

This is the updated Course Content Outline for 2024-2025 . This is what's on the test.

Texas General Lines Agent: Life and Health



with

Tim O'Neill CPCU CLU



**PROPERTY AND CASUALTY -
GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms and Concepts

(100 scoreable questions plus 10 pretest questions)

TYPES OF POLICIES22

I.

A. Homeowners

- 1. HO-2
- 2. HO-3
- 3. HO-4
- 4. HO-5
- 5. HO-6
- 6. HO-8

B. Dwelling policies

- 1. DP-1
- 2. DP-2
- 3. DP-3

22 Questions

**I-III ARE CONSIDERED "PROPERTY"
IV-VI ARE CONSIDERED "CASUALTY"**

C. Commercial Lines

1. Commercial Package Policy (CPP)
2. Commercial property
 - a. Commercial building and business personal property form
 - b. Causes of loss forms
 - c. Business income
 - d. Extra expense
 - e. Equipment breakdown
3. Business Owners Policy (BOP)
4. Builders Risk
5. Cyber First-Party Coverage

D. Inland marine

1. Personal Articles floaters
2. Commercial Property floaters

E. National Flood Insurance Program

F. Others

1. Earthquake
2. Mobile Homes
3. Watercraft
4. Farm Owners
5. Windstorm

II. INSURANCE TERMS AND RELATED CONCEPTS.....15

A. Insurance

1. Law of Large Numbers

B. Insurable interest

C. Risk

1. Pure vs. Speculative Risk

D. Hazard

1. Moral
2. Morale
3. Physical

E. Peril

F. Loss

1. Direct
2. Indirect

G. Loss Valuation

1. Actual cash value
2. Replacement cost
3. Market value
4. Stated/agreed value
5. Salvage value

H. Proximate cause

I. Deductible

J. Indemnity

K. Limits of liability

L. Coinsurance/Insurance to value

M. Occurrence

N. Cancellation

O. Nonrenewal

P. Vacancy and unoccupancy

Q. Liability

1. Absolute
2. Strict
3. Vicarious

R. Negligence

S. Binder

T. Endorsements

U. Blanket vs. Specific

III. POLICY PROVISIONS AND CONTRACT LAW..... 13

A. Declarations

B. Insuring agreement

C. Conditions

D. Exclusions

E. Definition of the insured

F. Duties of the insured

G. Obligations of the insurance company

H. Mortgagee rights

I. Proof of loss

J. Notice of claim

K. Appraisal

L. Other Insurance Provision

M. Subrogation

N. Elements of a contract

O. Warranties, representations, and concealment

P. Sources of underwriting information

Q. Fair Credit Reporting Act

R. Privacy Protection (Gramm Leach Bliley)

S. Policy Application

T. Terrorism Risk Insurance Act (TRIA)

U. Territory

IV. TYPES OF POLICIES, BONDS, AND

RELATED TERMS..... 23

A. Commercial general liability

1. Exposures
 - a. Premises and Operations
 - b. Products and Completed Operations
2. Coverage
 - a. Coverage A: Bodily Injury and Property Damage Liability (Occurrence, Claims made including Retroactive Date)
 - b. Coverage B: Personal Injury and Advertising Injury
 - c. Coverage C: Medical Payments
 - d. Supplemental Payments
 - e. Who is an insured
 - f. First named insured
 - g. Limits (Per occurrence, Annual Aggregate)
 - h. Damage to Property of Others

B. Automobile: personal auto and business auto

1. Liability
 - a. Bodily Injury
 - b. Property Damage
 - c. Split Limits
 - d. Combined Single Limit
2. Medical Payments
3. Physical Damage (collision; other than collision; specified perils)
4. Uninsured motorists
5. Underinsured motorists
6. Who is an insured
7. Types of Auto
 - a. Owned

- b. Non-owned
- c. Hired
- d. Temporary Substitute
- e. Newly Acquired Autos
- f. Transportation Expense and Rental Reimbursement Expense
- 8. Auto Dealers Coverage Form, including Garagekeepers Insurance
- 9. Exclusions
- 10. Individual Insured and Drive Other Car (DOC)
- 11. Mobile equipment

C. Workers Compensation Insurance, Employers Liability Insurance, and Related Issues

(This section does not deal with specifics of state law, which are addressed elsewhere in this outline.)

