

**SECOND THIRD AMENDED TEXT OF PROPOSED AMENDMENTS TO  
PRODUCER PRELICENSING AND CONTINUING EDUCATION REGULATIONS**

**Note:** Additions to the originally noticed text are indicated by double underline and deletions are indicated by ~~double strikethrough~~. Additions to the amended text are indicated by *italicized double underline* and deletions are indicated by *italicized double strikethrough*.

**§ 2186 Authority and Purpose.**

(a) These regulations are promulgated pursuant to authority granted to the Insurance Commissioner (Commissioner) under the provisions of Section 1749.7 of the California Insurance Code. The purpose of these regulations is to set forth the ~~prelicensing education~~ curriculum standards for approval of courses and providers of prelicensing and continuing education, and to set forth standards of conduct for students and providers of prelicensing and continuing education.

(b) All forms referenced in this Article shall be found in Section 2188.50.

~~NOTE~~ote: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, ~~and 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4),~~ Insurance Code.

**§ 2186.1. Definitions.**

For purposes of these regulations:

(a) “Approved course” (course) means a course for which the Commissioner has granted his written approval. The Commissioner reserves the right to reduce the hours requested if the course fails to meet all of the criteria set forth in these regulations.

(b) “Certified provider” (provider) may be any institution or organization as described in Section 1749.4 of the California Insurance Code, including an authorized insurer, recognized agents' association or insurance trade association, and any accredited college, or university, or any other person or entity offering classes, courses, seminars, programs and non-contact courses in insurance intended to satisfy the requirements of Sections 1749, 1749.3, 1749.31, 1749.32, 1749.33, 1749.8, 1749.85, 10113.2(b)(1)(A) , and 10234.93(a)(4) of the California Insurance Code ~~means a provider~~ who or which has been determined by the Commissioner to have met the requirements of Section 2188 ~~of this article~~.

(c) “Classroom” means:

(1) ~~a~~Any space sufficiently designed so that instructor(s)/subject matter expert(s) and students can communicate with a high degree of privacy and relative freedom from outside interference; or

(2) ~~f~~For continuing education courses only, classroom may include teleconferences with audio and/or visual interface, ~~i~~Internet ~~webcast~~ webinar, or other electronic devices used to

accommodate technological changes.

(d) “Controlling person” means any of the following persons within a provider organization possessing decision making authority in matters pertaining to prelicensing and/or continuing education: a provider director, partner, corporate director, officer, shareholder owning a ten percent (10%) or more interest in the organization, or other person with decision making authority.

(e) “Course” means any program of instruction, as defined in these regulations, taken or given to satisfy the requirements of Sections 1749, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4) of the California Insurance Code as follows:

(1) A “contact course” includes the following:

~~(A) A live classroom presentation, seminar, workshop, conference, lecture, or teleconference with monitored attendance. A “class” is a contact course presentation for prelicensing or continuing education;~~

(B) A prelicensing classroom course presentation to be conducted in a classroom with attendance monitored by instructor/subject matter expert;

(C) A live continuing education classroom presentation with monitored attendance may include a seminar, workshop, conference, lecture, webinar, or teleconference;

~~(B)(D)~~ An “interactive continuing education course” that allows for an agent or broker and the instructor/subject matter expert ~~or proctor~~ to exchange information using technological mediums such as ~~video, compact diskette (CD), digital versatile disc (DVD), internet webcast,~~ webinar, web conference or other similar technology designed for the exchange of information electronically;

(2) A “non-contact course” includes the following:

~~(BA)~~ An “online prelicensing course” that is delivered to and taken by a student using computer-based technology with a connection to a host home or office computer, the Internet, or other computer-based technology and shall include, but is not limited to, the following:

~~1.ii~~ “Participatory Activities” that include regular inquiry periods and/or activities designed to test the student’s subject matter knowledge of a completed chapter or section in order to assess the student's progress and provide feedback on areas requiring further study. Participatory activities may include, but are not limited to, live interchanges such as polling, instant surveys, public/private/moderated text chat, and open floor audio chats; and,

~~2.ii~~ “Inquiry Periods” that provide an interval in which the student actively participates in the online course by responding to questions or, in the case of incorrect responses to questions, by searching the online course material to review previously presented material and answer

questions correctly in order to progress through the online prelicensing course;

~~(A)(B)~~ A “self-directed continuing education course” that is not an interactive course, with is designed for individual study by a student with no assistance from other students or an instructor/subject matter expert in completing the course or the examination. Specifically, the self-directed continuing education course is not an interactive continuing education course. The self-directed course utilizes with-study material in text-hardcopy or downloadable portable document format (pdf) textbook, eBook, video or video file, audio easette-file, compact diskette (CD), digital versatile disc (DVD), internet webeast, or other similar technology designed for individual study by a licensee. or other data storage devices such as on a personal computer, electronic tablet or smart phone or a Universal Serial Bus (USB) FLASH drive.

~~1.#~~ The course materials in electronic format such as on pdf, EBook, audio file or a video file may be downloaded from the Internet-only after the course is purchased. The final examination may be completed via online or hardcopy. The provider must demonstrate that reasonable measures have been taken to prevent student access to the course examination before review of the course material.

