



Pearson
VUE

South Dakota Insurance Licensing

Candidate Handbook

June 2024

STATE LICENSING INFORMATION

Candidates may contact the South Dakota Division of Insurance with questions about obtaining or maintaining a license after the examination has been passed.

South Dakota Division of Insurance
Department of Labor and Regulation
124 S Euclid Ave, 2nd Floor
Pierre, SD 57501

Phone
(605) 773-3563

Website
<https://dlr.sd.gov/insurance>

EXAMINATION INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or about an upcoming examination.

Pearson VUE SDDOI
Attn: Regulatory Program
5601 Green Valley Dr
Bloomington, MN 55437

Phone
(888) 873-6205

Email
pearsonvuecustomerservice@
pearson.com

Website
<https://www.pearsonvue.com/us/en/sd/insurance.html>

QUICK REFERENCE

RESERVATIONS

Before making an examination reservation

Candidates should carefully consider whether to take an exam at a test site or an OnVUE online proctored exam. There are different policies associated with the choice and candidates should familiarize with the processes to make an informed choice.

Candidates should thoroughly review this handbook. It contains examination content outlines and important information regarding eligibility for the examination and the licensing application process.

Making an examination reservation

Candidates may make a reservation by either visiting <https://www.pearsonvue.com/us/en/sd/insurance.html> or calling Pearson VUE.

Candidates are encouraged to make their exam reservation at least twenty-four (24) hours in advance.

Walk-in examinations are not available.

SCHEDULES & FEES

Test Center locations

A list of test centers appears on the final page of this handbook. Candidates should contact Pearson VUE to confirm specific locations and examination schedules.

Exam fees

The examination fee must be paid at the time of reservation by credit card, debit card, or voucher. **Fees will not be accepted at the test center. Examination fees are non-refundable and non-transferable, except as detailed in the Change/Cancel Policy.**

EXAM DAY

What to bring to the exam

Candidates should bring to the examination proper identification as outlined in **What to Bring/Needed for Exam**.

Exam procedures

For candidates taking an online OnVUE exam, the official score report will be available in your Pearson VUE account. Candidates should report to the test center at least fifteen (15) minutes before the examination begins to complete registration. Each candidate will leave the test center with an official score report in hand.

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OVERVIEW

This handbook provides information about the examination and licensing process for obtaining a resident insurance license. For a nonresident license, you can apply online via NIPR at www.nipr.com (or an authorized NIPR business partner) or alternatively you can apply to Sircon at www.Sircon.com/SouthDakota.

The candidate handbook is a useful tool in preparing for an examination.

It is highly recommended that the South Dakota Division of Insurance handbook be reviewed, with special attention given to the content outlines, before taking the examination.

Individuals who wish to obtain an insurance license in the state of South Dakota must:

1. Read the handbook to learn about the examinations and licensing requirements.

2. Make a reservation and pay the examination fee.

Make a reservation either online or by phone with Pearson VUE for the examination.

3. Go to the test center or take your exam online.

Go to the test center on the day of the examination, bringing along all required identification.

You will receive your results immediately after the exam. If you are successful you can apply for your license, if you are unsuccessful you have the option to register and retake the exam again.

4. Apply for a license.

After passing the examination you must wait 2 days before applying online. After 2 days please apply online for your license online at Sircon's Compliance Express, www.sircon.com/southdakota or to NIPR at www.nipr.com.

INTRODUCTION

CONTACT INFORMATION

Candidates may contact Pearson VUE with questions about this handbook or about an upcoming examination.

FOR EXAMINATIONS Pearson VUE/South Dakota Insurance Attn: <i>Regulatory Program Coordinator</i> 5601 Green Valley Dr. Bloomington, MN 55437		
Phone: (888)-873-6205	Website: https://www.pearsonvue.com/us/en/sd/insurance.html	Email: pearsonvuecustomerservice@pearson.com

Live Chat is available to address your support inquiries and is the quickest way to reach a customer service agent. It's available from 8:00 AM through 5:00 PM Central Time, Monday through Friday, subject to change during locally designated holidays.

Please visit <https://www.pearsonvue.com/us/en/sd/insurance.html#contact> for further information.

Candidates may contact the South Dakota Division of Insurance with questions about obtaining or maintaining a license.

FOR STATE LICENSING South Dakota Division of Insurance <i>Department of Labor and Regulation</i> 124 S. Euclid Ave., 2nd Floor Pierre, SD 57501	
Phone: (605) 773-3563	Website: www.dlr.sd.gov/insurance

LICENSURE PROCESS

Licensure is the process by which an agency of state government or other jurisdiction grants permission to individuals to engage in the practice of a particular profession, vocation, or occupation, and prohibits all others from legally practicing that profession. By ensuring a minimum level of competence, the licensure process protects the general public. The state regulatory agency is responsible for establishing the acceptable level of safe practice and for determining whether an individual meets that standard.

The state of South Dakota has commissioned the services of Pearson VUE to develop and administer its insurance licensing examination program. Pearson VUE is a leading provider of assessment services to regulatory agencies and national associations.

PRACTICE TESTS

Practice tests are offered exclusively online at www.pearsonvue.com, giving candidates even more opportunity to succeed on insurance examinations. Our practice tests will not only help prepare candidates for the types of questions they will see on the licensure exam, but also familiarize them with taking computer-based examinations.

Pearson VUE offers practice tests in the areas of Life, Health, and Property and Casualty that contain questions developed by subject matter experts using concepts found in the general portion of the licensure examination. The tests closely reflect the format of the real licensure examination, can be scored instantly, and provide immediate feedback to help candidates identify correct and incorrect answers. Candidates can purchase practice tests anytime at www.pearsonvue.com.

SOUTH DAKOTA LICENSING REQUIREMENTS

The South Dakota Division of Insurance is empowered by SDCL Title 58 to qualify candidates who wish to operate as insurance Producers as defined in the South Dakota Statutes.

Candidates must pass an examination to certify their knowledge of the statutes and regulations affecting the insurance profession as well as the products and services they will sell to the public. To become licensed you must:

Pass the required examination(s) for the type of license you are seeking.

Apply for a license by submitting the appropriate application and fee.

Candidates, once licensed, are also expected to keep informed of any changes in the laws and rules that affect their occupational practice.

Important to Note

Passing an exam does not automatically guarantee that you will be issued a license. The issue of a License is also dependent upon a review and approval of all license application materials.

License application can be made 48 hours (2 days) after successfully passing an exam to allow for the exam results to be uploaded to SIRCON and NIPR.

TYPES OF LICENSES AND REQUIREMENTS

New Resident License Requirements

As a new resident, you may pretest and take South Dakota licensing exams in any Pearson VUE test center nationwide before moving to South Dakota.

Nonresident License Requirements

South Dakota is reciprocal in its licensing of nonresident Producers. Under a reciprocity agreement South Dakota offers Producers licensed in your state the same privileges in South Dakota that match to those that your state offers South Dakota Producers.

Procedures for qualifying as a nonresident Producer are exactly the same as those that your state uses to qualify South Dakota residents who want to represent insurers in your state.

For more information please contact the Division of Insurance for information on licensing requirements that apply.

For more information or an application, go to the NIPR website at www.nipr.com or Sircon at www.sircon.com/southdakota.

EXAM RESERVATIONS

MAKING A RESERVATION

Online reservations are the most efficient way for candidates to schedule their examination. Candidates must go to <https://www.pearsonvue.com/us/en/sd/insurance.html> to make an online reservation for an examination. First-time users are required to create an account. The candidate will need to fill in all required fields, which are preceded by an asterisk (*), on the online form in order to create an ID and be assigned a password. Step-by-step instructions will lead the candidate through the rest of the examination reservation process.

Candidates must make an online reservation at least twenty-four (24) hours before the desired examination date.

Candidates who wish to make a phone reservation at (888) 873-6205 must do so at least twenty-four (24) hours before the desired examination date

Before making a reservation, candidates should have the following:

- Legal name, address, E-mail address, Social Security number, daytime telephone number, and date of birth
- The name of the examination(s)
- The preferred examination date and test center location (a list of test centers appears on the back cover of this handbook)

ALLOWABLE EXAM COMBINATIONS

A separate exam is given for each major line of insurance. There are two exams that can be taken as combination exams, allowing qualification for multiple lines with a single examination. These are a combination of Life, Accident and Health or Sickness and a combination of Property and Casualty.

Combination exams results are presented as one score. For you to be licensed you must pass the complete exam, you cannot be licensed for either single line unless you pass the complete exam.

EXAM FEES

The examination fees are \$85 for an individual exam or \$95 for a combination exam. The fee must be paid at the time of reservation by credit card, debit card, or voucher. **Fees will not be accepted at the test center.** Examination fees are non-refundable and nontransferable, except as detailed in the *Change/Cancel Policy*. The examination fee includes the state of South Dakota administrative fee (\$10 per exam). Credit cards may be used for examination fees paid to Pearson VUE only.

Candidates are responsible for knowing proper examination fees.

Vouchers

Vouchers offer another convenient way to pay for tests. Vouchers can be purchased online at <https://voucherstore.pearsonvue.com/order?clientCode=SDDOI> by credit card either singly or in volume. To redeem a voucher as payment when scheduling a test, simply indicate voucher as the payment method and provide the voucher number. All vouchers are pre-paid. Vouchers are non-refundable and non-returnable.

Vouchers expire twelve (12) months from the date they are issued. Voucher expiration dates cannot be extended. The exam must be taken by the expiration date printed on the voucher.

CHANGE/CANCEL POLICY

Candidates wishing to cancel or reschedule their examination without penalty can do so twenty four (24) hours before the examination.