- 1. Standard policy concepts
 - a. Who is an employee/employer
 - b. Compensation
- 2. Work-related vs. non-work-related
- 3. Other states' insurance
- 4. Employers Liability
- 5. Exclusive remedy
- 6. Premium Determination

D. Crime

- 1. Employee Dishonesty
- 2. Theft
- 3. Robbery
- 4. Burglary
- 5. Forgery and Alteration
- 6. Mysterious disappearance

E. Bonds

- 1. Surety
- 2. Fidelity

F. Professional liability

- 1. Errors and Omissions
- 2. Medical Malpractice
- 3. Directors and Officers (D&O)
- 4. Employment Practices Liability (EPLI)
- 5. Cyber liability and data breach, funds transfer
- 6. Liquor liability

G. Umbrella/Excess Liability

H. Business Owners Policy (BOP)

V. INSURANCE TERMS AND RELATED CONCEPTS15

A. Risk

B. Hazards

- 1. Moral
- 2. Morale
- 3. Physical

C. Indemnity

D. Insurable interest

E. Loss valuation

- 1. Actual cash value
- 2. Replacement cost
- 3. Market value
- 4. Stated/agreed value
- 5. Salvage value

F. Negligence

G. Liability

H. Occurrence

I. Binders

J. Warranties

K. Representations

L. Concealment

M. Deposit Premium/Audit

N. Certificate of Insurance

O. Law of Large Numbers

P. Pure vs. Speculative Risk

Q. Endorsements

R. Damages

- 1. Compensatory
 - a. General
 - b. Special
- 2. Punitive

S. Compliance with provisions of Fair Credit Reporting Act

VI. POLICY PROVISIONS12

A. Declarations

B. Insuring agreement

C. Conditions

D. Exclusions and Limitations

E. Definition of the insured

F. Duties of the insured after a loss

G. Cancellation and nonrenewal provisions

H. Supplementary payments

I. Proof of loss

J. Notice of claim

K. Other insurance

L. Subrogation

M. Loss settlement provisions including consent to settle a loss

N. Terrorism Risk Insurance Act (TRIA)

PROPERTY AND CASUALTY AGENT STATE SPECIFIC CONTENT OUTLINE

(30 scoreable questions plus 5 pretest questions)

All references are to the Texas Insurance Code (Ins.) or the Texas Administrative Code (TAC), Title 28, unless otherwise noted

I. TEXAS STATUTES AND RULES COMMON TO PROPERTY AND CASUALTY INSURANCE18

A. Commissioner of Insurance

Ref.: Ins. 31.001, 31.002, 31.021, 201.004, 404.051-.053, 481.001-.009, 491.051, 491.052, 521.003-.004, 541.107-108, 546.151, 2001.051, 4001.005, 38.001, 86.001-.002, 401.051-.062, 82.001-.056, 4005.102, 83.051-.054; TAC § 1.88

- 1. General powers and duties
- 2. Examination of records
- 3. Investigation/Notice of hearing
- 4. Penalties
- 5. Cease and desist orders

B. Insurance definitions

Ref.: Ins. 801.051-.053; General insurance text; TAC § 15.2

- 1. Certificate of authority
- 2. Transacting insurance
- 3. Foreign, domestic, alien
- 4. Stock, mutual
- 5. Admitted/nonadmitted
- 6. Texas Lloyds