~~2.#~~ The hardcopy textbook, video, audio file, compact diskette (CD), digital versatile disc (DVD) or other data storage media may be delivered using U.S. postal services, express mail, or other home or office delivery methods. To insure the integrity of the examination, the examination for this course must be delivered separately from the course and only after the purchase of enrollment in the course.

(C) An “online continuing education course” is ~~Internet-based course content that is a non-~~ contact course that the student takes and completes-delivered over the Internet or other similar technology and must meet the requirements of Section 2188.2(k). This type of course is not an interactive continuing education course and is designed for individual study by a student. does not include any of the courses included in the definition of a self-directed continuing education course specified in Section 2186.1(e)(2)(B).

~~#~~ To ensure the integrity of the examination, the examination for an online continuing education course must be provided on a separate link over the Internet and only after purchasing enrolling in and completing the course.

(B) An “online prelicensing course” that is delivered to and taken by a student using computer-based technology with a connection to a host home or office computer, the Internet, or other computer-based technology and shall include, but is not limited to, the following:

(i) “Participatory Activities” that include regular inquiry periods and/or activities designed to test the student’s subject matter knowledge of a completed chapter or section in order to assess the student's progress and provide feedback on areas requiring further study. Participatory activities may include, but are not limited to, “live” interchanges such as polling, instant surveys, public/private/moderated text chat, and “open floor” audio chats; and,

(ii) “Inquiry Periods” that provide an interval in which the student actively participates in the

~~online course by responding to questions or, in the case of incorrect responses to questions, by searching the online course material to review previously presented material and answer questions correctly in order to progress through the online prelicensing course;~~

(3) A “combination course” includes both non-contact and contact continuing education course requirements to total a minimum of three (3) continuing education hours. It is mandatory for the student to complete the non-contact portion prior to completing the contact ~~course~~ portion of the course. Successful completion shall be determined by the provider in the same manner as described in Section 2188.6.

(f) “Curriculum” is a statement describing the general content required in a course of study to satisfy the requirements of Sections 1749 et seq., 10113.2(b)(1)(A) and 10234.93(a)(4) of the California Insurance Code. Each curriculum is approved by the Curriculum Board and the Commissioner.

(g) “Electronic filing” is the method by which the ~~education~~ provider submits the course rosters and class presentation schedules. The electronic filing methods include, but are not limited to, the ~~California Department of Insurance's~~ Commissioner's Web-site, electronic flat file (e.g. ASCII, comma-spaced values (CSV)), diskette, compact diskette (CD), or digital versatile disc (DVD).

(h) “Electronic signature” means ~~an assigned student log-in/log-out number from an approved provider that allows a student to log into a computer-based class presentation.~~ verification from the student via an electronic method attesting that they completed both the course and the course examination. As stated in Section 2188.2(j), examples of an electronic method are Internet log-in or a completed enrollment form that is scanned and emailed. The approved provider must maintain the time attendance of each student who participates in the computer-based course.

(i) “Experience” includes, but is not limited to, employment as a writer, editor, teacher, insurance underwriter or employee of an insurance producer, insurance company or other segment of the insurance industry performing duties related to the topic subject matter.

(j) “Instructor/Subject Matter Expert” means:

(1) For a contact course, a person who conveys curricular content to students on behalf of a provider and who possesses the required experience as stated in Section 2188.1 of these regulations;

(2) For a non-contact course, a person who is assigned by the provider to respond to student questions and who possesses the required experience as stated in Section 2188.1 of these regulations. In addition to the above requirements, for online prelicensing courses, said person shall be available by telephone or email within one business day, excluding state holidays, to respond to student questions. Questions asked during weekends shall be answered by the close of business on the following Monday. Technical questions regarding course requirements and materials may be responded to by staff of the ~~CDI approved~~ provider.

(k) “Original signature” means the provider director's actual signature. Original signatures are required on all provider ~~and course applications and renewals~~, as well as on each Form LIC 446-40 (“Prelicensing/Continuing Education Program Out-of-State Provider Jurisdiction Agreement” form) (~~LIC 446-40~~ and, Form LIC 446-32 (“Prelicensing and Continuing Education Provider Stipulation to Maintain Records Outside of California” form) (~~LIC 446-32~~), and Form LIC 446-4 (Prelicensing/Continuing Education Program Instructor/Subject Matter Expert Qualification), as set forth in Section 2188.50. When such forms are available to be submitted online, the provider director will be required to attest, by indicating through a checkmark or computer generated signature, that all information provided on the forms are true and accurate.

A provider director shall may utilize ~~either~~ a controlled signature stamp, ~~or~~ a computer generated signature, or appoint an authorized designee for purposes of signing any other forms. Prior to using either a signature stamp or a computer generated signature, the provider director must submit to the ~~Department Commissioner~~ a thorough explanation of the steps the provider director has taken to ensure the security of either the stamp or computer facsimile. Prior to utilizing an authorized designee, the provider director must submit to the ~~Department Commissioner~~ a list of the names of the persons so authorized, along with a sample of each person's signature.

