

Indiana 40-Hour Adjuster Pre-Licensing Requirement Outline:

I. Insurance Principles

What Is Insurance?

- 1. Insured**
- 2. Insurer**
- 3. Underwriting**
- 4. What is a Contract?**
 - Agreement**
 - Consideration**
 - Competent Parties**
 - Legal Purpose**
 - Parts of the Contract**
 - 1. Declarations**
 - a. Definitions**
 - 2. Insuring Agreement**
 - 3. Conditions**
 - 4. Exclusions**
 - 5. Endorsements**

Types of Insurers

- 1. Location**
 - a. Domestic**
 - b. Foreign**
 - c. Alien**
- 2. Type**
 - a. Private**
 - i. Private Commercial**
 - ii. Private Non-Commercial**
 - b. Government Insurers**
 - c. Stock Insurance Company**
 - d. Mutual Insurance Company**
 - e. Risk Purchasing Group**
 - f. Fraternal Benefit Society**
 - g. Reciprocal Insurer**
 - h. Risk Retention Group**
 - i. Self-Insurer**

Characteristics of Insurance Contracts

- 1. Personal Contracts**
- 2. Contracts of Adhesion**
- 3. Utmost Good Faith Contracts**
- 4. Aleatory Contracts**

5. Unilateral Contracts
6. Conditional Contracts

Important Terms - Definitions

1. Risk
2. Loss
3. Hazard
4. Exposure
5. Peril
6. Salvage
7. Pair and Set
8. Deductible
9. Co-Insurance
10. Indemnification
11. Indemnity
12. Principle of Indemnity
13. First Named Insured
14. Insurable Interest
15. Policy Period
16. Lawsuits
17. Utmost Good Faith
18. Representations
19. Misrepresentations
20. Warranty
21. Concealment
22. Waiver
 - a. Express Waiver
 - b. Implied Waiver
23. Binder
24. Estoppel

Risk & Risk Management

1. Risk
 - a. Speculative Risk
 - b. Pure Risk
2. Risk Management
 - a. Risk Avoidance
 - b. Risk Reduction
 - c. Risk Transference
 - d. Risk Retention

Insurable Risk

1. What is an Insurable Risk
2. Qualifications

Valuation and Deductibles

1. Actual Cash Value
2. Replacement Cost Value
3. Valued Policies
4. Deductibles
 - a. Fixed Deductibles
 - b. Percentage Deductible
 - c. Franchise Deductible

Types of Hazards

1. Moral Hazard
2. Morale Hazard
3. Physical Hazard

Cause and Loss

1. Proximate Cause
2. Direct Loss
3. Indirect Loss

Interest, Subrogation and Claims

1. Lender Interests
2. Subrogation
3. The Insurance Claim
 - a. First Party Claims
 - b. Third Party Claims

Liability and Law

1. Liability Insurance
 - a. Public Liability
 - b. Product Liability
 - c. Employer Liability
2. Negligence
 - a. Vicarious Liability and Negligence
 - b. Elements of Negligence
3. Tort Law
 - a. Negligent Tort
 - b. Intentional Tort
 - c. Tortfeasor
 - d. Joint Tortfeasor
 - e. Assessing Legal Liability
 - i. Full Liability
 - ii. Partial Liability
 - iii. No Liability
 - iv. Joint Liability
4. Defenses of Negligence
 - a. Assumption of Risk
 - b. No Negligence

- c. Comparative Negligence
 - d. Contributory Negligence
- 5. Damages
 - a. Compensatory Damages
 - i. Special Damages
 - ii. General Damages
 - b. Punitive Damages
- 6. Dangerous Instrumentality Doctrine
- 7. Complaint vs. Answer
- 8. Common vs. Statutory Law
- 9. Statute of Limitations
- 10. Wrongful Death Act
- 11. Waiver of Sovereign Immunity
- 12. Workers' Compensation
- 13. Automobile No-Fault
- 14. Breach of Warranty
- 15. Umbrella and Excess Liability
 - a. Follow-Form Excess Liability
 - b. Stand Alone Excess Liability
 - c. Umbrella Liability Policy
- 16. Obligations of the Insured
- 17. Obligations of the Insurer
- 18. Reservation of rights
- 19. The Settlement
- 20. Policy Limits
 - a. Single Limit Liability
 - b. Split Limit Liability
 - c. Aggregate Limit Liability