C. Licensing requirements

Ref.: Ins. 981.202, 1115.056, 4001.003, 4001.051, 4001.105, 4001.151-.156, 4001.201, 4001.205, 4001.252, 4001.255, 4003.001, 4003.004, 4003.006-.007, 4004.051-055, 4005.101-.102, 4005.105, 4051.051, 4053.051, 4056, 4153.051; TAC § 1.502, 19.1001-.1030, 19.1201-.1206, 19.1301-.1320, 19.1501-.1503, 19.805

- 1. Types
 - a. Agent/agency
 - b. Nonresident agent
 - c. Temporary
 - d. Limited license
 - e. Managing general agent
 - f. Surplus lines
 - g. Adjuster
 - h. Risk manager
 - i. Emergency
- 2. Exemptions/exceptions
- 3. Appointment
- 4. Continuing education
- 5. Records maintenance
- 6. License application, denial, renewal, expiration
- 7. License termination, revocation, suspension
- 8. Notification to Department of certain information
 - a. Change of address
 - b. Felony convictions
 - c. Administrative action taken against a license holder

D. Marketing practices

Ref.: Ins. 541.051-.054, 541.056, 541.060, 542.001-.014, 701.001-.154, 4001.104, 4005.101; TAC § 21.4, 21.201-.205, 21.111, 21.115

- 1. Unfair/Prohibited trade practices
 - a. Claims methods and practices
 - b. False advertising
 - c. Misrepresentation
 - d. Defamation
 - e. Controlled business
 - f. Rebating
 - g. Discrimination
 - h. Fraud
 - i. Unfair competition
 - j. Boycott, coercion, intimidation
- 2. Rating and underwriting practices

E. Agent duties/responsibilities

Ref.: General insurance text

- 1. Fiduciary capacity

II. TEXAS STATUTES AND RULES PERTINENT TO PROPERTY AND CASUALTY INSURANCE12

A. Property and casualty definitions

Ref.: TAC § 5.5002

B. Surplus lines

Ref.: Ins. 981.001-.004, 981.057; TAC § 15.2-15.6

C. Approval of Rates and Forms

Ref: Texas Insurance Code Sec. 5.35

D. Homeowner's Insurance

- 1. Declination, cancellation, nonrenewal
Ref: General insurance text
- 2. Texas FAIR Plan Association
- 3. Texas Windstorm Insurance Association (TWIA)
- 4. Loss settlement provisions
Ref: Texas Insurance Code § 542.051-.061; § 542.15-.154
- 5. Liquidated demand
Ref: Texas Insurance Code §862.053

E. Automobile insurance

- 1. Provisions
Ref: Transportation Code: Chapter 601; Ins. 1952.101-.110, 1952.151-.161, TAC § 5.204
 - a. Coverage
 - b. Uninsured Motorists/Underinsured Motorists
 - c. Personal Injury Protection (PIP)
 - d. Medical payments
- 2. Financial responsibility and required minimum liability limits
Ref: Transportation Code: § 601.051, 601.053, 601.056-.057, 601.071-.072
- 3. Renewal, nonrenewal, and cancellation
Ref: Ins. 551.101-.113, 551.151-.152; TAC § 5.7002
- 4. Texas Automobile Insurance Plan Association
Ref: Ins. 2151.051-.154
- 5. Transportation network company
Ref: Chap. 1954

F. Workers' Compensation

Ref: Texas Labor Code Title 5: § 401.011, 406.031-032, 034, 408.021-.087; 408.150; 408.181-.187

- 1. Definitions
- 2. Coverage
- 3. Benefits

G. Texas Property and Casualty Insurance Guaranty Association

Ref: Ins. 462.001-.351; TAC § 29.1

H. Texas Medical Liability Underwriting Association (JUA)

Ref: Ins. Chapter 2203.001-.152

PERSONAL LINES - GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts
(75 scoreable questions plus 5 pretest questions)

I. TYPES OF PROPERTY POLICIES10

A. Homeowners

- 1. HO-2