~~(l) “Provider” means any institution or organization as described in Section 1749.4 of the California Insurance Code, including an authorized insurer, recognized agents' association or insurance trade association, and any accredited college, or university, or any other person or entity offering classes, courses, seminars, programs and self directed study in insurance intended to satisfy the requirements of Sections 1749, 1749.3, 1749.31, 1749.32, 1749.33, 1749.8, or 10234.93(a)(4) the California Insurance Code.~~

~~(m)~~ (l) “Provider director” means the individual within a provider organization with responsibility for the administration of the programs approved by the Commissioner pursuant to Sections 1749, 1749.3, 1749.31, 1749.32, 1749.33, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4) of the California Insurance Code.

~~(n)~~(m) “Student” means:

(1) ~~a~~An individual taking a prelicensing education course that is required as a prerequisite to obtaining a ~~life agent~~, life-only agent, accident and health insurance agent, fire property broker-agent, ~~and~~ casualty broker-agent, personal lines broker-agent, or limited lines automobile insurance agent license pursuant to ~~California Insurance Code Section 1749 of the California Insurance Code or upgrade from personal lines broker-agent to a property broker-agent and casualty broker-agent pursuant to Section 1625.5(c) of the California Insurance Code;~~ or,

(2) ~~a~~An individual taking a continuing education course to satisfy the requirements of Sections 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

(n) “Enroll” means an individual signing up for a prelicensing or continuing education course by providing sufficient personal information to allow the education provider to identify the student.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

**§ 2187. Prelicensing Education for Life-Only Agents.**

(a) Any course taken to satisfy the ~~L~~ife-~~O~~nly ~~A~~gent prelicensing education requirements of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. GENERAL INSURANCE (22 questions (30 percent) ~~of on the examination-questions~~)

A. Basic Insurance Concepts and Principles

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems

2. Producers

3. Insurers

4. Market Regulation-General

5. Fair Claims Settlement Practices Regulations

II. LIFE INSURANCE (49 questions (65 percent) ~~of on the examination-questions~~)

A. Life Insurance - Basics

B. Types of Life Policies

C. Annuities

D. Life Insurance and Annuities - Policy Replacement/Cancellation

E. The Individual Life Insurance Contract

F. Taxation of Life Insurance and Annuity - Premium and Proceeds

G. Employee Benefits Plans - Life

H. Social Insurance System

I. Underwriting/Pricing/Claims

J. Financial Structure of Insurers

III. LIFE POLICY RIDERS (4 questions (5 percent) ~~of on the examination questions~~)

(b) The examination required for licensure as a life-only agent, pursuant to ~~California Insurance Code~~ Section 1676 of the California Insurance Code, shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

**§ 2187.1. Prelicensing Education for Accident and Health Insurance Agents.**

(a) Any course taken to satisfy the ~~A~~ccident and ~~H~~health ~~I~~nsurance ~~A~~gent prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. GENERAL INSURANCE (18 questions (25 percent) ~~of on the examination questions~~)

A. Basic Insurance Concepts and Principles

~~1. Social Insurance System~~

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems

2. Producers

3. Insurers

~~a. Financial Structure of Insurers~~

4. Market Regulation-General

5. ~~Underwriting/Pricing/Claims~~

~~a. Fair Claims Settlement Practices Regulations~~

~~II. HEALTH/DISABILITY ACCIDENT AND HEALTH INSURANCE (49 questions (65 percent) of on the examination questions)~~

~~A. General Concepts~~

~~B. Medical Expense Insurance~~

~~C. Major Risk Medical Insurance Program (MRMIP)~~

~~C. Patient Protection and Affordable Care Act (PPACA)~~

~~D. Senior Health Insurance Products~~

~~1. Medical Supplement (Med Supp) Insurance~~

~~2. MediCare and Medi-Cal~~

~~3. Health Insurance Counseling and Advocacy Program (HICAP)~~

~~E. Disability Insurance~~

~~D.1. Worker's' Compensation Insurance~~

~~1. General Concepts & a. Twenty-Four Hour Coverage and General Concepts~~

~~F. Social Insurance System~~

~~G. Underwriting / Pricing / Claims~~

~~III. LONG TERM CARE DISABILITY INCOME INSURANCE (4 questions (5 percent) of on the examination questions)~~

~~IV. LONG TERM CARE INSURANCE HEALTH AND DISABILITY INSURANCE (4 questions (5 percent) of on the examination questions)~~

~~A. General Concepts~~

~~B. Disability Income Insurance~~

~~C. Health Insurance and Counseling Advocacy Program (HICAP)~~

(b) The examination required for licensure as an ~~A~~ccident and ~~H~~health ~~I~~nsurance ~~A~~gent, pursuant to ~~California Insurance Code~~ Section 1676 of the California Insurance Code, shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

**§ 2187.2. Prelicensing Education Requirements for the Life, Accident and Health Agent Examination (~~Life-Only and Accident and Health~~).**

(a) Any course taken to qualify an applicant to take the ~~L~~life, accident and health-Agent examination shall use the general subject matter and educational objectives derived from Section 2187, Prelicensing Education for Life-Only Agents and Section 2187.1, Prelicensing Education for Accident and Health Insurance Agents.

