
Addendum: for use with Nevada Property and Casualty online ExamFX courses and study guide version 22485en, per exam content outline updates effective 10/6/2022.

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

Exam Breakdown – new exam breakdown

**Nevada Property and Casualty Insurance
156 Total Questions (141 scored, 15 pretest)**

CHAPTER	PERCENTAGE OF EXAM
General Knowledge:	
Insurance Terms and Related Concepts	21%
Policy Provisions and Contract Law	18%
Types of Property Policies	16%
Types of Casualty Policies, Bonds and Related Terms	16%
State Law:	
Nevada Statutes and Regulations Common to All Lines	14%
Nevada Statutes and Regulations for Property and Casualty	7%
Nevada Statutes and Regulations for Property Only	2%
Nevada Statutes and Regulations for Casualty Only	6%

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.

Types of Casualty Policies, Bonds, and Related Terms

A. Automobile: Personal Auto and Business Auto

Business Auto Coverage Forms

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

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 are 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*

Nevada Statutes and Regulations Common to All Lines

E. Marketing Practices

2. Rebating – Inducement – *addition to the existing text*

The state regulations do not prohibit agents from giving or providing promotional materials, articles of merchandise, prizes and gifts, gift certificates, donations made to charitable organizations, raffle entries, meals, event tickets and other items valued at **\$100** in aggregate value per policyholder or prospective policyholder in any one calendar year.