuster applicants must complete Form ADJ.ADDENDUM.
10. **Bail Bond Agents.** You must include a surety bond executed on Form L-195 in the sum of \$10,000, which must be accompanied by the surety's power of attorney. Pursuant to ARS § 20-340.03(A)(9), bail bond agents may not employ or assist in the employment of any person who has been convicted in any jurisdiction of theft or of any felony or any crime involving carrying or the possession of a deadly weapon or dangerous instrument.
11. **Managing General Agents.** Have Form L-107 completed by an authorized official of the insurance company with which you have a contract and submit the form with your application. You must submit surety bond executed on Form L-106, or cash, a certificate of deposit, or securities eligible for investment pursuant to Title 20, Ch. 3., Art. 1 and 2, for the amount calculated on Form L-107.
12. **Risk Management Consultants.** Include written authorization from the political subdivision (city/town/county) with which you are employed.
13. **State Marketing Representatives.** Employees/Marketing Reps of SCF Arizona may not hold any license type other than State Marketing Rep (ARS § 23-986(B))
13. **Variable Contracts Agents.** Arizona residents (as well as residents from CO, FL, IN, MI, NC, TX, WA and WI) must include evidence that the applicant is licensed as a registered representative or principal in good standing with the Financial Industry Regulatory Authority (FINRA). (formerly NASD) To provide this evidence, submit a printout from www.finra.org showing you are actively registered with a broker/dealer. ARS § 20-2662(A)
14. **If you answered "YES" to one or more of the questions in Section V**, you must include
 - a. a SIGNED statement describing in detail all incidents including
 - names of all parties involved,
 - dates and locations,
 - the names and localities of any courts and/or administrative agencies involved,
 - the disposition of each matter,
 - whether the conviction, plea or finding was for a felony or open-ended charge; **AND**
 - b. Copies of any and all indictments, complaints, plea agreements, orders of conviction, notices of hearing or trial, sentencing orders, suspension/revocation orders and any other information which relates to each matter. If certified copies are not available, you must provide as a part of this application a letter from the clerk of the pertinent court or the official involved stating the records are not available and the reason.
15. **Assumed Name (or DBA).** While conducting insurance business, you are required *by law* to use your legal name (as shown on your license) unless you are granted permission by the Insurance Department to use another name. To use an assumed name, submit Form L-193. Register the name as a "trade name" with the Arizona Secretary of State's Office (www.azsos.gov, or 602-542-6187) to prevent the name from being claimed by others (and relinquished by you). The Department may deny the use of an assumed business name if the name is being used by another licensee, or if the name could mislead or deceive the public as to the nature of the business that is to be transacted.

PLEASE SEND ALL LICENSING-RELATED MATERIALS AND FEES TO THE FOLLOWING ADDRESS:

Insurance Licensing Section
2910 North 44th Street, Suite 210,
Phoenix, Arizona 85018-7269

THE DEPARTMENT OF INSURANCE IS AN EQUAL EMPLOYMENT OPPORTUNITY AGENCY THAT COMPLIES WITH THE AMERICANS WITH DISABILITIES ACT (ADA) OF 1990. **Persons with disabilities may request reasonable accommodation by contacting the Department of Insurance ADA Coordinator, at 602.364.3471.**

¹"Clearance letter" means a document executed by an official from the insurance department in your former state of residence that demonstrates you were licensed in good standing at the time you canceled the license in your former state.

APPLICATION FOR AN INDIVIDUAL INSURANCE LICENSE (FORM L-169)

FOR APPLICATIONS RECEIVED BY THE ARIZONA DEPARTMENT OF INSURANCE BETWEEN 07/01/2009 AND 06/30/2010

- 1. CAREFULLY READ THE ENCLOSED INSTRUCTION PAGES. INCOMPLETE APPLICATIONS WILL BE RETURNED.**
2. Complete ALL PAGES (printed in ink or typed) of this form and fulfill all other requirements shown in the enclosed instructions. Any additionally required forms are available on our Internet web site, at www.id.state.az.us.
3. Staple your application form and any required attachments in the upper left corner on the last (back) page.
4. Remove any stubs from your check or money order and staple your payment to the front of this page in the location indicated (immediately below SECTION II).
5. **Send your application materials and payment packet to:**
INSURANCE LICENSING SECTION, 2910 North 44th Street, Suite 210, Phoenix, AZ 85018-7269