(b) The examination required for licensure as a ~~life agent~~ (life-only agent and accident and health insurance agent), pursuant to ~~California Insurance Code~~ Section 1676 of the California Insurance Code, shall be based on the subject matter reflected in Sections 2187 and 2187.1 ~~of these regulations~~.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

**§ 2187.3. Prelicensing Education for ~~Fire and Casualty Broker~~-Agents.**

(a) Any course taken to satisfy the ~~Fire and Casualty B~~broker-~~A~~agent prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. GENERAL INSURANCE (31 percent of exam questions - includes "II. P and L Casualty Insurance") (23 questions (31 percent) on the examination - includes "II. Casualty Insurance")

A. Basic Insurance Concepts and Principles

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems

2. Producers

3. Insurers

4. Market Regulation -General

5. Excess and Surplus (E&S) Lines

II. ~~PROPERTY AND LIABILITY~~ CASUALTY INSURANCE (5 questions on the examination)

A. Legal Concept: Tort Law

~~B. Property and Liability Basics~~ Casualty Insurance

1. Basics

2. Policies

~~C. Property and Liability Policies: General~~

III. PERSONAL LINES INSURANCE (~~35 percent of exam questions~~) (23 questions (31 percent) on the examination)

~~A. Dwelling Insurance on Residence~~

~~1. General Concepts~~

~~2. Property Coverage – Homeowners/Fire Policy~~

~~3.1. Liability Coverage - Comprehensive Personal Liability/Dwelling~~ Residence Liability

4.2. Liability Endorsements

B. Inland Marine

~~1. General Concepts~~

~~2. Personal Insurance~~

~~3. Personal Watercraft –~~ Personal Insurance

~~C. Government/Pools/Catastrophe – Property Insurance~~

~~1. Earthquake Coverage~~

~~2. National Flood Insurance~~

~~D. Personal Auto~~

~~1. General Concepts~~

~~2. Liability/Medical/Uninsured Motorist~~

~~3. Physical Damage/Miscellaneous~~

~~4. California Automobile Assigned Risk Plan (CAARP)~~

5. Motorcycles

6. Recreational Vehicles

~~ED. Umbrellas and Excess Liability Insurance~~

~~F. Low-Cost Automobile Insurance~~

~~IV. HOMEOWNERS' INSURANCE VALUATION (2 percent of exam questions)~~

~~A. General Concepts and California Insurance Code Section 1749.85~~

~~B. Dwelling~~

~~C. Earthquake Coverage~~

~~D. California Fair Access to Insurance Requirements (FAIR) Plan~~

~~E. Fire Mitigation~~

~~IV. COMMERCIAL INSURANCE COVERAGES (27 percent of exam questions) (29 questions (38 percent) on the examination)~~

~~A. Insurance Services Office, Inc. (ISO) Commercial Lines Insurance Programs~~

~~B. Property-Casualty Insurance~~

~~1. Commercial Property~~

~~a. General Concepts~~

~~b. Building and Personal Property Coverage Form~~

~~c. Causes of Loss Form(s)~~

~~d. Property Indirect Damage Insurance~~

~~e. Other Endorsements and Coverages~~

~~2. Inland Marine~~

~~3. Equipment Breakdown Protection Coverage (aka Boiler and Machinery)~~

~~4. Commercial Crime~~

~~C. Liability/Casualty Insurance~~

1. Commercial General Liability (CGL)
  - a. General Concepts
  - b. CGL Coverage Forms - Occurrence and Claims-Made

~~e. 2. Professional Liability~~

~~d. 3. Management (Directors and Officers) Liability~~

4. Employment Practices

~~2-5. Commercial Auto~~

~~3. Farm~~

~~4. National Flood~~

~~5. Ocean Marine~~

6. Surety Bonds and General Bond Concepts

7. Umbrella and Excess Liability

8. Workers' Compensation

~~D. Businessowners Policy (BOP)~~

~~1. General Concepts~~

~~2. BOP Property Coverages~~

~~3. BOP Liability Coverages~~

~~VI. HEALTH AND DISABILITY INCOME INSURANCE (5 percent of exam questions—includes VII. LONG TERM CARE INSURANCE)~~

~~A. General Concepts~~

~~B. Medical Expense Insurance~~

~~C. Disability Income Insurance~~

~~D. Senior Health Products/Medicare and Medi-Cal~~

~~E. Health Insurance Counseling and Advocacy Program (HICAP)~~

~~VII. LONG TERM CARE INSURANCE~~

(b) The examination required for licensure as a ~~fire and~~ casualty broker-agent, pursuant to ~~California Insurance Code Section 1676 of the California Insurance Code~~, shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections ~~1676~~, 1749 and 1749.1, Insurance Code.