Candidates can cancel or reschedule their exam online at <https://www.pearsonvue.com/us/en/sd/insurance.html> or can call Pearson VUE at (888)-873-6205 twenty four (24) hours before the examination. Candidates who wish to change or cancel a reservation with proper notice may either transfer their fees to a new reservation or request a refund. Refunds for credit/debit cards are immediate, while refunds for vouchers will be processed in 2-3 weeks. Candidates who change or cancel their reservations without proper notice will be responsible for the examination fee. **Candidates are individually liable for the full amount of the examination fee once a reservation has been made, whether paid individually or by a third party.**

ABSENCE/LATENESS POLICY

Candidates who are late or absent from an exam may call Pearson VUE within 14 days of the exam date to request an excused absence for the following reasons:

- Illness of the candidate or of the candidate's immediate family member
- Death in their immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

A case number will be assigned and instructions provided for emailing supporting documentation. **Candidates absent from or late to an exam who have not changed or canceled the reservation according to the *Change/Cancel Policy* will not be admitted to the exam and will forfeit the exam fee.**

WEATHER DELAYS AND CANCELLATIONS

If severe weather or a natural disaster makes the Pearson VUE test center inaccessible or unsafe, the examination may be delayed or canceled. Pearson VUE will notify and reschedule candidates in the case of severe weather.

ACCOMMODATIONS

Pearson VUE complies with the provisions of the Americans with Disabilities Act as amended. The purpose of accommodations is to provide candidates with full access to the test. Accommodations are not a guarantee of improved performance or test completion.

Pearson VUE provides reasonable and appropriate accommodations to individuals with documented disabilities who demonstrate a need for accommodations.

Test accommodations may include things such as:

- A separate testing room
- Extra testing time
- A Reader or Recorder, for individuals with mobility or vision impairments and cannot read or write on their own

Test accommodations are individualized and considered on a case-by-case basis. All candidates who are requesting accommodations because of a disability must provide appropriate documentation of their condition and how it is expected to affect their ability to take the test under standard conditions. This may include:

- Supporting documentation from the professional who diagnosed the condition, including the credentials that qualify the professional to make this diagnosis
- A description of past accommodations the candidate has received

The steps to follow when requesting test accommodations vary, depending on your test program sponsor. To begin, go to <https://www.pearsonvue.com/us/en/test-takers/accommodations.html>, and then select your test program sponsor from the alphabetized list. Candidates who have additional questions concerning test accommodations may contact the ADA Coordinator at accommodationspearsonvue@pearson.com.

All registrations with accommodations must be rescheduled or canceled through the call center.

AVAILABLE EXAMS

TEST CENTER EXAMS					
SERIES CODE	EXAM NAME	TIME	QUESTIONS	COST	
InsSD_Life41	SD Life Producer	120	90	\$85	
InsSD_Health42	SD Accident & Health or Sickness Producer	120	90	\$85	
InsSD_LAH45	SD Life, Accident & Health or Sickness Producer	150	145	\$95	combo exam
InsSD_Prop43	SD Property Producer	120	90	\$85	
InsSD_Cas44	SD Casualty Producer	120	90	\$85	
InsSD_PropCas46	SD Property & Casualty Producer	150	145	\$95	combo exam
InsSD_Pers53	SD Personal Lines Producer	120	101	\$85	
InsSD_Crop50	SD Crop Producer	60	60	\$85	
InsSD_BB49	SD Bail Bonds Producer	60	50	\$85	

ONLINE EXAMS THROUGH OnVUE					
SERIES CODE	EXAM NAME	TIME	QUESTIONS	COST	
OPSD_Life41	SD Life Producer	120	90	\$85	
OPSD_Health42	SD Accident & Health or Sickness Producer	120	90	\$85	
OPSD_LAH45	SD Life, Accident & Health or Sickness Producer	150	145	\$95	combo exam
OPSD_Prop43	SD Property Producer	120	90	\$85	
OPSD_Cas44	SD Casualty Producer	120	90	\$85	
OPSD_PropCas46	SD Property & Casualty Producer	150	145	\$95	combo exam
OPSD_Pers53	SD Personal Lines Producer	120	101	\$85	
OPSD_Crop50	SD Crop Producer	60	60	\$85	
OPSD_BB49	SD Bail Bonds Producer	60	50	\$85	

The InsSD_BB49 Bail Bonds exam is subject to candidate pre-requisites that are listed below:

- Minimum age of 21
- Be a resident of South Dakota for at least one (1) year
- Complete the Bail Bonds Application process and pay the appropriate fee
- Provide fingerprints certified by an authorized law enforcement officer
- Complete an Authorization and Release form and send it together with payment to the South Dakota Division of Criminal Investigation.

EXAM DAY

REQUIRED MATERIALS

Candidates who do not present the required items will be denied admission to the examination, will be considered absent, and will forfeit the examination fee.

WHAT TO BRING/NEEDED FOR EXAMS

All candidates are required to bring identification that is deemed acceptable, listed under **Acceptable Forms of Candidate Identification**, to the test center on the day of examination.

Acceptable Forms of Candidate Identification

Candidate must present a **valid and unexpired** form of current identification. The primary identification must be government-issued and photo-bearing with a signature. Identification must be in English and exactly match the name you used to register for the exam.

Primary ID (photograph and signature, not expired)

- Government-issued Driver's License
- U.S. Dept. of State Drivers License
- U.S. Learner's Permit (plastic card only with photo and signature)
- National/State/Country Identification Card
- Passport
- Passport card
- Military ID
- Military ID for spouses and dependents
- Alien Registration Card (Green Card, Permanent Resident Visa)

If the ID presented has an embedded signature that is not visible (microchip), difficult or impossible to read, the candidate must present another form of identification from the Primary ID or Secondary ID that contains a visible signature.

Pearson VUE does not recognize grace periods. For example, if a candidate's driver's license expired yesterday and the state allows a 30-day grace period for renewing the ID, the ID is considered to be expired.

EXAM PROCEDURES

At Physical Test Location

Candidates should report to the test center fifteen (15) minutes before the examination and check in with the test center administrator. The candidate's identification and other documentation will be reviewed and they will be photographed for the score report. Candidates are required to review and sign a **Candidate Rules Agreement** form. If the **Candidate Rules Agreement** is not followed and/or cheating or tampering with the examination is suspected it will be reported as such, and the appropriate action will be taken. The examination fee will not be refunded, the exam may be determined invalid, and/or the state may take further action such as prohibiting candidates from retaking the examination and/or denying a license.

Candidates will have an opportunity to take a tutorial on the computer on which the examination will be administered. The time spent on this tutorial will not reduce the examination time. The examination administrators will answer questions, but candidates should be aware that the administrators are not familiar with the content of the examinations or with the state's licensing requirements. Examination administrators have been instructed not to advise candidates on requirements for licensure.

Candidates may begin the examination once they are familiar with the computer. The examination begins the moment a candidate looks at the first examination question. The examination will end automatically after the examination time has expired, and candidates will leave the test center with their official scores in hand.

As part of the admissions procedure, a candidate may be required to confirm their Social Security Number. This is a verification process to ensure that the number matches the number that the candidate registered under and is done to ensure timely delivery of results for the production of licenses.

OnVUE online procedures

If you are testing online and not in a physical Pearson VUE testing location, you should first review the materials and watch the short video at <https://www.pearsonvue.com/us/en/test-takers/onvue-online-proctoring.html> before you begin your online exam.

ABOUT THE EXAM

The content of the general examination is based upon information obtained from a job analysis performed by Pearson VUE. Responses from insurance professionals were analyzed to determine the nature and scope of tasks they perform and the knowledge and skills needed to perform them. This information is the basis upon which examination questions are written and ensures that examinations reflect the practice of insurance. The examination has been developed to reflect the laws, statutes, rules and regulations for the practice of insurance in South Dakota, and has been reviewed and approved by South Dakota insurance professionals.

Pearson VUE maintains examination administration and examination security standards designed to ensure that all candidates are given the same opportunity to demonstrate their abilities and to prevent some candidates from gaining an unfair advantage over others because of testing irregularities or misconduct. Pearson VUE routinely reviews irregularities and examination scores believed to be earned under unusual or nonstandard circumstances.

Pearson VUE maintains the right to question any examination score whose validity is in doubt because the score may have been obtained unfairly. Pearson VUE first undertakes a confidential review of the circumstances contributing to the questions about score validity. Then, if there is sufficient cause to question the score, Pearson VUE will refer the matter to the state licensing agency, which will make the final decision on whether or not to cancel the score.

The performance of all candidates is monitored and may be analyzed statistically for the purpose of detecting and verifying fraud. If it is determined that a score has questionable validity, the Division of Insurance will be so notified and will determine whether the candidate's scores will be released.

SCORE REPORTING

When candidates complete the examination, they will receive a score report marked "pass" or "fail." Candidates who pass the examination will receive a score report that includes information on how to apply for a license.

Candidates who fail the examination will receive a score report that includes a numeric score and diagnostic information relating to the general portion of the examination, as well as information about reexamination. Each examination is divided into two parts: the general section and the state section. Candidates who pass one section of the examination and fail the other need to retake the entire examination.

South Dakota requires that candidates who pass their major line examination must apply within 180 days to be eligible for licensure. Reservations for reexamination cannot be made at the test center. **Candidates must wait 24 hours before making a reexamination reservation.**

REVIEW OF EXAMS

For security reasons, examination material is not available to candidates for review. Exam reviews are not available for an online exam.

By registering for the exam to be delivered online, you will be required to waive the ability to review your examination. Reviews/Playbacks of exams are not available for online delivered exams.

If you would like the ability to review your exam then please register to take the exam at one of the testing centers.

