

# ***Your Exam Content Outline***

The following outline describes the content of one of the Arizona insurance examinations. The examination will contain 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 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 35%**

##### **1.1 Licensing**

- Assumed name (20-297)
- 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 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
  - 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)

##### **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))
  - Unauthorized insurer
  - Arizona insurance guaranty fund

#### **2.0 Markets 40%**

##### **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)

#### **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