**§ 2187.31. Prelicensing Education for Property Broker-Agents.**

(a) Any course taken to satisfy the property broker-agent prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. GENERAL INSURANCE (23 questions (31 percent) on the examination -includes “II. Property Insurance”)

A. Basic Insurance Concepts and Principles

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems

2. Producers

3. Insurers

4. Market Regulation -General

5. Excess and Surplus (E&S) Lines

II. PROPERTY INSURANCE

A. Legal Concept: Tort Law

B. Property

1. Basics

2. Policies

III. PERSONAL LINES INSURANCE (30 questions (40 percent) on the examination of which

2 exam questions (2 percent) are specific to Homeowners' Insurance Valuation)

A. Insurance on a Residence

1. General Concepts

2. Property Coverage

a. Homeowners Policy

b. Dwelling Policy

3. Liability Coverage - Comprehensive Personal Liability/Dwelling Liability

4. Endorsements

B. Homeowners' Insurance Valuation

1. General Concepts and Section 1749.85 of the California Insurance Code

2. Insurance on a Residence

3. Earthquake Coverage

4. California Fair Access to Insurance Requirements (FAIR) Plan

5. Fire Mitigation and How it Affects Insurance Costs

C. Inland Marine

1. General Concepts

2. Personal Insurance

D. Government/ Pools/Catastrophe - Property Insurance

1. Earthquake Coverage

2. National Flood Insurance

IV. COMMERCIAL INSURANCE COVERAGES (22 questions (29 percent) on the examination)

A. Insurance Services Office, Inc. (ISO) Commercial Lines Insurance Programs

B. Property Insurance

1. Commercial Property

a. General Concepts

b. Building and Personal Property Coverage Form

c. Causes of Loss Form(s)

d. Property Indirect Damage Insurance

e. Other Endorsements and Coverages

2. Inland Marine

3. Equipment Breakdown Protection Coverage (AKA Boiler and Machinery)

4. Commercial Crime

5. Farm

6. National Flood

7. Ocean Marine

D. Businessowners Policy (BOP)

1. General Concepts

2. Businessowners Policy (BOP) Property Coverages

3. BOP Liability Coverages

(b) The examination required for licensure as a property broker-agent, pursuant to Section 1676 of the California Insurance Code, shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

**§ 2187.4. Prelicensing Education for Personal Lines Broker-Agents.**

(a) Any course taken to satisfy the ~~P~~personal ~~L~~ines ~~B~~roker-~~A~~gent prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. GENERAL INSURANCE (35 percent of examination questions) - includes "II. ~~P&L~~

Property Insurance)

A. Basic Insurance Concepts and Principles

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems

2. Producers

3. Insurers

4. Market Regulation

5. Excess and Surplus (E&S) Lines

II. ~~PROPERTY AND LIABILITY INSURANCE~~

A. Basic Legal Concepts: Tort Law

B. Property and Liability Basics

1. Basics

2. Policies

~~C. Property and Liability Policies: General Concepts~~

III. PERSONAL LINES INSURANCE (~~63~~65 percent of examination questions of which 2  
percent of examination questions are specific to Homeowners' Insurance Valuation)

A. ~~Dwelling~~ Insurance on a Residence

1. General Concepts

2. Property Coverage ~~–Homeowners/Fire Policy~~

a. Homeowners Policy

b. Dwelling Policy

3. Liability Coverage - Comprehensive Personal Liability/Dwelling Liability

4. Endorsements

B. Homeowners' Insurance Valuation

1. General Concepts and Section 1749.85 of the California Insurance Code

2. Insurance on a Residence

3. Earthquake Coverage

4. California Fair Access to Insurance Requirements (FAIR) Plan

5. Fire Mitigation and How it Affects Insurance Costs

C. Inland Marine

1. ~~General Concepts~~

2. Personal Watercraft - Personal Insurance

~~C.D.~~ Government/ Pools/ Catastrophe - Property Insurance

1. Earthquake Coverage

2. California Fair Access to Insurance Requirements (FAIR) Plan

3. National Flood Insurance

~~D.E.~~ Personal Auto

1. General Concepts

2. Liability/Medical/Uninsured Motorist

3. Physical Damage/Miscellaneous

4. California Automobile Assigned Risk Plan (CAARP)

5. Motorcycles

6. Recreational Vehicles

~~E.F.~~ Umbrella and Excess Liability Insurance

~~F.~~ Low-Cost Automobile Insurance

~~IV. HOMEOWNERS' INSURANCE VALUATION (2 percent of exam questions)~~

~~A. General Concepts and California Insurance Code Section 1749.85~~

~~B. Dwelling~~

~~C. Earthquake Coverage~~

~~D. California Fair Access to Insurance Requirements (FAIR) Plan~~

~~E. Fire Mitigation~~

(b) The examination required for licensure as a personal lines broker-agent, pursuant to ~~California Insurance Code~~ Section 1676 of the California Insurance Code, shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

**§ 2187.5. Prelicensing Education for Personal Lines Broker-Agents Licensees to Become Fire Property Broker-Agents and Casualty Broker-Agents.**