SCORE EXPLANATION

The passing score for the examination is determined by the South Dakota Division of Insurance. Through standardization and control, Pearson VUE ensures that no individual has an unfair disadvantage or advantage because of a particular examination format. For this reason, the passing score for all examinations is reported as a score of 70.

Examination scores range from 0 to 100, but should **not** be interpreted as the percentage or number of correct answers. For example if the passing score is 70, any score below 70 indicates how close the candidate came to passing, not the actual percentage or number of questions answered correctly.

DUPLICATE SCORE REPORTS

To obtain a score report for an exam taken in a physical test center, please complete the form in the back of this handbook. For an exam taken online, please log into your Pearson VUE account to obtain your score report.

QUESTIONS OR COMMENTS ABOUT THE EXAM

For security reasons, examination material is not available to candidates for review. Candidates who have questions, comments, or concerns related to the exams, scoring or score reports, or who wish to verify any data held in Pearson VUE files, should direct written inquiries to Pearson VUE at the address provided on the inside front cover of this handbook. Candidates may also email their questions directly to Pearson VUE Customer Service at pearsonvuecustomerservice@pearson.com.

In all correspondence, candidates should provide their name and address information. If questions or comments concern an examination already taken, candidates should also include:

- the name of the examination
- the date the examination was taken
- the location of the test center

EXAMINATION QUESTIONS

All examination questions, each form of the examination, and any other examination materials are copyrighted and are the property of Pearson VUE. Consequently, any distribution of the examination content or materials through any form of reproduction or oral or written communication is strictly prohibited and punishable by law.

PEARSON VUE TESTING POLICIES

Test Center Location

The following policies are observed at each test center. **Candidates who violate any of these policies will not be permitted to finish the examination and will be dismissed from the test center, forfeiting the examination fee.**

- **No personal items are allowed in the testing room.** Personal items include but are not limited to: cellular phones, hand-held computers or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books, and/or notes, pens or pencils.
- Candidates must store all personal items in a secure area as indicated by the administrator, or return items to their vehicle. All electronic devices must be turned off before storing them in a locker. **The test center is not responsible for lost, stolen, or misplaced personal items.**
- Studying **is not** allowed in the test center. Visitors, children, family or friends **are not** allowed in the test center.
- Dictionaries, books, papers (including scratch paper), and reference materials are not permitted in the examination room (unless permitted by the exam sponsor), and candidates are strongly urged not to bring such materials to the test center. Upon entering and being seated in the testing room, the test administrator will provide the candidate with materials to make notes or calculations and any other items specified by the exam sponsor. **The candidate may not write on these items before the exam begins or remove these items from the testing room.**
- Eating, drinking, chewing gum, smoking, and/or making noise that creates a disturbance for other candidates is prohibited during the exam.
- Break policies are established by the exam sponsor. Most sponsors allow unscheduled breaks. To request an unscheduled break, the candidate **must** raise their hand to get the administrator's attention. **The exam clock will not stop while the candidate is taking a break.**
- Candidates must leave the testing room for all breaks. However, candidates **are not permitted to leave the floor or building for any reason during this time, unless specified by the administrator and the exam sponsor.** If a candidate is discovered to have left the floor or building they will not be permitted to proceed with the examination and may forfeit the exam fees.

- While taking a break, candidates are permitted to access personal items that are being stored during the exam only if necessary— for example, personal medication that must be taken at a specific time. **However, a candidate must receive permission from the administrator prior to accessing personal items that have been stored.** Candidates are **not** allowed access to other items, including but not limited to, cellular phones, exam notes, and study guides, unless the exam sponsor specifically permits this.
- Any candidate discovered causing a disturbance of any kind or engaging in any kind of misconduct—giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing examination materials or notes from the examination room—will be summarily dismissed from the examination and will be reported to the state licensing agency. Decisions regarding disciplinary measures are the responsibility of the state licensing agency.

OnVUE Testing

There are a few simple requirements for candidates to take an OnVUE online proctored exam:

- Quiet, private location
- Reliable device with a webcam
- Strong internet connection

For more information, please go to <https://www.pearsonvue.com/us/en/test-takers/onvue-online-proctoring.html>.

RETAKE REQUIREMENTS

Candidates that are unsuccessful in passing their examination do have the option to retake after 24 hours after their last attempt. The retake is scheduled in the same way and the candidate will be required to pay another exam fee.

Retake Rules

For the Bail Bonds exam there is an exclusion period of one (1) year should you fail this exam and wish to retake it.

PREPARING FOR THE EXAMINATION

HELPFUL HINTS

Testing in a physical Pearson VUE testing location

- Double check physical address to ensure you can arrive 30 minutes prior to your exam time.
- Ensure you have the proper identification for exam entrance.

OnVUE testing

- If you are testing online and not in a physical Pearson VUE testing location, you should first review the materials and watch the short video at <https://www.pearsonvue.com/us/en/test-takers/onvue-online-proctoring.html> before you begin your online exam.
- Please familiarize yourself with the disciplines expected of a candidate testing online. This would include remaining in screen view of the proctor during the entire session, workspace preparation, cell phones being placed out of reach and general candidate behaviors.
- There are no unscheduled breaks in the exam therefore be prepared to commit your full time and attention during the entire exam to avoid the exam being revoked.

Candidates are advised to review the content outlines and base their studies upon the guidelines and information given in this handbook.

South Dakota Division of Insurance does not endorse an official study material. Candidates are free to use whatever materials or study guides they believe is appropriate to the content outlines.

There are manuals produced by various training providers and publishers to assist candidates specifically in preparing for license exams. These can be ordered from the following vendors:

1st Dakota Academy

2601 South Minnesota Avenue, Suite 105-244

Sioux Falls, SD 57105

Phone: 605.941.1847

Web: www.1stdakins.com

Enterprise Insurance Training

8100 Sandpiper Circle, Suite 108

Nottingham, MD 21236

Phone: 800.777.0490

Web: etrainingschool.com

ExamFX

11161 Overbook Road

Leawood, KS 66211

Phone: 800.586.2253

Insurance Training Associates, LLC

Phone: 833.872.1663

Web: itaamerica.com

Kaplan Financial

332 Front Street, Suite 555

La Crosse, WI 54601

Phone: 800.824.8742

Web: kaplanfinancial.com

National Online Insurance School

Phone: 888.770.3681

Web: nationalonlineinsuranceschool.com

WebCE

12222 Merit Drive, Suite 500

Dallas, TX 75251

Phone: 877.488.9308

Web: webce.com

XCEL Solutions, LLC

218 Liberty Street

Warren, PA 16365

Phone: 888.559.9235

Web: xcelsolutions.com

South Dakota Statutes. The exams contain sections on South Dakota statutes. In addition to your study material, you may wish to consult the statutes on the Division's website at <https://dlr.sd.gov/insurance/laws>.

Bail Bonds Materials. If you are taking the Bail Bonds exam, suggested study materials include:

- Title 58, Chapter 22 of South Dakota Codified Laws
- A bonds manual from the insurer
- General Insurance outline in the study manuals
- A bail bonds policy

LIFE-GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts

(50 scored plus 5 pretest questions)

I. TYPES OF POLICIES 15

A. Traditional whole life products

1. Ordinary whole life
2. Limited-pay and single-premium life

B. Interest/market-sensitive/adjustable life products

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life
5. Indexed life

C. Term life

1. Types
 - a. Level
 - b. Decreasing
 - c. Return of premium
 - d. Annually renewable
2. Special features
 - a. Renewable
 - b. Convertible

D. Annuities

1. Single and flexible premium
2. Immediate and deferred
3. Fixed and variable
4. Indexed
5. Accumulation and Annuity Periods
6. Payout options

E. Combination plans and variations

1. Joint life (first to die)
2. Survivorship life (second to die)

II. LIFE PROVISIONS, RIDER, OPTIONS, AND EXCLUSIONS 15

A. Policy riders

1. Waiver of premium and waiver of monthly deduction
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds
7. Long term care
8. Return of premium
9. Disability
10. Cost of Living

B. Policy provisions and options

1. Entire contract
2. Insuring clause
3. Free look
4. Consideration
5. Owner's rights

6. Beneficiary designations

- a. Primary and contingent
- b. Revocable and irrevocable
- c. Common disaster
- d. Minor beneficiaries
- e. Designation by class

7. Premium Payment

- a. Modes
- b. Grace period
- c. Automatic premium loan
- d. Level or flexible

8. Reinstatement

9. Policy loans, withdrawals, partial surrenders

10. Non-forfeiture options

11. Dividends and dividend options (e.g. participating, non-participating)

12. Incontestability

13. Assignments

14. Suicide

15. Misstatement of age and gender

16. Settlement options

17. Accelerated death benefits

C. Policy exclusions

1. War
2. Aviation
3. Dangerous Occupation

III. COMPLETING THE APPLICATION, UNDERWRITING, AND DELIVERING THE POLICES..... 12

A. Completing the application

1. Required signatures
2. Changes in the application
3. Consequences of incomplete applications
4. Warranties and representations
5. Collecting the initial premium and issuing the receipt
6. Replacement
7. Disclosures at point of sale (e.g., HIPAA, HIV consent)
8. USA PATRIOT Act/anti-money laundering
9. Gramm-Leach-Bliley Act (GLBA) Privacy

B. Underwriting

1. Insurable interest
2. Medical information and consumer reports
3. Fair Credit Reporting Act
4. Risk classification
5. Stranger/Investor-owned life insurance (STOLI/IOLI)