Settlement & Release

- 1. Full Release
- 2. Scheduled Payment Release
- 3. Advanced Payment Settlement
- 4. No Release Settlement
- 5. Rehabilitation Settlement

II. Insurance Rules & Regulation

- 1. Premiums and Ratings
 - a. Purpose
 - b. How it Works
- 2. Types of Ratings
 - a. Experience Rating
 - b. Schedule Rating
 - c. Retrospective Rating

The Agent & Authority

- 1. The Agent**
 - a. Responsibilities**
 - b. Types**
 - i. Exclusive**
 - ii. General**
 - iii. Direct**
 - c. Authority**
 - i. Express**
 - ii. Implied**
 - iii. Apparent**

Unlawful Behaviors

- 1. Misrepresentation**
- 2. False Information / Advertising**
- 3. Rebates & Kickbacks**
- 4. Defamation**
- 5. Boycott**
- 6. Coercion**
- 7. Intimidation**
- 8. Unfair Discrimination**

Unfair Claim Settlement Practices

- 1. Unfair Practices**

Standards for Claim Filing & Handling

- 1. Proper Claim Practices**
 - a. Acknowledgement**
 - b. Decision**
 - c. Payment**
 - d. Release Standards**
 - e. Denial Standards**
 - f. Filing and Handling**

III. Personal Property

Dwelling Insurance

- 1. Characteristics and Purpose**
- 2. Coverage Forms – Perils Insured Against**
 - a. DP-1 Basic**
 - b. DP-2 Broad**
 - c. DP-3 Special**
- 3. Property Coverages**
 - a. Coverage A – Dwelling**
 - b. Coverage B – Other Structures**
 - c. Coverage C – Personal Property**

- d. Coverage D – Fair Rental Value
- e. Coverage E – Additional Living Expense
- f. Other Coverages
- 4. General Exclusions
- 5. Conditions
- 6. Selected Endorsements
- 7. Personal Liability Supplement

Homeowners' Insurance

- 1. Homeowners Coverage Forms
 - a. HO-2
 - b. HO-3
 - c. HO-4
 - d. HO-5
 - e. HO-6
 - f. HO-8
- 2. Definitions
- 3. Section 1 – Property Coverages
 - a. Coverage A – Dwelling
 - b. Coverage B – Other Structures
 - c. Coverage C – Personal Property
 - d. Coverage D – Loss of Use
 - e. Additional Coverages
- 4. Perils Insured Against
- 5. Exclusions
- 6. Conditions
- 7. Selected Endorsements
 - a. Limited Fungi, Wet or Dry Rot, or Bacteria Coverage
 - b. Earthquake
 - c. Personal Property Replacement Cost
 - d. Water Back-up and Sump Pump Failure
 - e. Watercraft
 - f. Business Pursuits
 - g. Home Day Care
 - h. In-Home Business
 - i. Inflation Guard
 - j. Mobile Homes

Farm Insurance

- 1. Farm Coverage Forms
 - a. Coverage A – Dwellings
 - b. Coverage B – Other Private Structures
 - c. Coverage C – Household Personal Property
 - d. Coverage D – Loss of Use
 - e. Coverage E – Scheduled Farm Personal Property
 - f. Coverage F - Unscheduled Farm Personal Property

- a. Bodily Injury and Property Damage
- b. Supplementary Payments
- c. Exclusions
3. Duties after an Accident
4. General Provisions

