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**Addendum: for use with Colorado Property and Casualty online ExamFX courses and study guides version 26201en and 26202en, per exam content outline updates effective 1/1/2023.**

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*The following are **content additions** to supplement your existing text unless otherwise indicated.*

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## **PROPERTY AND CASUALTY:**

### **Colorado Statutes, Rules, and Regulations Common to All Lines**

#### **A. Insurance Commissioner**

##### **1. Power and Duties**

###### **Examinations**

Any person who knowingly or willfully testifies falsely in reference to any matter material to an examination, or makes false statements in a company's books or papers with the intent of deception is guilty of a **Class 2 misdemeanor**.

#### **B. Licensing and Producers' Legal Responsibility**

##### **1. Persons Required to Be Licensed**

###### **Application for License**

Any person transacting insurance without a valid certificate of authority is guilty of a **Class 2 misdemeanor**.



**PROPERTY:**

**Introduction**

**Exam Breakdown – *revised exam breakdown***

**Colorado Property Insurance Examination  
85 Total Questions (75 scored, 10 pretest)**

<b>Chapter</b>	<b>Percentage of Exam</b>
<b>GENERAL KNOWLEDGE:</b>	
Insurance Terms and Related Concepts	20%
Policy Provisions and Contract Law	17%
Types of Policies	30%
<b>STATE LAW:</b>	
Colorado Statutes, Rules, and Regulations Common to All Lines	25%
Colorado Statutes, Rules and Regulations for Property and Casualty Only	5%
Colorado Statutes, Rules and Regulations Pertinent to Property Only	3%

**Types of Property Policies**

**B. Commercial Lines**

**Cyber First-Party Coverage**

With an ever-growing reliance on technology, it is no surprise that cyberattacks and data breaches are more common than ever. Businesses that obtain and store personal, financial, or otherwise sensitive data are prone to extortion and fraud. To protect businesses and consumers, cyber insurance is made available to businesses, designed to lessen the financial impact resulting from cyberattacks and data breaches.

Cyber security insurance is broken into the following coverage types:

- **First-party cyber insurance** – Protects businesses from damages resulting from cyber losses to the business' own network or system; and
- **Third-party cyber insurance** – Covers legal expenses for lawsuits resulting from a business's inability to properly secure consumer data.

Examples of losses covered by a first-party cyber policy include:

- Business interruption and lost revenue;
- Customer notifications;
- Credit monitoring services for affected customers;
- Ransom payments to extortionists holding data hostage; and
- Costs associated with public relation campaigns.

## Colorado Statutes, Rules, and Regulations Pertinent to Property Only

### **A. Fraudulent Claims and Arson Information Reporting Act – *new fine and time for imprisonment***

Any person who violates this regulation commits a Class 2 misdemeanor and may be punished according to the Colorado Criminal Code by **imprisonment (up to 120 days), a civil penalty (up to \$750), or both.**

## **CASUALTY:**

### Introduction

#### **Exam Breakdown – *revised exam breakdown***

**Colorado Casualty Insurance Examination  
91 Total Questions (81 scored, 10 pretest)**

<b>Chapter</b>	<b>Percentage of Exam</b>
<b>GENERAL KNOWLEDGE:</b>	
Insurance Terms and Related Concepts	19%
Policy Provisions	15%
Types of Policies, Bonds, and Related Terms	28%
<b>STATE LAW:</b>	
Colorado Statutes, Rules, and Regulations Common to All Lines	23%
Colorado Statutes, Rules and Regulations for Property and Casualty Only	5%
Colorado Statutes, Rules and Regulations Pertinent to Casualty Only	10%

## Types of Policies, Bonds, and Related Terms

### **B. Automotive: Personal Auto and Business Auto**

#### **2. Commercial Auto**

##### **Mobile Equipment Endorsement**

Under the business auto coverage form, mobile equipment is covered for liability insurance when being carried or towed by a covered auto. If a land vehicle that fits the definition of mobile equipment, but because of where or how it is being used becomes subject to compulsory insurance as if it were an auto, an insured could potentially have a coverage problem. For example, a bulldozer is required to have compulsory insurance because to get from one part of a job site to another, it must drive on a public road. If the insured has a Symbol 7 (Specified Auto) listed on the Declarations, that bulldozer would need to be included on the insured's vehicle schedule to be covered for liability. If it is not listed, a solution would be to use this endorsement. The bulldozer would be specifically described in the endorsement and granted coverage.

Covered autos liability coverage does not apply to bodily injury, property damage, or covered pollution cost or expense resulting from the operation of any machinery or equipment that is on, attached to, or part of any of the covered autos.

### **F. Professional Liability**

#### **Liquor Liability**

Liquor liability (also known as dram shop liability) refers to the exposure that bars, restaurants, and other similar establishments face due to the selling, distributing, manufacturing, or serving of alcoholic beverages. Liquor liability provides protection in the event of action brought against the insured for selling liquor to a customer who is later involved in an accident and suffers bodily injury or property damage.

Businesses of manufacturing, distributing, selling, serving, or furnishing alcoholic beverages all may have liability exposure to actions under state or local statutes that establish responsibilities for those injuries arising from the distribution or use of alcoholic beverages and causing injuries to the user or caused to others by the user.

**Businessowners Policy (BOP)** – *please refer to the online course for complete text (“Types of Casualty Policies, Bonds, and Related Terms” chapter)*



## Colorado Statutes, Rules, and Regulations Pertinent to Casualty Only

### **A. Workers Compensation**

#### **3. Benefits** – *updated dollar amount; the rest of the section remains unchanged*

If death occurs to an injured employee as a proximate result of an injury, one lump sum will be paid within 30 days after death in an amount not to exceed **\$12,500** for reasonable funeral and burial expenses.

### **B. Automobile Insurance**

#### **7. Transportation Network Companies**

A TNC must also file proof that the TNC has secured insurance coverage against damage caused by uninsured drivers. Coverage must be in the amounts of at least \$200,000 per person and \$400,000 per occurrence.