C. Delivering the policy

1. When coverage begins
2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client

D. Contract law

1. Elements of a contract
 - a. Consideration
 - b. Offer and Acceptance
 - c. Competent parties
 - d. Legal purpose

2. Unique aspects of the insurance contract
 - a. Conditional
 - b. Unilateral
 - c. Adhesion
 - d. Aleatory

IV. RETIREMENT AND OTHER INSURANCE CONCEPTS . 8

A. Third-party ownership

B. Life Settlements

C. Group life insurance

1. Conversion privilege
2. Contributory vs. noncontributory

D. Retirement plans

1. Qualified plans
2. Nonqualified plans

E. Life insurance needs analysis/suitability

1. Personal insurance needs
2. Business insurance needs
 - a. Key person
 - b. Buy sell

F. Social Security benefits

G. Tax treatment of insurance premiums, proceeds, and dividends

1. Individual life
2. Group life
3. Modified Endowment Contracts (MECs)

- a. Exemptions/Exceptions
- b. License denial
3. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Renewal/Nonrenewal
 - d. Record maintenance
 - e. License suspension/ revocation/refusal to issue or renew
 - f. Reporting of actions
 - g. Assumed business name
 - h. Inactivity due to military service
 - i. Inactivity due to extenuating circumstances
 - j. Reinstatement, continuation, termination
4. Appointments
 - a. Termination of appointment

D. Producer responsibilities

Ref: 58-30-194, 171 through 75, Bulletin 13-04, ARSD 20:06:18:21, 58-30-196, 58-33-66

1. Fiduciary responsibilities
2. Commissions, compensation, fees
3. Reporting of felonies and crimes of moral turpitude
4. Influence of witnesses
5. Response to Division inquiries

E. Life and Health Insurance Guaranty Association

Ref: 58-29C-62

1. Purpose and disclaimer
2. Advertising

F. Marketing practices

Ref: 58-11-55; 58-14-31; 58-30-90, 92; 58-33-5, 6, 7, 8, 11, 13.1, 14, 15, 24, 25, 26, 32, 35, 36, 37, 56, 76, 77, 78, 125; ARSD 20:08:07:27; Bulletin 13-04

1. Unfair practices
 - a. Boycott, coercion, intimidation
 - b. Commingling
 - c. Controlled business
 - d. Defamation
 - e. False advertising
 - f. Illegal inducement
 - g. Misrepresentation
 - h. Rebating
 - i. Twisting
 - j. Unfair discrimination
 - k. Acting without a license
 - l. Larceny
 - m. Prohibited fees/ premiums/ extra charges
 - n. Loans
 - o. Notification of suspected fraud
2. Unfair claims settlement practices

G. Policy delivery and receipt

Ref: 58-15-8.2

H. Insurance Fraud Regulation

Ref: 58-4A-1-17

II. SD STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE INSURANCE ONLY.....8

A. Marketing practices

Ref: 58-10-3-6, 58-33-117 through 130; Reg Ch. 20:06:10:02-20, 20:06:38:01-23

1. Advertising and sales
 - a. Advertising
 - b. Illustrations
 - c. Insurable Interest

**LIFE
SOUTH DAKOTA SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations
(25 scoreable questions plus 5 pretest questions)

I. SD STATUTES, RULES, AND REGULATIONS

COMMON TO LIFE, ACCIDENT AND HEALTH, PROPERTY, AND CASUALTY INSURANCE.....17

A. Director of Insurance

Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01

1. Duties and powers
2. Examination of records
3. Hearings/notice of hearings
4. Penalties (and fines)
5. Cease and desist orders

B. Insurance Definitions

Ref: 58-1-2; 58-6-1, 2, 12, 13; 58-37A-1

1. Acts constituting an insurance transaction
2. Domestic, foreign and alien company
3. Fraternal
4. Authorized and unauthorized companies
5. Stock and mutual companies
6. Certificate of authority

C. Licensing

Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115 through 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18

1. Types of licenses
 - a. Producer
 - b. Resident/Nonresident
 - c. Temporary license
 - d. Business entity
2. Qualifications for obtaining a license

- d. Nonforfeiture Law
- 2. Military sales
- B. Policy replacement**
Ref: Reg. 20:06:08:60 through 63
 - 1. Purpose
 - 2. Definitions
 - 3. Exemptions
 - 4. Duties of producer
 - 5. Duties of replacing insurance company
- C. Individual life and annuity**
Ref: 58-11-36, 58-12-4, 58-15-8.1, 13, 15.6 through 15.11
 - 1. Free Look
 - 2. Grace period
 - 3. Policy Loans
 - 4. Assignment
- D. Group Life**
Ref: 58-11-36; 58-12-4; 58-16-4 thur 6, 39-41; HB 1194
 - 1. Group underwriting requirements
 - 2. Conversion to individual Policy
 - 3. Dependent Coverage
 - 4. Assignment
- E. Annuities**
Ref: SDCL 58-33A; 1-11-4.1 & 2; Reg. 20:06:07:03, 08
 - 1. Suitability and best interest
 - 2. Consumer Protection
 - 3. Regulation of variable products (SEC, FINRA and South Dakota)

HEALTH-GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts (50 scored plus 5 pretest questions)

- I. TYPES OF POLICIES 16**
 - A. Disability income**
 - 1. Individual disability income policy
 - 2. Business overhead expense policy
 - 3. Business disability buyout policy
 - 4. Group disability income policy
 - 5. Key employee policy
 - B. Accidental death and dismemberment**
 - C. Medical expense insurance**
 - 1. Basic hospital, medical, and surgical policies
 - 2. Major medical policies
 - 3. Health Maintenance Organizations (HMOs)
 - 4. Preferred Provider Organizations (PPOs)
 - 5. Point of Service (POS) plans
 - 6. Flexible Spending Accounts (FSAs)
 - 7. High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)
 - 8. Health Reimbursement Accounts (HRAs)
 - D. Medicare supplement policies**
 - E. Group insurance**
 - 1. Differences between individual and group contracts
 - 2. General characteristics
 - 3. COBRA
 - F. Individual/Group Long Term Care (LTC)**
 - 1. Eligibility
 - 2. Levels of care
 - G. Other policies**
 - 1. Dental
 - 2. Vision
 - 3. Cancer

- 4. Critical illness or specified disease
- 5. Worksite (employer-sponsored)
- 6. Hospital indemnity
- 7. Short-term medical
- 8. Accident

II. POLICY PROVISIONS, CLAUSES, AND RIDERS 15

A. Mandatory and optional provisions

- 1. Entire contract
- 2. Time limit on certain defenses (incontestable)
- 3. Grace period
- 4. Reinstatement
- 5. Notice of claim
- 6. Claim forms
- 7. Proof of loss
- 8. Time of payment of claims
- 9. Payment of claims
- 10. Physical examination and autopsy
- 11. Legal actions
- 12. Change of beneficiary
- 13. Misstatement of age or sex
- 14. Change of occupation
- 15. Illegal occupation
- 16. Relation of earnings to insurance

B. Other provisions and clauses

- 1. Insuring clause
- 2. Free look
- 3. Consideration clause
- 4. Probationary period
- 5. Elimination period
- 6. Waiver of premium
- 7. Exclusions and limitations
- 8. Preexisting conditions
- 9. Coinsurance
- 10. Deductibles
- 11. Eligible expenses
- 12. Copayments
- 13. Pre-authorizations and prior approval requirements
- 14. Usual, reasonable, and customary (URC) charges
- 15. Lifetime, annual, or per cause maximum benefit limits

C. Riders

- 1. Impairment/exclusions
- 2. Guaranteed insurability
- 3. Future increase option

D. Rights of renewability

- 1. Noncancelable
- 2. Cancelable
- 3. Guaranteed renewable

III. SOCIAL INSURANCE 6

A. Medicare (Parts A, B, C, D)

B. Medicaid

C. Social Security benefits

IV. OTHER INSURANCE CONCEPTS 5

A. Total, partial, recurrent and residual disability

B. Owner's rights

C. Dependent children benefits

D. Primary and contingent beneficiaries

E. Modes of premium payments

F. Nonduplication and coordination of benefits (e.g., primary vs. excess)

G. Occupational vs. non-occupational

- H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)
- I. Managed care
- J. Workers Compensation
 - 1. Impact on health insurance benefits
- K. Subrogation
- L. Cost containment

V. FIELD UNDERWRITING PROCEDURES 8

- A. Completing the application
- B. Explaining sources of insurability and HIPAA privacy information (e.g., MIB Report, Fair Credit Reporting Act, etc.)
- C. Initial premium payment and receipt and consequences of the receipt (e.g., medical examination, etc.)
- D. Submitting application (and initial premium if collected) to company for underwriting
- E. Policy delivery
- F. Explaining policy and its provisions, riders, exclusions, and ratings to clients
- G. Replacement
- H. Contract law
 - 1. Elements of a contract
 - 2. Insurable interest
 - 3. Warranties and representations
 - 4. Unique aspects of the insurance contract
 - a. Conditional
 - b. Unilateral
 - c. Adhesion
 - d. Aleatory

- a. Producer
- b. Resident/Nonresident
- c. Temporary license
- d. Business entity
- 2. Qualifications for obtaining a license
 - a. Exemptions/Exceptions
 - b. License denial
- 3. Maintaining a license
 - a. Continuing education
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 - a. Boycott, coercion, intimidation
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 - m. Prohibited fees/ premiums/ extra charges
 - n. Loans
 - o. Notification of suspected fraud
- 2. Unfair claims settlement practices

G. Policy delivery and receipt

Ref: 58-15-8.2

H. Insurance Fraud Regulation

Ref: 58-4A-1-17

II. SD STATUTES, RULES, AND REGULATIONS PERTINENT TO ACCIDENT AND HEALTH INSURANCE ONLY.....17

A. South Dakota requirements (individual and group)

**ACCIDENT & HEALTH
SOUTH DAKOTA SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(25 scoreable questions plus 5 pretest questions)

I. SD STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, ACCIDENT AND HEALTH, PROPERTY, AND CASUALTY INSURANCE..... 8