(a) Any course taken to satisfy the ~~P~~personal ~~L~~lines broker-agent ~~L~~icensees ~~T~~o ~~B~~ecome ~~F~~ire a property broker-agent and ~~C~~asualty ~~B~~roker-~~A~~gent prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. COMMERCIAL INSURANCE COVERAGES (~~75~~ 100 percent of examination questions)

A. Insurance Services Office, Inc. (ISO) Commercial Lines Insurance Programs

B. Property Insurance

1. Commercial Property

a. General Concepts

b. Building and Personal Property Coverage Form

c. Causes of Loss Form(s)

d. Property Indirect Damage Insurance

e. Other Endorsements and Coverages

2. Inland Marine

3. Equipment Breakdown Protection Coverage (aka Boiler and Machinery)

4. Commercial Crime

C. ~~Liability~~/Casualty Insurance

1. Commercial General Liability (CGL)

a. General Concepts

b. CGL Coverage Forms - Occurrence and Claims-Made

c. Professional Liability

d. Management (Directors and Officers) Liability

e. Employment Practices

2. Commercial Auto

3. Farm

4. National Flood

5. Ocean Marine

6. Surety Bonds and General Bond Concepts

7. Umbrella and Excess Liability

8. Workers' Compensation

D. Businessowners Policy (BOP)

1. General Concepts

2. Property Coverages

3. Liability Coverages

~~II. HEALTH AND DISABILITY INCOME INSURANCE (25 percent of exam questions – includes III. LONG TERM CARE INSURANCE)~~

~~A. General Concepts~~

~~B. Medical Expense Insurance~~

~~C. Disability Income Insurance~~

~~D. Senior Health Products/Medicare and Medi-Cal~~

~~E. Health Insurance Counseling and Advocacy Program (HICAP)~~

### ~~III. LONG-TERM CARE INSURANCE~~

(b) The examination required for licensure for a personal lines broker-agent who applies to become a ~~fire~~ property broker-agent and casualty broker-agent, pursuant to ~~California Insurance Code Section 1676 of the California Insurance Code,~~ shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

### **§ 2187.6. Prelicensing Education for Limited Lines Automobile Insurance Agents.**

(a) Any course taken to satisfy the ~~L~~limited L~~lines A~~automobile I~~nsurance A~~gent prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

#### I. GENERAL INSURANCE (15 percent of examination questions)

A. Basic Insurance Concepts and Principles

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems

2. Producers

3. Insurers

4. Market Regulation - General

5. ~~Fair Claims Settlement Practices regulations~~

6. ~~Excess and Surplus (E&S) Lines~~

#### II. ~~PROPERTY AND LIABILITY BASICS~~ (5 percent of examination questions)

A. Basic Legal Concepts - Tort Law

B. ~~Property and Liability Basics~~

1. Basics

2. Policies

~~C. Property and Liability Policies—General~~

III. PERSONAL AUTO INSURANCE (80 percent of examination questions)

A. Personal Auto

1. General Concepts

2. Liability/Medical/Uninsured Motorists

3. Physical Damage/Miscellaneous

4. California Automobile Assigned Risk Plan (CAARP)

5. Motorcycles

6. Recreational Vehicles

B. Umbrellas and Excess Liability Insurance

~~C. Low-Cost Automobile Insurance~~

(b) The examination required for licensure as a ~~L~~limited ~~L~~ines ~~A~~utomobile ~~I~~nsurance ~~A~~gent, pursuant to ~~Insurance Code~~ Section 1676 of the California Insurance Code, shall be based on the subject matter reflected in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749 and 1749.1, Insurance Code.

**§ 2187.7. Prelicensing Education on Ethics and the California Insurance Code.**

(a) Any course taken to satisfy the ~~E~~thics and California Insurance Code prelicensing education requirement of Section 1749 of the California Insurance Code shall use the general subject matter derived from the following curriculum:

I. GENERAL INSURANCE

A. Basic Insurance Concepts and Principles

B. Contract Law

C. The Insurance Marketplace

1. Distribution Systems
2. Producers
3. Insurers
4. Market Regulation - General
5. Fair Claims Settlement Practices Regulations

(b) The examination required to satisfy the ~~E~~ethics and California Insurance Code prelicensing education requirement, pursuant to ~~Insurance Code~~ Section 1676 of the California Insurance Code, shall be based on the subject matter in the foregoing curriculum.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1676, 1749, and 1749.1, 1749.3, 1749.31, 1749.32 and 1749.33 Insurance Code.

**§ 2188. Provider Certification, Provider Renewal, and Provider Qualifications.**

(a) ~~Original~~ Provider Certification

(1) Every person desiring to be certified as a provider shall submit to the Commissioner a ~~provider application on Form LIC 446-2 (Prelicensing/Continuing Education Program Provider Certification/Renewal Application), as set forth in Section 2188.50, or submit online when such services become available, along with the filing fee specified in California Insurance Code Section 1751.1 of the California Insurance Code. Form LIC 446-2~~ The ~~provider application~~ shall request information, ~~that shall include~~ including but not be limited to, the following:

(A) Provider name, business address, mailing address, and telephone numbers.