SECTION I: BUSINESS INFORMATION

A. (Legal) Last Name (including Jr/Sr/etc, if applicable)		B. Full First Name		C. Full Middle Name	
D. Physical Street Address of Place of Business (required *may not be a P.O. or PMB Box)			City	State	Zip Code
E. Name of Business (if applicable, for mailing purposes)*:			<i>*If your business entity is involved in the sale, solicitation or negotiation of insurance, that business shall be separately licensed.</i>		
F. Mailing Address (P.O. Box permitted. If blank, Box E address will print on license)			City	State	Zip Code
G. Business Area Code & Phone:	H. Fax Area Code & Number (optional):	I. E-mail Address (optional):			

SECTION II: LINES OF LICENSE AUTHORITY

Write an "X" in the box to the left of the line(s) of authority for which you are applying:

- | | | | |
|---|--|---|---|
| <input type="checkbox"/> Life Insurance Producer | <input type="checkbox"/> Property Producer | <input type="checkbox"/> Adjuster | <input type="checkbox"/> Property & Casualty Managing General Agent |
| <input type="checkbox"/> Accident and Health or Sickness Producer | <input type="checkbox"/> Casualty Producer | <input type="checkbox"/> Bail Bond Agent | <input type="checkbox"/> Life Managing General Agent |
| <input type="checkbox"/> Variable Life and Variable Annuity Products Producer | <input type="checkbox"/> Personal Lines Producer | <input type="checkbox"/> Surplus Lines Broker | <input type="checkbox"/> Accident and Health or Sickness Managing General Agent |
- CRD # _____
- | | | | |
|--|--|---|---|
| <input type="checkbox"/> Credit Insurance Producer | <input type="checkbox"/> Travel Accident Ticket and Baggage Insurance Producer | <input type="checkbox"/> Mexican Insurance Surplus Lines Broker | <input type="checkbox"/> Risk Management Consultant |
| | | | <input type="checkbox"/> SCF of Arizona – Marketing Rep |
- Other limited line (see instructions): _____

{ ← HERE, ALIGN TOP OF CHECK OR MONEY ORDER AND STAPLE ON LEFT SIDE (REMEMBER TO REMOVE ANY STUBS FROM PAYMENT)

SECTION III: PERSONAL INFORMATION

A. Gender <input type="checkbox"/> Male <input type="checkbox"/> Female		B. Date of Birth: MM / DD / YYYY	
C. Social Security Number [required by A.R.S. § 25-320(N)]:			E. Home Area Code and Phone Number:
D. Physical Street Address of Applicant's Home (required *may not be a PO or PMB box)		City	State Zip Code

SPACE BELOW IS FOR INSURANCE DEPARTMENT USE ONLY

_____ exam passed on ____/____/____ _____ exam passed on ____/____/____	License #: _____ Expires: ____/____/____ Issued: ____/____/____	TF#: _____ <input type="checkbox"/> 56 Quad Other (120) <input type="checkbox"/> 58 Quad SLB (1000) <input type="checkbox"/> 18 Pro SLB (500) <input type="checkbox"/> 66 Fingerprint (24.00 x ____)	
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SECTION IV: INSURANCE LICENSE HISTORY Are you presently, or have you ever been, licensed to transact any kind of insurance in this state or elsewhere? Yes, No If "Yes," attach a list of the insurance licenses you held and, for each, the license number, the line(s) of insurance on the license, the state or locality that issued the license, the date the license was issued and the date the license expired/expires.

SECTION V: ADDITIONAL INFORMATION Carefully read and respond to each of the following questions. **You should provide a "YES" answer even if you believe an incident has been cleared from your record.** Willful misrepresentation of any fact required to be disclosed in any application or accompanying statement is a violation of law and a ground to deny your application. **NOTE: ADDITIONAL INFORMATION IS REQUIRED if you respond "YES" to any of the following. Please see paragraph 13 in the instructions.**

For the purposes of this application, "judgement" includes, but is not limited to, having been found guilty by judge or jury or pled guilty or no contest to any felony charge. A "No" response is incorrect if applicant has had any conviction dismissed, expunged, pardoned, appealed, set aside or reversed, or had its civil rights restored, had a plea withdrawn or has been given probation, a suspended sentence or a fine, or successfully completed a diversion program.