A. Director of Insurance

Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01

- 1. Duties and powers
- 2. Examination of records
- 3. Hearings/notice of hearings
- 4. Penalties (and fines)
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Ref: 58-1-2; 58-6-1, 2, 12, 13; 58-37A-1

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- 2. Domestic, foreign and alien company
- 3. Fraternal
- 4. Authorized and unauthorized companies
- 5. Stock and mutual companies
- 6. Certificate of authority

C. Licensing

Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115 through 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18

- 1. Types of licenses

Ref. 58-17-2, 30.1 through 30.7

1. Eligibility requirements
 - a. Family coverage
 - b. Intellectual or physical disability coverage
 - c. Newborn child coverage
 - d. Dependent coverage
2. Benefit offers
 - a. Alcoholism treatment coverage and benefit limitations
 - b. Chiropractor
 - c. Diabetes
3. Advertising

B. Employer group Health insurance

Ref. 58-17-2.2; 58-18-7, 7.5, 7.18

1. Continuation of coverage under COBRA and South Dakota Specific Rules
2. Conversion including, divorce, cancellation, or nonrenewal

C. Medicare Supplement Insurance

1. South Dakota regulations and required provisions
Ref. 58-17A-3, 3.2, 14; Reg. 20:06:13:28, 31.03, 32, 35, 37, 43, 43.01 through 43.03, 44, 45, 53, 58, 60
 - a. Delivery of buyer's guide
 - b. Delivery of Outline of Coverage
 - c. Replacement requirements
 - d. Refund
 - e. Pre-existing conditions
 - f. Right to examine (Free Look)
 - g. Overinsurance prohibited
 - h. Suitability
 - i. Misrepresentation
 - j. Failure to provide forms
 - k. Prohibited marketing practices
 - l. Duplication of coverage prohibited
 - m. Cancellation or nonrenewal
2. Medicare SELECT

Ref, Reg. 20:06:13:63 through 76

D. Long-term Care Policies

Ref. 28-6-37, 38, 58-17B-6, 9, 10, 12, 13; Reg 20:06:21:01, 04, 06, 06.01, 31 through 33, 53, 53.01 through 53.05, 54, 76 through 81

1. LTC Partnerships, definitions & Deficit Reduction Act of 2005
2. Exclusions
3. Advertising
4. Marketing Standards
5. Right to Return (free look)
6. Cost-of-Living Adjustments
7. Pre-existing conditions
8. Outline of Coverage
9. Activities of daily living (ADLs)
10. Appropriate of recommended purchase or replacement
11. Shopper's guide
12. Suitability
13. Rate stabilization

E. Small employer medical plans

Ref. 58-18B-1(11), 20, 23, 37, 38, 44

1. Definition of small employer
2. Benefit plans offered
3. Availability of coverage
4. Prohibited Activities

F. ACA (Affordable Care Act)

1. On-exchange versus off exchange
2. Subsidized versus non subsidized
3. Eligibility
 - a. Medicare/Medicaid
 - b. Advance premium tax credits
 - c. Cost sharing reductions
4. Essential Health Benefits (EHBs)
 - a. No lifetime/annual limits
 - b. Benchmark plan
 - c. Mental health and substance abuse
5. Qualified Health Plan
6. Actuarial value
7. Levels of coverage (metal tiers)
8. Special enrollment periods
9. Minimum essential coverage
 - a. Tax penalties
 - b. Hardship exemption
 - c. Catastrophic plan
10. Rating structures
11. External review
12. Qualifying events
13. Guaranteed Issue
 - a. No health underwriting
 - b. No pre-existing conditions
 - c. No waiting periods
 - d. Guaranteed renewability/re-enrollment
14. Dependents
 - a. Age limits
 - b. Dependent continuation
15. Emergency care
16. Preventative benefits
17. Pediatric dental and vision
18. Requirements for termination
 - a. Rescission
19. Network
 - a. Adequacy
 - b. Design
 - c. Narrow
 - d. Provider directory
20. Formulary
21. Marketing
 - a. Summary of benefits and coverage
 - b. Plan brochures
 - c. Federal marketplace
22. Navigators

**LIFE, ACCIDENT, AND HEALTH -
GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms and Concepts

(100 scoreable questions plus 10 pretest questions)

I. TYPES OF LIFE POLICIES.....15

A. Traditional whole life products

1. Ordinary whole life
2. Limited-pay and single-premium life

B. Interest/market-sensitive/adjustable life products

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life
5. Indexed life

C. Term life

- 1. Types
 - a. Level
 - b. Decreasing
 - c. Return of premium
 - d. Annually renewable
- 2. Special features
 - a. Renewable
 - b. Convertible

D. Annuities

- 1. Single and flexible premium
- 2. Immediate and deferred
- 3. Fixed and variable
- 4. Indexed
- 5. Accumulation and Annuity Periods
- 6. Payout options

E. Combination plans and variations

- 1. Joint life (first to die)
- 2. Survivorship life (second to die)

II. LIFE PROVISIONS, RIDERS, OPTIONS, AND EXCLUSIONS 15

A. Policy riders

- 1. Waiver of premium and waiver of monthly deduction
- 2. Guaranteed insurability
- 3. Payor benefit
- 4. Accidental death and/or accidental death and dismemberment
- 5. Term riders
- 6. Other insureds
- 7. Long term care
- 8. Return of premium
- 9. Disability
- 10. Cost of Living

B. Policy provisions and options

- 1. Entire contract
- 2. Insuring clause
- 3. Free look
- 4. Consideration
- 5. Owner's rights
- 6. Beneficiary designations
 - a. Primary and contingent
 - b. Revocable and irrevocable
 - c. Common disaster
 - d. Minor beneficiaries
 - e. Designation by class
- 7. Premium Payment
 - a. Modes
 - b. Grace period
 - c. Automatic premium loan
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- 14. Suicide
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- 17. Accelerated death benefits

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- 3. Dangerous Occupation

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- 2. Medical information and consumer reports
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- 2. Nonqualified plans

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- 1. Personal insurance needs
- 2. Business insurance needs
 - a. Key person
 - b. Buy sell

G. Social Security benefits

H. Tax treatment of insurance premiums, proceeds, and dividends

- 1. Individual life
- 2. Group life
- 3. Modified Endowment Contracts (MECs)

V. TYPES OF HEALTH POLICIES16

A. Disability income

1. Individual disability income policy
2. Business overhead expense policy
3. Business disability buyout policy
4. Group disability income policy
5. Key employee policy

B. Accidental death and dismemberment

C. Medical expense insurance

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F. Individual/Group Long Term Care (LTC)

1. Eligibility
2. Levels of care

G. Other policies

1. Dental
2. Vision
3. Cancer
4. Critical illness or specified disease
5. Worksite (employer-sponsored)
6. Hospital indemnity
7. Short-term medical
8. Accident

VI. HEALTH POLICY PROVISIONS, CLAUSES, AND RIDERS..... 15

A. Mandatory and optional provisions

1. Entire contract
2. Time limit on certain defenses (incontestable)
3. Grace period
4. Reinstatement
5. Notice of claim
6. Claim forms
7. Proof of loss
8. Time of payment of claims
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12. Change of beneficiary
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16. Relation of earnings to insurance

B. Other provisions and clauses

1. Insuring clause
2. Free look
3. Consideration clause
4. Probationary period
5. Elimination period
6. Waiver of premium
7. Exclusions and limitations
8. Preexisting conditions
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1. Impairment/exclusions
2. Guaranteed insurability
3. Future increase option

D. Rights of renewability

1. Noncancelable
2. Cancelable
3. Guaranteed renewable

VII. SOCIAL INSURANCE6

A. Medicare (Parts A, B, C, D)

B. Medicaid

C. Social Security benefits

VIII. OTHER INSURANCE CONCEPTS.....5

A. Total, partial, recurrent and residual disability

B. Owner's rights

C. Dependent children benefits

D. Primary and contingent beneficiaries

E. Modes of premium payments

F. Nonduplication and coordination of benefits (e.g., primary vs. excess)

G. Occupational vs. non-occupational

H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)

I. Managed care

J. Workers Compensation

K. Subrogation

L. Cost containment

IX. FIELD UNDERWRITING PROCEDURES8

A. Completing the application

B. Explaining sources of insurability and HIPAA privacy information (e.g., MIB Report, Fair Credit Reporting Act, etc.)

C. Initial premium payment and receipt and consequences of the receipt (e.g., medical examination, etc.)

D. Submitting application (and initial premium if collected) to company for underwriting

E. Policy delivery

F. Explaining policy and its provisions, riders, exclusions, and ratings to clients

G. Replacement

H. Contract law

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2. Insurable interest
3. Warranties and representations
4. Unique aspects of the insurance contract
 - a. Conditional
 - b. Unilateral
 - c. Adhesion
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LIFE AND ACCIDENT & HEALTH SOUTH DAKOTA SPECIFIC CONTENT OUTLINE

State Statutes, Rules and Regulations

(30 scoreable questions plus 5 pretest questions)

I. SD STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, ACCIDENT AND HEALTH, PROPERTY, AND CASUALTY INSURANCE..... 8

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Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01

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2. Domestic, foreign and alien company
3. Fraternal
4. Authorized and unauthorized companies
5. Stock and mutual companies
6. Certificate of authority

C. Licensing

Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115 through 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18

1. Types of licenses
 - a. Producer
 - b. Resident/Nonresident
 - c. Temporary license
 - d. Business entity
2. Qualifications for obtaining a license
 - a. Exemptions/Exceptions
 - b. License denial
3. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Renewal/Nonrenewal
 - d. Record maintenance
 - e. License suspension/ revocation/refusal to issue or renew
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 - h. Inactivity due to military service
 - i. Inactivity due to extenuating circumstances
 - j. Reinstatement, continuation, termination
4. Appointments
 - a. Termination of appointment

