
Addendum: for use with Montana Property and Casualty online ExamFX courses and study guide version 25544en/25545en, per exam content outline updates effective 5/1/2022.

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

PROPERTY:

Introduction

Exam Breakdown – new exam breakdowns

Montana Property Insurance
92 Total Questions (82 scored, 10 pretest)
Time Limit: 2 hours
Passing Score: 75%

CHAPTER	PERCENTAGE OF EXAM
General Knowledge:	
Insurance Terms and Related Concepts	18%
Policy Provisions and Contract Law	16%
Types of Policies	27%
State Law:	
Montana Statutes and Rules Common to All Lines	30%
Montana Statutes and Rules Common to Property and Casualty Insurance Only	4%
Montana Statutes and Rules Pertinent to Property Insurance Only	5%

Policy Provisions and Contract Law

D. Provisions and Clauses

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.

CASUALTY

Introduction

Exam Breakdown – *new exam breakdown*

Montana Casualty Insurance Examination
97 Total Questions (87 scored, 10 pretest)
Time Limit: 2 hours 15 minutes
Passing Score: 75%

CHAPTER	PERCENTAGE OF EXAM
General Knowledge:	
Insurance Terms and Related Concepts	17%
Policy Provisions	14%
Types of Policies, Bonds and Related Terms	26%
State Law:	
Montana Statutes and Rules Common to All Lines	29%
Montana Statutes and Rules Common to Property and Casualty Insurance Only	4%
Montana Statutes and Rules Pertinent to Casualty Insurance Only	10%

Types of Casualty Policies, Bonds, and Related Terms

B. Automotive: Personal Auto and Business Auto

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

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*

Montana Statutes, Rules, and Regulations Pertinent to Casualty Only

D. Workers Compensation

2. Claims and Benefits

If an employee is approved to return to work, but it unable to return in full capacity, resulting in an actual wage loss, the worker may be qualified for **temporary partial** disability benefits. These benefits are made up of the difference between the worker's average weekly wage at the time of the injury and the actual weekly wages earned while the worker is temporarily partially disabled, not to exceed the worker's temporary total disability benefit rate. Workers who refuse an offer for a modified or alternative position, with a wage equivalent or higher than the wage received at the time of injury, are not eligible for temporary partial disability benefits.

Benefits may be available for serious disfigurement of the face, head, or neck, up to a maximum of **\$2,500**.

Disclosure

Upon submitting a claim, an injured employee must file all reasonable information required for an insurer to process the claim. The employee's attending physician is responsible for providing all relevant health care information, including past history of complaints of or treatment of a condition similar to that presented in a claim, or other

conditions associated with the same body part. If death results from an injury, beneficiaries seeking benefits are responsible for submitting proof of death, proof of relationship, a certificate of the attending physician, and other relevant documentation required by the Department.

Claim Approval and Denial

Insurers must accept or deny workers compensation claims within **30 days** of receipt of claim. Upon denial of a claim, an insurer must inform the claimant and the Department in writing of the denial. In the event a claim is reopened, an insurer must provide notice to the employer within **14 days** of the reopening of a claim.

PROPERTY AND CASUALTY:

Montana Statutes, Rules, and Regulations Common to All Lines

B. Insurance Commissioner and Department

2. Examination of Records

Examination Reports and Hearings

The examiner must file a verified written report with the Department of Insurance within **60 days** after completion of the examination. On receipt, the Department must transmit the report to the examined company, as well as a notice that gives the company an opportunity to make a written submission or rebuttal with respect to any matters contained in the examination report within 30 days of receipt of notice.

Within 30 days after the deadline for rebuttals, the Commissioner will review the report and any rebuttals and order one of the following:

- Adopt the examination report as filed or with modifications and corrections;
- Rejecting the examination report with directions to obtain additional data, documentation, information, or testimony; or
- Calling for an investigative hearing with at least 20 days' notice to obtain additional data, documentation, information, and testimony.

Conflict of Interest

The Commissioner may not appoint an examiner if the examiner, directly or indirectly, has a conflict of interest, is affiliated with the management or owns a pecuniary (money) interest in any **person to be examined**. This does not automatically prevent an examiner from being:

- A policyholder or claimant under an insurance policy;
- A grantor of a mortgage on his/her own residence;
- An investment owner in share of regulated diversified investment companies; or
- A settlor (one who makes a settlement) or beneficiary of a blind trust into which impermissible holdings have been placed.