A. Have you EVER had any professional, vocational, business license or certification refused, denied, suspended, revoked or restricted, or a fine imposed by any public authority?	<input type="checkbox"/> Yes <input type="checkbox"/> No
B. Have you EVER withdrawn an application for a license or certification to avoid its denial, or have you EVER surrendered a license or certification to avoid disciplinary action?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C. Have you EVER been found guilty of, have you had a judgment made against you for, or have you admitted to, any of the following:	
1..A felony (of any kind)?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Obtaining or attempting to obtain any type of license through misrepresentation or fraud?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Forging another's name to any document related to an insurance transaction?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Withholding, misappropriating, converting or stealing money or property?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Committing an insurance unfair trade practice or fraud?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Using fraudulent, coercive or dishonest business practices including forgery with intent to defraud?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Conducting business in an incompetent, untrustworthy or financially irresponsible manner?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Transacting, or helping someone else transact, insurance without the required license authority?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Is any case currently pending against you in any jurisdiction accusing you of any issue listed in Question C?:.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
E. <i>If you are not applying for a bail bond agent license, answer "Not applicable."</i>	
<i>Otherwise, if you are applying for a bail bond agent license, have you EVER been convicted in any jurisdiction of any crime (felony, open-ended or misdemeanor) that involved carrying, illegally using or possessing a deadly weapon or dangerous instrument?.....</i>	<input type="checkbox"/> Not applicable <input type="checkbox"/> Yes <input type="checkbox"/> No

SECTION VI: EMPLOYMENT HISTORY List your employment, insurance and non-insurance, history (and periods of unemployment or education) and insurance-related experience for the past five years. If more space is required, attach and sign a separate sheet containing the information.

Employer Name	Position Held	City/State	EMPLOYMENT DATES	
			FROM (mm/yy)	TO (mm/yy)

SECTION VII: AUTHORIZATION AND RELEASE By signing and submitting this application, you agree to the following.

- You authorize the Arizona Department of Insurance ("DEPARTMENT") to conduct a background investigation to determine your fitness for an insurance license. You agree to promptly respond to questions that may arise from the investigation.
- You authorize and request every person, firm, company, corporation, governmental agency, court, association or institution having control of any documents, records and other information about you to furnish the DEPARTMENT with any such information and you permit the DEPARTMENT, its employees, agents or representatives, and your authorized insurers, to inspect and make copies of such documents, records and other information.
- You release, discharge and exonerate the DEPARTMENT, its employees, agents and representatives, the State of Arizona, your authorized insurers, and any person furnishing information pursuant to this Authorization and Release from any and all liability that may arise from the investigation made by the DEPARTMENT.
- You attest that you have read and understand the foregoing. You certify, under penalty of denial, suspension or revocation of the license and under any other penalties that may apply that the answers, statements and information furnished in connection with this license application are true, correct and complete to the best of your knowledge and belief.

Full Signature of Applicant



ARIZONA DEPARTMENT OF INSURANCE
 LICENSING ELIGIBILITY TEAM
 2910 NORTH 44TH STREET, SUITE 210
 PHOENIX, ARIZONA 85018-7269

RETURN THE ORIGINAL OF THIS FORM
 WITH A COPY OF YOUR IDENTIFICATION
 TO THIS ADDRESS.

LICENSING ELIGIBILITY REQUIREMENT (ARS § 41-1080)

Arizona Insurance License #: _____	Full Last Name: _____	Full First Name: _____	Full Middle Name: _____
Business Address (as shown on license or application):	_____		
City, State and ZIP code:	_____		

On May 1, 2008 Governor Napolitano signed Laws 2008, Ch. 152 (House Bill 2745) into law. The new law contains a "licensing eligibility" section (Arizona Revised Statutes § 41-1080) preventing a state agency from issuing a (new or renewed) license to an individual unless the individual has provided the agency with one of the forms of identification listed in the law. View additional information about this requirement on the PRODUCERS page of the Department of Insurance Web site (www.id.state.az.us).

