

**Addendum: for use with Georgia Property & Casualty online ExamFX course and study guide version 26932en, per exam content outline updates effective 8/1/2022.**

*The following are **content additions** or revisions to the existing text as indicated:*

**Introduction**

**F. Exam Breakdown – new exam breakdowns**

**Georgia Property and Casualty Insurance  
135 Total Questions (125 scored, 10 pretest)  
Time Limit: 2.5 hours  
Passing Score: 70%**

CHAPTER	PERCENTAGE OF EXAM
Insurance Terms and Related Concepts	24%
Policy Provisions and Contract Law	20%
Types of Property Policies	18%
Types of Casualty Policies, Bonds, and Related Terms	18%
Georgia Laws, Rules and Regulations Pertinent to All Lines	14%
Georgia Rules and Regulations Pertinent to Property and Casualty Insurance	3%
Georgia Rules and Regulations Pertinent to Property Insurance Only	1%
Georgia Rules and Regulations Pertinent to Casualty Insurance Only	2%

*Note that in the online course and study guide, the state laws and regulations are combined into one chapter that will account for 20% (27 questions) on practice exams.*

**Policy Provisions and Contract Law**

**Policy Territory**

The policy territory defines the location where coverage will be provided.

**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.

## Types of Casualty Policies, Bonds, and Related Terms

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

#### **10. Business Auto**

##### **Mobile Equipment**

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**

#### **Funds Transfer Fraud**

The **funds transfer fraud** insuring agreement provides coverage for loss of funds resulting from fraudulent instructions received by a financial institution to pay money from an insured's transfer account to someone else. Computer fraud is excluded from this coverage.

The **computer systems rider** protects against loss from the fraudulent transfer of funds initiated through the financial institution's computer system. A customer, dishonest employee, or customer can be responsible for this fraud, and access may be through a PC, Internet, or home banking program. Damage and reconstruction is also covered by virus or hacker activity.

Three insuring agreements protect against electronic transaction losses:

1. Fraudulent entry of electronic data or computer programs (fraudulent transfer of funds);
2. Destruction of data or computer programs (damage from virus, hacker, or employee sabotage); and
3. Toll fraud (long-distance charges incurred due to fraudulent use of accounts or passwords).

## **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 (“Types of Casualty Policies, Bonds, and Related Terms” chapter) for complete text*