IV. Commercial Policies

A. Commercial Policy

1. Common Policy Declarations
2. Common Policy Conditions
3. Interline Endorsements
4. One of More Coverage Parts

B. Commercial Property

1. Commercial Property Conditions Form
2. Coverage Forms
 - a. Building and Personal Property
 - b. Condominium Association
 - c. Condominium Commercial Unit Owners
 - d. Builders Risk
 - e. Business Income
 - f. Legal Liability
 - g. Extra Expense
3. Cause of Loss Forms
 - a. Basic
 - b. Broad
 - c. Special
4. Selected Endorsements
 - a. Ordinance or Law
 - b. Spoilage
 - c. Peak Season limit of Insurance
 - d. Value Reporting form

C. Commercial General Liability

1. Commercial General Liability Coverage Forms
 - a. Bodily Injury and Property Damage liability
 - b. Personal and advertising injury liability
 - c. Medical Payments
 - d. Exclusions
 - e. Supplementary Payments
 - f. Who is insured
 - g. Limits of Insurance
 - h. Conditions
 - i. Definitions
2. Premises and Operations
3. Products and Completed Operations

4. Selected Endorsements
 - a. Deductible Liability Insurance
 - b. Employment Related Practices Exclusion
5. Claims-Made Policy Forms versus Occurrence Forms

Professional Liability Coverage

1. Malpractice
2. E & O
3. Consent to Settle

Commercial Package Policies

1. Advantages
2. Types
3. Elective
4. Excluded Coverages
5. Business Owners Policy
 - a. Characteristics and Purpose
 - b. Businessowners Section 1 – Property
 - i. Coverage
 - ii. Exclusions
 - iii. Limits of Insurance
 - iv. Deductibles
 - v. Loss Conditions
 - vi. General Conditions
 - vii. Optional Coverages
 - viii. Definitions
 - c. Businessowners Section II – Liability
 - i. Coverage
 - ii. Exclusions
 - iii. Who is Insured
 - iv. Limits of Insurance
 - v. General Conditions
 - vi. Definitions
 - d. Businessowners Section III – Common Policy Provisions
 - e. Selected Endorsements
 - i. Amendment of Cancellation Provisions or Coverage Change
 - ii. Hired Auto and Non-Owned Auto Liability
 - iii. Protective Safeguards
 - iv. Utility Services – Direct Damage
 - v. Utility Services – Time Element

Commercial Crime & Bonding

1. General Definitions
 - a. Burglary

- b. Theft
 - c. Robbery
 - d. Coverage Trigger
- 2. Crime Coverage Forms
 - a. Commercial Crime Coverage Forms
 - b. Government Crime Coverage Forms
- 3. Coverages
 - a. Employee Theft
 - b. Forgery or Alteration
 - c. Inside the Premises – theft of money and securities
 - d. Inside the premises – robbery or safe burglary of other property
 - e. Outside the premises
 - f. Computer Fraud
 - g. Funds Transfer Fraud
 - h. Money orders and Counterfeit Money

Commercial Auto Insurance

- 1. Business Auto
 - a. Business Auto
 - b. Garage Keepers
 - c. Truckers
 - d. Motor Carrier

Mechanical Breakdown

- 1. Coverage
- 2. Exclusions
- 3. Conditions

Part V – Additional Coverages

A. Inland Marine

- 1. Coverages
 - a. Imports
 - b. exports
 - c. Domestic Shipments
 - d. Instrumentalities of Transportation
 - e. Personal Property Floater Risks
 - f. Commercial Property Floater Risks

B. Ocean Marine

- 1. Hull Coverage
 - a. franchise deductibles
 - b. average deductible
- 2. Cargo Coverage
- 3. Freight Insurance
- 4. Protection and Indemnity (P&I)