To become or remain eligible to apply for a license, (A) complete this form, (B) staple a photocopy showing both sides of your identification to the back and (C) return to the address in our letterhead (top). Provide only one of the following forms of identification (mark an "X" next to the one you are submitting):

- 1. An Arizona driver license issued after 1996 or an Arizona non-operating identification license.
- 2. A driver license issued by a state (other than AZ) that verifies lawful presence in the United States (Licenses from HI, IL, ME, MD, NM, TX, UT, and WA are not acceptable).
- 3. A birth certificate or delayed birth certificate issued in any state, territory or possession of the United States.
- 4. A United States certificate of birth abroad.
- 5. A United States passport.
- 6. A foreign passport with a United States visa.
- 7. An I-94 form with a photograph.
- 8. A United States citizenship and immigration services employment authorization document or refugee travel document.
- 9. A United States certificate of naturalization.
- 10. A United States certificate of citizenship.
- 11. A tribal certificate of Indian blood.
- 12. A tribal or bureau of Indian affairs affidavit of birth.

By my signature below, I hereby certify, under penalty of perjury that the copy of the document I am providing is a true and accurate copy of the original document and that I am legally authorized to be present in the United States.	
_____	_____
FULL SIGNATURE OF LICENSEE	DATE



Exam Registration Form for Arizona Insurance Examinations

Last Name		Full First Name		Full Middle Name		Social Security Number*	
Gender <input type="checkbox"/> M <input type="checkbox"/> F		Date of Birth (Month, Day, Year)		City, State, Country of Birth			
Residence Address (Your address of legal residence is required)							
City		State		ZIP Code		Home Phone Number (including area code) ()	
Name of Business (If your place of business is your home, enter "N/A")**						Business Phone Number (including area code) ()	
Physical Business Address (Must list a street address, not a P.O. Box)						City State ZIP Code	
Business Mailing Address (P.O. Box permitted. If blank, physical business address will print on license)						City State ZIP Code	
E-mail address						Fax Number (including area code) ()	

*Your Social Security Number is required by ARS §25-320(N).

**If your mailing address contains the name of a business and you share commissions with it, that business must be separately licensed.

This form is page 41 of the Arizona Licensing Information Bulletin. We recommend you read the entire Bulletin.

Series	Exam Title	Exam Fee	Total
13-31	Life Insurance Producer	\$49	\$
13-32	Accident and Health or Sickness Insurance Producer	\$49	\$
13-33	Life, Accident and Health or Sickness Insurance Producer	\$62	\$
13-34	Property and Casualty Insurance Producer	\$62	\$
13-35	Bail Bond Agent	\$49	\$
13-36	Property and Casualty Insurance Adjuster	\$62	\$
13-41	Surplus Lines Insurance Broker	\$49	\$
13-42	Property Insurance Producer	\$49	\$
13-43	Casualty Insurance Producer	\$49	\$
13-44	Personal Lines Insurance Producer	\$49	\$
13-45	Credit Insurance Producer	\$49	\$
Optional Fees		Fee	Total
	Fingerprinting Service Fee	\$20	\$
		Total Fees	\$

By filing this registration, you assume full responsibility for exam selection. Fees for these exams are not refundable and not transferable. If you are unsure which exam is needed for the license you are seeking, resolve this question *before* you register.


Fee may be paid by cashier's check, company check, money order, MasterCard or Visa. Make checks payable to Prometric. Personal checks and cash are not accepted. Registration fees are not refundable. To pay by credit card, please complete the information below. Register by visiting our Web site at www.prometric.com/arizona, calling 800.853.5448 or faxing this completed form to 800.347.9242. To register by mail, send this completed form along with the appropriate fee to:

Prometric
ATTN: AZ Insurance Program
1260 Energy Lane
St. Paul, MN 55108

Card Type (Check One) <input type="checkbox"/> MasterCard <input type="checkbox"/> Visa		Card Number	Expiration Date
Name of Cardholder (Print)		Signature of Cardholder	

Prometric
1260 Energy Lane
St. Paul, MN 55108
800.853.5448

***Register online at
www.prometric.com/arizona***

-  **Register any time, day or night!**
You can register, schedule, and pay for your exam online in a secure environment, at your convenience.
-  **Confirm your appointment immediately!**
Your appointment is confirmed before you leave our Web site.

Register online—it saves time and it's easy!

See page 6 for details.

**FIRST
CLASS
MAIL**