D. Producer responsibilities

Ref: 58-30-194, 171 through 75, Bulletin 13-04, ARSD 20:06:18:21, 58-30-196, 58-33-66

1. Fiduciary responsibilities
2. Commissions, compensation, fees
3. Reporting of felonies and crimes of moral turpitude
4. Influence of witnesses
5. Response to Division inquiries

E. Life and Health Insurance Guaranty Association

Ref: 58-29C-62

1. Purpose and disclaimer
2. Advertising

F. Marketing practices

Ref: 58-11-55; 58-14-31; 58-30-90, 92; 58-33-5, 6, 7, 8, 11, 13.1, 14, 15, 24, 25, 26, 32, 35, 36, 37, 56, 76, 77, 78, 125; ARSD 20:08:07:27; Bulletin 13-04

1. Unfair practices
 - a. Boycott, coercion, intimidation
 - b. Commingling
 - c. Controlled business
 - d. Defamation
 - e. False advertising
 - f. Illegal inducement
 - g. Misrepresentation
 - h. Rebating
 - i. Twisting
 - j. Unfair discrimination
 - k. Acting without a license
 - l. Larceny
 - m. Prohibited fees/ premiums/ extra charges
 - n. Loans
 - o. Notification of suspected fraud
2. Unfair claims settlement practices

G. Policy delivery and receipt

Ref: 58-15-8.2

H. Insurance Fraud Regulation

Ref: 58-4A-1-17

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2. Definitions
3. Exemptions
4. Duties of producer
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C. Individual life and annuity

Ref: 58-11-36, 58-12-4, 58-15-8.1, 13, 15.6 through 15.11

1. Free Look
2. Grace period
3. Policy Loans
4. Assignment

D. Group Life

Ref: 58-11-36; 58-12-4; 58-16-4 thru 6, 39-41; HB 1194

1. Group underwriting requirements
2. Conversion to individual Policy
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E. Annuities

Ref: SDCL 58-33A; 1-11-4.1 & 2; Reg. 20:06:07:03, 08

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 - b. Intellectual or physical disability coverage
 - c. Newborn child coverage
 - d. Dependent coverage
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 - a. Alcoholism treatment coverage and benefit limitations
 - b. Chiropractor
 - c. Diabetes
3. Advertising

B. Employer group Health insurance

Ref. 58-17-2.2; 58-18-7, 7.5, 7.18

1. Continuation of coverage under COBRA and South Dakota Specific Rules
2. Conversion including, divorce, cancellation, or nonrenewal

C. Medicare Supplement Insurance

1. South Dakota regulations and required provisions

Ref. 58-17A-3, 3.2, 14; Reg. 20:06:13:28, 31.03, 32, 35, 37, 43, 43.01 through 43.03, 44, 45, 53, 58, 60

- a. Delivery of buyer's guide
- b. Delivery of Outline of Coverage
- c. Replacement requirements
- d. Refund
- e. Pre-existing conditions
- f. Right to examine (Free Look)
- g. Overinsurance prohibited
- h. Suitability
- i. Misrepresentation
- j. Failure to provide forms
- k. Prohibited marketing practices
- l. Duplication of coverage prohibited
- m. Cancellation or nonrenewal

2. Medicare SELECT

Ref, Reg. 20:06:13:63 through 76

D. Long-term Care Policies

Ref. 28-6-37, 38, 58-17B-6, 9, 10, 12, 13; Reg 20:06:21:01, 04, 06, 06.01, 31 through 33, 53, 53.01 through 53.05, 54, 76 through 81

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 - c. Cost sharing reductions
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 - b. Benchmark plan
 - c. Mental health and substance abuse
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6. Actuarial value
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8. Special enrollment periods
9. Minimum essential coverage
 - a. Tax penalties
 - b. Hardship exemption
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10. Rating structures
11. External review
12. Qualifying events
13. Guaranteed Issue
 - a. No health underwriting
 - b. No pre-existing conditions
 - c. No waiting periods
 - d. Guaranteed renewability/re-enrollment
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 - a. Age limits
 - b. Dependent continuation
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 - a. Rescission
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 - a. Adequacy
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 - c. Narrow
 - d. Provider directory
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B. Dwelling policies

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

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

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

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- 2. Strict
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H. Mortgagee rights

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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

**PROPERTY
SOUTH DAKOTA SPECIFIC
CONTENT OUTLINE**

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(25 scoreable questions plus 5 pretest questions)

**I. SD STATUTES, RULES, AND REGULATIONS
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A. Director of Insurance

Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01

- 1. Duties and powers
- 2. Examination of records
- 3. Hearings/notice of hearings
- 4. Penalties (and fines)
- 5. Cease and desist orders

B. Insurance Definitions

Ref: 58-1-2; 58-6-1, 2, 12, 13; 58-37A-1

- 1. Acts constituting an insurance transaction
- 2. Domestic, foreign and alien company
- 3. Fraternal
- 4. Authorized and unauthorized companies insurer
- 5. Stock and mutual companies
- 6. Certificate of authority

C. Licensing

Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115 through 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18

- 1. Types of licenses
 - a. Producer
 - b. Resident/Nonresident
 - c. Temporary license
 - d. Business entity
- 2. Qualifications for obtaining a license
 - a. Exemptions/Exceptions

- b. License denial
- 3. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Renewal/Nonrenewal
 - d. Record maintenance
 - e. License suspension/ revocation/refusal to issue or renew
 - f. Reporting actions
 - g. Assumed business name
 - h. Inactivity due to military service
 - i. Inactivity due to extenuating circumstances
 - j. Reinstatement, continuation, termination
- 4. Producer appointment
 - a. Termination of contract

D. Producer responsibilities

Ref: 58-30-194, 171 through 75, Bulletin 13-04, ARSD 20:06:18:21, 58-30-196, 58-33-66

- 1. Fiduciary responsibilities
- 2. Commissions, compensation, fees
- 3. Reporting of felonies and crimes of moral turpitude
- 4. Influence of witnesses
- 5. Response to Division inquiries

E. Insurance Guaranty Association

Ref: 58-29A-54 through 109

- 1. Purpose and disclaimer

F. Marketing practices

Ref: 58-11-55; 58-14-31; 58-30-90, 92; 58-33-5, 6, 7, 8, 11, 13.1, 14, 15, 24, 25, 26, 32, 35, 36, 37, 56, 76, 77, 78, 125; ARSD 20:08:07:27; Bulletin 13-04

- 1. Unfair practices
 - a. Boycott, coercion, intimidation
 - b. Commingling
 - c. Controlled business
 - d. Defamation
 - e. False advertising
 - f. Illegal inducement
 - g. Misrepresentation
 - h. Rebating
 - i. Twisting
 - j. Unfair discrimination
 - k. Acting without a license
 - l. Larceny
 - m. Prohibited fees/ premiums/ extra charges
 - n. Loans
 - o. Notification of suspected fraud
- 2. Unfair claims settlement practices

G. Policy delivery and receipt

Ref: 58-15-8.2

H. Insurance Fraud Regulation

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A. Binders

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- 1. Evidence of insurance

B. Suit against insurer

Ref: 15-2-13(1)

C. Rating

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D. Certificate of Insurance

E. South Dakota Valued Policy Law

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- 1. Flood Insurance Rate Map (FIRM)

G. Marine and Transportation Insurance

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Product Knowledge, Terms and Concepts

(50 scored plus 5 pretest questions)

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- 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. Garage 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
- 6. Liquor liability

G. Umbrella/Excess Liability

H. Business Owners Policy (BOP)

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

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

III. POLICY PROVISIONS 12

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)

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SOUTH DAKOTA SPECIFIC
CONTENT OUTLINE**

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Ref: 58-29A-54 through 109

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Ref: 58-11-55; 58-14-31; 58-30-90, 92; 58-33-5, 6, 7, 8, 11, 13.1, 14, 15, 24, 25, 26, 32, 35, 36, 37, 56, 76, 77, 78, 125; ARSD 20:08:07:27; Bulletin 13-04

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Ref: 58-11-29 through 31

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B. Suit against insurer

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C. Rating

Ref: 58-24-1, 5

D. Certificate of Insurance

E. South Dakota Automobile Insurance Plan (Assigned Risk)

Ref: 58-11-57

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Ref: 58-1-14, 15; 58-1-45; 58-20-14; 58-33-61

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- 2. Proof of financial responsibility
- 3. Cancellation and nonrenewal

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GENERAL KNOWLEDGE
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(50 scored plus 5 pretest questions)

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- 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

C. Commercial lines

- 1. Commercial Package Policy (CPP)
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 - b. Causes of loss forms
 - c. Business income
 - d. Extra expense
 - e. Equipment breakdown
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- 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

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- 1. Law of Large Numbers

B. Insurable interest

C. Risk

- 1. Pure vs. Speculative Risk

D. Hazard

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

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K. Limits of liability

L. Coinsurance/Insurance to value

M. Occurrence

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Q. Liability

1. Absolute
2. Strict
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R. Negligence

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U. Blanket vs. Specific

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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

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 - a. Premises and Operations
 - b. Products and Completed Operations
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 - 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
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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. Garage Coverage Form, including Garagekeepers Insurance
9. Exclusions
10. Individual Insured and Drive Other Car (DOC)

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

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2. Work-related vs. non-work-related
3. Other states' insurance
4. Employers Liability
5. Exclusive remedy
6. Premium Determination

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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
6. Liquor liability

G. Umbrella/Excess Liability

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3. Physical

C. Indemnity

D. Insurable interest

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- 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

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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
SOUTH DAKOTA-SPECIFIC
CONTENT OUTLINE**