~~(i)~~ Every applicant that submits Form LIC 446-2 (Prelicensing/Continuing Education Program Provider Certification/Renewal Application) with a business address outside of California shall file with the Commissioner the agreement included on Form LIC 446-40 (Prelicensing/Continuing Education Program Out-of-State Provider Jurisdiction Agreement), as set forth in Section 2188.50. The agreement shall give the commissioner jurisdiction over applicant and shall be binding upon the applicant executing it. Service shall be made upon the Commissioner under the circumstances described in the agreement and in the manner provided in the California Insurance Code.

~~(i)~~ (B) The name, ~~and~~ qualifications (experience, professional designations, degrees, licenses held), and email address of the provider director;

~~(ii)~~ (C) Whether the provider director, or a controlling person of a provider organization, has been convicted of a crime; refused a professional, occupational or vocational license or has had such a license suspended, restricted or revoked by any licensing authority; or been fined or

placed on probation by an administrative agency;

(D) Whether the provider organization has been refused a professional, occupational or vocational license or has had such a license suspended, restricted or revoked by any licensing authority; or been fined or placed on probation by an administrative agency. The provider organization's response shall include only those actions relating to their prelicensing and/or continuing education provider status;

~~(iii)~~(E) The location, including street address, city, telephone number and contact person, of records required to be maintained by the provider; If records are to be kept outside of California, Form LIC 446-32 (Prelicensing/Continuing Education Provider Stipulation to Maintain Records Outside of California) as described in Section 2188.4(e) and set forth in Section 2188.50 must be completed and signed by the provider director;

~~(iv)~~(F) The attendance record and verification forms proposed for use that meet the requirements delineated in Section 2188.5(b);

(G) The certificate of completion proposed for use that meets the requirements of Section 2188.8(a);

~~(v)~~(H) The provider's status with the Council for Private Post Secondary and Vocational Education; Bureau for Private Postsecondary Education;

~~(vi)~~(I) Whether the provider is a sole proprietorship, partnership, association or corporation;

~~(vii)~~(J) Certification that no course shall be offered for credit unless the provider has been certified as a provider by the Commissioner;

~~(viii)~~(K) The original signature of the provider director certifying accuracy of the information provided unless electronic submission becomes available; and

~~(ix)~~(L) The full legal name, social security number, and date of birth of each controlling person.

(2) No provider shall be certified if the application referred to above is incomplete. The ~~Department-Commissioner~~ shall inform all provider applicants in writing by way of a letter or an email within seven (7) days from the ~~Department-Commissioner's~~ receipt of the provider application ~~either that it is complete and accepted for filing, or that it otherwise contains deficiencies requiring correction.~~

(A) Incomplete provider applications shall remain active for one (1) year unless withdrawn by the applicant. After one (1) year, a new application is required, along with the filing fee specified in California Insurance Code Section 1751.1 of the California Insurance Code.

(B) Notification that an application is complete accepted by the Commissioner does not necessarily mean the ~~Department-Commissioner~~ considers all information contained therein to

be sufficient, and submission of insufficient information may be a basis for denial of provider certification.

~~(C)~~ The ~~Department~~ Commissioner shall decide whether to grant or renew provider certification within sixty (60) days from its receipt of a completed application; however, the sixty-day (60) time period shall be tolled during any such time that a provider applicant comes under formal investigation by the ~~Department~~ Commissioner.

(3) The Commissioner may refuse to certify a provider if the Commissioner finds that:

~~(iA)~~ The applicant or any controlling person is not properly qualified to perform the duties of a provider;

~~(iiB)~~ The granting of the provider's certification would be against the public interest;

~~(iiiC)~~ The applicant or any controlling person is not of good business reputation;

~~(ivD)~~ The applicant or any controlling person is lacking in integrity;

~~(vE)~~ The applicant or any controlling person has been refused a professional, occupational or vocational license; had such a license suspended, revoked, ~~or~~ restricted; or been fined or placed on probation by any licensing authority for reasons other than the applicant's or controlling person's failure to meet the licensing authority's technical requirements for licensure;

~~(viF)~~ The applicant or any controlling person has knowingly, willfully, or recklessly made any misstatement in any application to the Commissioner or in a document filed in support of such application, or has made a false statement in testimony given under oath before the Commissioner or any other person acting in his stead;

~~(viiG)~~ The applicant or any controlling person has previously engaged in a fraudulent practice or act or has conducted any business in a dishonest manner;

~~(viiiH)~~ The applicant or any controlling person has shown incompetency or untrustworthiness in the conduct of any business, or, has by commission of a wrongful act or practice in the course of any business, exposed the public or those dealing with him or her to the danger of loss;

~~(ixI)~~ The applicant or any controlling person has been convicted of a felony; a misdemeanor denounced by any law regulating insurance; a public offense having as one of its necessary elements a fraudulent act or an act of dishonesty in the acceptance, custody, or payment of money or property; or a public offense which indicates any potential for future conduct detrimental to students or the insurance industry;

~~(xJ)~~ The applicant or any controlling person has aided or abetted any person in an act or omission which would constitute grounds for denial of certification ~~denial of~~ or disciplinary

action under the California Insurance Code against the person aided or abetted; or

~~(K) The applicant or any controlling person has permitted any person in his or her employ to violate any provision of the California Insurance Code.~~

(4) Prior to refusing to certify a provider for the reasons specified in Section 2188(a)(3), except as provided in Section 1669 of the Insurance Code, the Commissioner must afford the provider applicant with an opportunity to be heard in support of his application.

