

YOUR EXAM CONTENT OUTLINE

for examinations on or after July 1, 2006.

The following outline describes the content of one of the Arizona insurance examinations. The outlines are the basis of the examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weights assigned to each part of the examination. For example, 10 percent means that 6 questions will be drawn from the section on a 60-question exam, 10 will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

Arizona Examination for Surplus Lines Insurance Broker

Series 13-41

60 questions – One-hour time limit

1.0 Insurance Regulation 10%

1.1 Licensing regulation for surplus lines

Who needs a license (20-407, Bulletin 2004-4)

Who may be licensed (20-411)

Individuals

Business entities

Licensing requirements (20-411)

Maintenance and duration

Expiration, surrender and renewal
(20-289, 411(F))

Change of address (20-286(C))

Report of actions (20-301)

Disciplinary actions

Denial, suspension, revocation or refusal to
renew (20-295, 296, 418)

1.2 State regulation

Unfair practices and frauds

Misrepresentation (20-443, 443.01, 447)

False or deceptive advertising (20-444)

Unfair discrimination (20-448)

Rebating (20-451)

Prohibited inducements (20-452)

Unfair claim settlement practices (20-461)

2.0 Surplus Lines Markets and Practices 90%

2.1 United States nonadmitted market

Nonadmitted insurers

Insurance exchanges

2.2 Alien nonadmitted market

London market

Lloyd's of London

Other London companies

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)

2.5 Surplus lines coverages

Recognized surplus lines (20-409)

Validity of contracts (20-402, 410(A))

Diligent effort (20-401(1), 407)

Broker's report (20-408)

Notice to insured (20-410(B))

Unauthorized insurer

Arizona Insurance Guaranty Fund

Types of coverages exempted (20-420)

2.6 Surplus Lines Association

Stamping fee

2.7 Authority of surplus lines broker

Binding

Underwriting

Claims

Commissions (20-412)

Service fees (20-410(C))

Mexican insurance surplus lines broker limited
authority (20-411.01, 422)

2.8 Records of surplus lines broker

Record of coverage (20-414)

Maintenance (20-414)

Statement of transactions (20-415)

2.9 Surplus lines tax (20-416)

Amount

Collection

Remittance

Tax report

Civil penalties (20-417)