State Statutes, Rules and Regulations

(30 scoreable questions plus 5 pretest questions)

I. SD STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, ACCIDENT AND HEALTH, PROPERTY, AND CASUALTY INSURANCE.....18

A. Director of Insurance

Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01

- 1. Duties and powers
- 2. Examination of records
- 3. Hearings/notice of hearings
- 4. Penalties (and fines)
- 5. Cease and desist orders

B. Insurance Definitions

Ref: 58-1-2; 58-6-1, 2, 12, 13; 58-37A-1

- 1. Acts constituting an insurance transaction

- 2. Domestic, foreign and alien company

- 3. Fraternal

- 4. Authorized and unauthorized companies insurer

- 5. Stock and mutual companies

- 6. Certificate of authority

C. Licensing

Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115 through 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18

- 1. Types of licenses

- a. Producer
- b. Resident/Nonresident
- c. Temporary license
- d. Business entity

- 2. Qualifications for obtaining a license

- a. Exemptions/Exceptions
- b. License denial
- 3. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Renewal/Nonrenewal
 - d. Record maintenance
 - e. License suspension/ revocation/refusal to issue or renew

- f. Reporting actions
- g. Assumed business name
- h. Inactivity due to military service
- i. Inactivity due to extenuating circumstances
- j. Reinstatement, continuation, termination

- 4. Producer appointment

- a. Termination of contract

D. Producer responsibilities

Ref: 58-30-194, 171 through 75, Bulletin 13-04, ARSD 20:06:18:21, 58-30-196; 58-33-66

- 1. Fiduciary responsibilities
- 2. Commissions, compensation, fees
- 3. Reporting of felonies and crimes of moral turpitude
- 4. Influence of witnesses
- 5. Response to Division inquiries

E. Insurance Guaranty Association

Ref: 58-29A-54 through 109

- 1. Purpose and disclaimer

F. Marketing practices

Ref: 58-11-55; 58-14-31; 58-30-90, 92; 58-33-5, 6, 7, 8, 11, 13.1, 14, 15, 24, 25, 26, 32, 35, 36, 37, 56, 76, 77, 78, 125; ARSD 20:08:07:27; Bulletin 13-04

- 1. Unfair practices

- a. Boycott, coercion, intimidation
- b. Commingling
- c. Controlled business
- d. Defamation
- e. False advertising
- f. Illegal inducement
- g. Misrepresentation
- h. Rebating
- i. Twisting
- j. Unfair discrimination
- k. Acting without a license
- l. Larceny
- m. Prohibited fees/ premiums/ extra charges
- n. Loans

- o. Notification of suspected fraud
- 2. Unfair claims settlement practices
- G. Policy delivery and receipt**
Ref: 58-15-8.2
- H. Insurance Fraud Regulation**
Ref: 58-4A-1-17

II. SD STATUTES PERTINENT TO PROPERTY AND CASUALTY INSURANCE.....12

- A. Binders**
Ref: 58-11-29 through 31
 - 1. Evidence of insurance
- B. Suit against insurer**
Ref: 15-2-13(1)
- C. Rating**
Ref: 58-24-1, 5
- D. Certificate of Insurance**
- E. South Dakota Valued Policy Law**
Ref: 58-10-10
- F. Flood Insurance**
 - 1. Flood Insurance Rate Map (FIRM)
- G. Marine and Transportation Insurance**
Ref: 58-9-6 through 10
- H. Cancellation and Nonrenewal**
Ref: 58-1-14, 15, 58-33-60, 61; ARSD 20:06:29:01
- I. Surplus lines**
Ref: 58-32-32, 44, 50
- J. South Dakota Automobile Insurance Plan (Assigned Risk)**
Ref: 58-11-57
- K. Private-passenger automobile insurance**
Ref: 58-1-14, 15; 58-1-45; 58-20-14; 58-33-61
 - 1. Uninsured/Underinsured motorists coverage
 - 2. Proof of financial responsibility
 - 3. Cancellation and nonrenewal
- L. Workers Compensation**
Ref: 58-20-14; 62-1-2, 3, 7; 62-3-2; 62-4-1, 2, 3, 3.1, 5, 5.1, 6 8-22, 37; 62-8-1, 4, 6; 62-3-15, 16, 17
 - 1. Exclusive remedy
 - 2. Employments covered
 - 3. Covered injuries
 - 4. Occupational disease
 - 5. Benefits provided
 - 6. Second/ subsequent injury fund
 - 7. Self-insurance
 - 8. Cancellation

PERSONAL LINES-GENERAL KNOWLEDGE

Product Knowledge, Terms, and Concepts

(75 scored plus 5 pretest questions)

I. TYPES OF PROPERTY POLICIES..... 10

- 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
- C. Inland marine**
 - 1. Personal Articles floaters
- D. National Flood Insurance Program**
- E. Others**
 - 1. Earthquake
 - 2. Mobile Homes
 - 3. Watercraft
 - 4. Windstorm

II. TYPES OF CASUALTY POLICIES13

- A. Automobile: personal 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. Exclusions
- B. Umbrella/Excess liability**

III. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS.....28

- 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 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**
- V. Burglary, Robbery, Theft, and Mysterious Disappearance**
- W. Warranties**
- X. Representations**
- Y. Concealment**
- Z. Deposit Premium/Audit**
- AA. Certificate of Insurance**
- BB. Damages**
 - 1. Compensatory
 - a. General
 - b. Special
 - 2. Punitive
- CC. Compliance with Provisions of Fair Credit Reporting Act**

IV. PROPERTY AND CASUALTY POLICY PROVISIONS AND CONTRACT LAW 24

- A. Declarations**
- B. Insuring agreement**
- C. Conditions**
- D. Exclusions**
- E. Definition of the insured**
- F. Duties of the insured after a loss**
- 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. Sources of underwriting information**
- P. Fair Credit Reporting Act**
- Q. Privacy Protection (Gramm Leach Bliley)**
- R. Policy Application**
- S. Terrorism Risk Insurance Act (TRIA)**
- T. Cancellation and nonrenewal provisions**
- U. Supplementary payments**
- V. Loss settlement provisions including consent to settle a loss**
- W. Territory**

**PERSONAL LINES
SOUTH DAKOTA SPECIFIC
CONTENT OUTLINE
State Statutes, Rules and Regulations
(25 scoreable questions)**

- I. SD STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, ACCIDENT AND HEALTH, PROPERTY, AND CASUALTY INSURANCE 17**
 - A. Director of Insurance**
Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01
 - 1. Duties and powers

- 2. Examination of records
- 3. Hearings/notice of hearings
- 4. Penalties (and fines)
- 5. Cease and desist orders
- B. Insurance Definitions**
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 - 1. Acts constituting an insurance transaction
 - 2. Domestic, foreign and alien company
 - 3. Fraternal
 - 4. Authorized and unauthorized companies insurer
 - 5. Stock and mutual companies
 - 6. Certificate of authority
- C. Licensing**
Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115 through 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18
 - 1. Types of licenses
 - a. Producer
 - b. Resident/Nonresident
 - c. Temporary license
 - d. Business entity
 - 2. Qualifications for obtaining a license
 - a. Exemptions/Exceptions
 - b. License denial
 - 3. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Renewal/Nonrenewal
 - d. Record maintenance
 - e. License suspension/ revocation/refusal to issue or renew
 - f. Reporting actions
 - g. Assumed business name
 - h. Inactivity due to military service
 - i. Inactivity due to extenuating circumstances
 - j. Reinstatement, continuation, termination
 - 4. Producer appointment
 - a. Termination of contract
- D. Producer responsibilities**
Ref: 58-30-194, 171 through 75, Bulletin 13-04, ARSD 20:06:18:21, 58-30-196, 58-33-66
 - 1. Fiduciary responsibilities
 - 2. Commissions, compensation, fees
 - 3. Reporting of felonies and crimes of moral turpitude
 - 4. Influence of witnesses
 - 5. Response to Division inquiries
- E. Insurance Guaranty Association**
Ref: 58-29A-54 through 109
 - 1. Purpose and disclaimer
- F. Marketing practices**
Ref: 58-11-55; 58-14-31; 58-30-90, 92; 58-33-5, 6, 7, 8, 11, 13.1, 14, 15, 24, 25, 26, 32, 35, 36, 37, 56, 76, 77, 78, 125; ARSD 20:08:07:27; Bulletin 13-04
 - 1. Unfair practices
 - a. Boycott, coercion, intimidation
 - b. Commingling
 - c. Controlled business
 - d. Defamation
 - e. False advertising
 - f. Illegal inducement
 - g. Misrepresentation

- h. Rebating
 - i. Twisting
 - j. Unfair discrimination
 - k. Acting without a license
 - l. Larceny
 - m. Prohibited fees/ premiums/ extra charges
 - n. Loans
 - o. Notification of suspected fraud
2. Unfair claims settlement practices

G. Policy delivery and receipt

Ref: 58-15-8.2

H. Insurance Fraud Regulation

Ref: 58-4A-1-17

II. SD STATUTES PERTINENT TO PERSONAL LINES INSURANCE.....8

A. Binders

Ref: 58-11-29 through 31

- 1. Evidence of insurance

B. Suit against insurer

Ref: 15-2-13(1)

C. Rating

Ref: 58-24-1, 5

D. Certificate of Insurance

E. South Dakota Valued Policy Law

Ref: 58-10-10

F. Flood Insurance

- 1. Flood Insurance Rate Map (FIRM)