- 5. Implied Warranties
 - a. Seaworthiness
 - b. Condition of Cargo
 - c. Legality
 - d. No Deviation in Voyage
- 6. Premiums
- 7. General Terms
 - a. Total Loss Classifications
 - b. Sue and Labor Clause
 - c. General Average Clause
 - d. Free of Particular Average Clause
 - e. Free on Board
 - f. Cost, Insurance and Freight
 - g. Cost and Freight
- C. Aviation Insurance
 - a. Hull Insurance
 - b. Liability Insurance
 - 1. Bodily Injury Excluding Passengers
 - 2. Passenger Bodily Injury
 - 3. Property Damage
 - 4. Medical Payments
 - c. Admitted Liability or Voluntary Settlement Coverage
 - d. Airport Liability
 - e. Warranties in Aviation Insurance
 - f. Hangarkeepers Legal Liability
- D. Workers' Compensation
 - a. Types of Laws
 - 1. Monopolistic vs. Competitive
 - 2. Compulsory vs. Elective
 - b. Indiana's Compensation Law
 - i. Compliance Required
 - ii. Employment Covered
 - a. Rostered Volunteers
 - b. Volunteer Workers
 - c. School to Work Students
 - iii. Exclusive Remedy
 - iv. Covered Injuries
 - v. Occupational Diseases
 - vi. Benefits Provided
 - c. Federal Workers' Compensation Laws
 - i. Federal Employers Liability Act (FELA) – Railroad Workers
 - ii. U.S. Longshore and Harbor Workers Compensation Act
 - iii. The Jones Act – seamen
 - iv. Outer Continental Shelf Lands Act – offshore oil rig workers
 - d. Part One - Workers Compensation and Employers Liability Insurance

Policy

- i. Medical Expense Benefits**
- ii. Disability Income Benefits**
- iii. Death Benefits**
- iv. Rehabilitation**
- e. Part Two – Employers Liability Insurance**
 - i. Occupational Accident**
 - ii. Occupational Sickness**
 - iii. Exclusions**
- f. Part Three – Other States Insurance**
- g. Part Four – Employers Dutied if Injury Occurs**
- h. Part Five – Premiums**
- i. Part Six – Conditions**

Part VI: Adjusting: Practices, Roles and Responsibilities

- 1. What is Adjusting**
 - a. Types of Adjusters**
- 2. Adjuster Practices**
 - a. Negotiations**
 - b. Acceptance**
 - c. Rejection**
 - d. Arbitration**
 - e. Mediation**

Successful Negotiations

- 1. Qualities of a Successful Negotiator**
- 2. The Offer**

Ethics

- 1. Insurance Adjusting Code of Ethics**

Settlement

- 1. Full Release**
- 2. Scheduled Release**
- 3. Payment of Property Damage; Bodily Injury Pending**
- 4. Advance Payment Settlement**
- 5. No Release Settlement**
- 6. Rehabilitation Settlement**

Practices, Duties & Liabilities

- 1. Fiduciary Duty**
- 2. Investigation**
- 3. Claim Management**
- 4. Evaluation**
- 5. Reporting**
- 6. Negotiations**

Fair Credit Reporting / HIPAA / IIPPA

Insurance Fraud

Part VII: Indiana State Regulation

Indiana Adjuster Regulation

- 1. Licensing Requirements**
 - a. Qualifications**
 - b. Resident, Non-resident, Emergency Adjusters**
 - c. Process**
 - d. Examination**
 - e. Fees**
- 2. License Renewal**
 - a. Electronic Process**
 - b. Change of Address**
 - c. Renewal Fee**
 - d. Reinstatement Fee**
- 3. Continuing Education**
 - a. Hours Required**
 - b. Classroom or Self-Study**
- 4. Disciplinary Actions**
 - a. Reporting Requirements**
 - b. Suspension, Revocation, Refusal to Renew**
 - c. Penalties**
- 5. 18 USC 1033**

Indiana Auto Insurance Regulation

- 1. Indiana Motor Vehicle Financial Responsibility Law**
- 2. Required Limits of Liability**
- 3. Assigned Risk Plan**
- 4. Uninsured / Underinsured Motorist**
 - a. Definitions**
 - b. Bodily Injury**
 - c. Property Damage**
 - d. UM / UIM rejection**
 - e. Required Limits**
- 5. Cancellation and Non-renewal**
 - a. Grounds**
 - b. Notice**
 - c. Notice of Eligibility**
- 6. Auto Repair Claims Settlement**