G. Marine and Transportation Insurance

Ref: 58-9-6 through 10

H. Cancellation and Nonrenewal

Ref: 58-1-14, 15

I. Surplus lines

Ref: 58-32-32, 44, 50

J. South Dakota Automobile Insurance Plan (Assigned Risk)

Ref: 58-11-57

K. Private-passenger automobile insurance

Ref: 58-1-14, 15; 58-1-45; 58-20-14; 58-33-61

- 1. Uninsured/Underinsured motorists coverage
- 2. Proof of financial responsibility
- 3. Cancellation and nonrenewal

**BAIL BONDS
CONTENT OUTLINE**

**Product Knowledge, Terms and Concepts
South Dakota Statutes, Rules and Regulations**

(50 scored questions)

I. SD LAWS, RULES, AND REGULATIONS COMMON TO ALL LINES.....15-18

A. Division of Insurance

Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01

- 1. Duties and powers
- 2. Examination of records
- 3. Hearings/notice of hearings
- 4. Penalties (and fines)
- 5. Cease and desist orders

B. Persons required to be licensed

Ref: 58-22-3

- 1. Ineligible licensees

C. Types of licenses

Ref: 58-22-1(3)(4)(5)(6)

- 1. Runner
- 2. Professional bondspersons
- 3. Property bondspersons
- 4. Surety bondspersons

D. Background check

Ref: 58-22-14

E. Appointments/Termination of Appointments

Ref: 58-22-27, 28

F. Maintenance and duration

Ref: 58-22-19, 20, 25, 26, 38, 55; 58-30-157

- 1. Expiration
- 2. Renewal
- 3. Annual license registration
- 4. Termination of business
- 5. Change of address
- 6. Report of felony criminal prosecution
- 7. Record keeping
- 8. Child support obligation

G. Disciplinary actions

Ref: 58-22-11, 21, 22, 54

- 1. Denial, revocation, and nonrenewal
- 2. Refusal, suspension, or cancellation

H. Bondsperson regulation

Ref: 58-22-10, 12, 13, 24, 29, 30, 32, 33, 34, 35, 36, 37, 38, 53, 58-33-6, 7, 13.1, 32, 37, 55; 58-4A-1 through 17

- 1. Runner requirements
- 2. Professional bondsperson requirements
 - a. Annual financial statement
 - b. Trust Deposits
 - c. Annual list of forfeitures
- 3. Prohibited conduct
 - a. Rebates
 - b. Compensation
 - c. Solicitation where prisoners are confined
 - d. Practice of law
 - e. Referral of Attorney
 - f. Signing bond in blank
 - g. Use of license to bail self out of jail
- 4. Unfair trade practices
 - a. Misrepresentation
 - b. False Advertising
 - c. Defamation of insurer
 - d. Boycott, coercion and intimidation
 - e. Unfair discrimination
- 5. Insurance fraud regulation

II. BAIL BOND PRINCIPLES.....15-18

A. Parties to a surety bond

- 1. Principal
 - a. Indemnitor for principal
 - b. Indemnity agreement
 - c. Rights of indemnitor (bondsperson, surety)
 - d. Collateral and trust obligations of bondsperson
- 2. Obligee
- 3. Surety
- 4. Custody requirements
- 5. Responsibility and rights of each party
- 6. Power of attorney

B. Requirements (eligibility) of a surety

C. Duties of bail bondsperson

- 1. Receipt for collateral

D. Compensation of surety

E. Types of bonds

- 1. Personal surety bond
- 2. Corporate surety bond
- 3. Property bond
- 4. Professional bond
- 5. Cash bond

III. BAIL BOND PRACTICES.....10-13

Ref: South Dakota Codified Laws, 23A-43 Rule 46

A. Court procedures

- 1. Felonies versus misdemeanors
- 2. Warrants
- 3. Custody

- 4. Court appearances
 - 5. Appeals
 - B. Bond forfeiture**
 - 1. Motion
 - 2. Dispersal of funds
 - 3. Rights of defendant apprehended by surety
 - C. Surrender of principal (defendant)**
 - 1. Return of premium
 - 2. Return of collateral
- IV. TERMINOLOGY.....5-7**
- A. Acquitted**
 - B. Adjudication**
 - C. Appeal**
 - D. Appearance bond**
 - E. Arraignment**
 - F. Bail bond**
 - G. Capital offense**
 - H. Collateral**
 - I. Conviction**
 - J. Defendant**
 - K. Exoneration**
 - L. Extradition**
 - M. Fiduciary**
 - N. Forfeiture**
 - O. Fugitive**
 - P. Habeas corpus**
 - Q. Hearing**
 - R. Incarcerated**
 - S. Indictment**
 - T. Judicial sentence**
 - U. Principal**
 - V. Recognizance**
 - W. Supersedeas**
 - X. Trial by jury**
 - Y. Writ**

- 1. Notice of loss
 - 2. Percentage Plan
 - 3. Loss payment
- E. Cancellation and nonrenewal**
- III. MULTI-PERIL CROP INSURANCE.....30-32**
- A. Fundamentals of Multiple Peril Crop Insurance (MPCI) Policies**
- 1. Actual Production History (APH)
 - 2. Production Reporting
 - 3. Acreage Reporting
 - 4. Important Dates
 - 5. Written Agreements
 - 6. High Risk Land
 - 7. Actuarial Documents
 - 8. Insured Eligibility
 - 9. Units
 - 10. Coverage Levels
 - 11. Administrative Fees
 - 12. Life of the Policy
 - 13. Yield/Revenue Guarantees
- B. Plans of Insurance**
- 1. Actual Production History (APH)
 - 2. Catastrophic Risk Protection Coverage (CAT)
 - 3. Area Risk Protection Insurance (ARPI)
 - 4. Livestock Risk Protection (LRP)
 - 5. Rainfall Index (RI)
 - 6. Revenue Protection (RP)
 - 7. Pasture Rangeland Forage (PRF)
 - 8. Yield Protection (YP)
- C. Policy Provisions**
- 1. Common/Basic Provisions
 - 2. Coarse Grains Provisions
 - a. Replant
 - b. Prevented Planting
 - c. Late Plant Period
- D. Claims**
- 1. Claims site assessment
 - a. Site testing
 - b. Standard measures
 - c. Location
 - 2. Insured's duties after a loss
 - 3. Agent's duties
 - 4. Loss Reporting Requirements
 - 5. Duties after a loss
 - 6. Arbitration and appraisal
 - 7. Covered Perils

- E. Cancellation and Nonrenewal**
- IV. STATE STATUTES, RULES, AND REGULATIONS PERTINENT TO CROP INSURANCE.....8-10**
- A. Director of Insurance**
- Ref: 58-2-22; 58-3-5; 58-4-7, 28.1, 58-30-91, 133, 167, 168, 170; Reg 20:06:01:05:01*
- 1. Duties and powers
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- B. Licensing**
- Ref: 58-3-7.4; 58-5-17; 58-6-4; 58-14-30; 58-30-6, 8.1, 52, 74, 91, 108, 110, 115- 121, 142, 145, 148, 149, 157, 159, 160, 162, 165, 166, 167, 175, 180; Reg 20:06:18:01-04, 20:06:09-10, 20:06:12-13, 20:06:18*

CROP CONTENT OUTLINE

Product Knowledge, Terms and Concepts South Dakota Statutes, Rules and Regulations

(60 scored questions)

- I. GENERAL INSURANCE TERMS AND CONCEPTS.....6-8**
- A. Actual cash value**
 - B. Assignment**
 - C. Binder**
 - D. Hazard**
 - E. Indemnity**
 - F. Insurable interest**
 - G. Limits of Liability**
 - H. Loss**
 - 1. Direct
 - 2. Indirect
 - I. Negligence**
 - J. Cause of Loss**
 - K. Peril**
 - L. Risk**
 - M. Subrogation**
 - N. Crop Hail organizations**
 - O. Federal Crop Act of 1980**
- II. CROP HAIL INSURANCE 30%.....14-18**
- A. Policy rates**
 - B. Coverages available**
 - C. Policy provisions**
 - 1. NCIS general provisions
 - 2. NCIS Special provisions
 - D. Claim Settlement Practices**

1. Types of licenses
 - a. Producer
 - b. Resident/Nonresident
 - c. Business entity
 2. Producer appointment/termination of contract and appointment
 3. Qualifications for obtaining a license
 - a. Exemptions/Exceptions (58-30-52)
 - b. License denial
 4. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Renewal/Nonrenewal
 - d. Record maintenance
 - e. License suspension/ revocation/refusal to issue or renew
 - f. Reporting actions
 - g. Reinstatement
 5. Companies
 - a. Domestic, Foreign, Alien
 - b. Certificate of Authority
- C. Producer responsibilities**
Ref: 58-30-171-75, Bulletin 13-04, 58-30-194, ARSD 20:06:18:21, 58-30-196
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- D. Marketing practices**
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 - a. Boycott, coercion, intimidation
 - b. Commingling
 - c. Defamation
 - d. Misrepresentation
 - e. Rebating/Illegal Inducement
 - f. Twisting
 - g. Unfair discrimination
 - h. Acting without a license (unlicensed activities)
 - i. Prohibited fees/ premiums/ extra charges
 - j. Notification of suspected fraud
 2. Unfair claims settlement practices

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GENERAL INFORMATION

Candidates should make an exam reservation either by phone at (888) 873-6205 or online at <https://www.pearsonvue.com/us/en/sd/insurance.html>.

There are currently 94 test sites available to South Dakota Division of Insurance candidates in South Dakota and neighboring states. Ten (10) of those test sites are located directly in South Dakota and the cities that they are in are listed in the chart below.

SOUTH DAKOTA TEST CENTERS		
Aberdeen	Mitchell	Sioux Falls (2 sites)
Huron	Pierre	Sisseton
Mission	Rapid City	Watertown

Locations and schedules are subject to change.

Testing may be unavailable on U.S. federal holidays and, in some cases, holiday weekends.