~~(4) Every nonresident applicant for provider certification shall file with the Commissioner the agreement included on Form LIC 446-40 (Prelicensing/Continuing Education Program Out-of-State Provider Jurisdiction Agreement), as set forth in Section 2188.50. The agreement shall give jurisdiction over and shall be binding upon the applicant executing it. Service shall be made upon the Commissioner under the circumstances described in the agreement and in the manner provided in the Insurance Code.~~

~~(5) Upon the filing of an original or renewal application to be certified as a provider, the Insurance Commissioner may undertake an make such investigation and require the filing of such supplementary documents, affidavits and statements as may be necessary to obtain a full disclosure of such information as will aid him or her in determining whether the prerequisites for the certification or renewed certification of said provider is have been met.~~

(b) Renewal of Provider Certification

(1) Every person desiring to renew certification as a provider shall submit to the Commissioner a provider renewal application on Form LIC 446-2 (Prelicensing/Continuing Education Program Provider Certification/Renewal Application), as set forth in Section 2188.50, or submit online when such services become available.

(2) No provider certification shall be renewed if the application referred to above is incomplete. ~~The Department Commissioner shall inform all provider renewal applicants in writing by way of a letter or an email within seven (7) days from the Department's Commissioner's receipt of the provider renewal application either that it is complete and accepted for filing, or that it otherwise contains deficiencies requiring correction.~~

(A) Incomplete provider renewal applications shall remain active for one (1) year unless withdrawn by the applicant. After one (1) year, a new provider application is required, along with the filing fee specified in California Insurance Code Section 1751.1 of the California Insurance Code.

(B) Notification that an a provider renewal application is complete-accepted does not necessarily mean the Department Commissioner considers all information contained therein to be sufficient, and submission of insufficient information may be a basis for denial of provider certification.

(C) The Department Commissioner shall decide whether to renew provider certification within

sixty (60) days from its receipt of a completed provider renewal application; however, the sixty-day (60) time period shall be tolled during any such time that a provider comes under formal investigation by the ~~Department~~ Commissioner.

(3) Provider renewal applications shall be received by the ~~Department~~ Commissioner not less than sixty (60) days prior to the expiration of the provider's status to maintain continuity of certification.

(4) A provider with an expired certification is not permitted to offer any of its approved courses until such time as its active status has been renewed.

(5) Upon the filing of a provider renewal application, the Commissioner may undertake an investigation and require the filing of supplementary documents, affidavits and statements as may be necessary to obtain a full disclosure of such information as will aid him or her in determining whether the prerequisites for the renewal certification of said provider have been met.

(c) Provider Qualifications

(1) A ~~certified~~ provider shall notify the Commissioner in writing by way of a letter or an email no later than ten (10) days following any change in any of the items listed in subdivision (a)(1) or (b)(1) of this section.

(2) A ~~certified~~ provider ~~and~~ or applicant for provider certification shall obtain the Commissioner's written approval prior to using any fictitious name under which it acts in a capacity for which certification is required. A ~~certified~~ provider or applicant for provider certification shall file with the Commissioner any change in or discontinuance of a true or fictitious name. The ~~Insurance~~ Commissioner may in writing by way of a letter or an email disapprove the use of any fictitious or true name, other than the bona fide natural name of an individual, on any of the following grounds:

(A) ~~¶~~ The name is an interference with or is too similar to a name already filed and in use by another certified provider;

(B) ~~¶~~ The use of the name might mislead the public in any respect; or

(C) ~~¶~~ The provider or applicant for provider certification has already obtained approval for the use of a fictitious name and has not agreed to discontinue the use of that name. This subdivision shall not prevent a provider or applicant for provider certification who has lawfully purchased or succeeded to the business or businesses of other providers from using for each such business not more than two (2) additional names, true or fictitious, consisting of names used by each of the predecessor businesses in their conduct as certified providers.

Note: Authority cited: Section 1666, 1667, 1668, 1669, 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4) and 1749.4, Insurance Code.

**§ 2188.1. Instructor/Subject Matter Expert Qualifications.**

(a) ~~An approved~~ provider shall ensure all of the following:

(1) ~~That~~ each course approved to satisfy the requirements of ~~California Insurance Code~~ Sections 1749, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A) and 10234.93(a)(4) of the California Insurance Code shall be taught or presented by an instructor/subject matter expert who meets at least one of the following qualifications:

(A) ~~Three (3) years of~~ experience within the last five (5) years in the course or related subject matter; ~~or~~

(B) ~~Currently~~ licensed as an insurance ~~or life~~ agent or broker-agent for the subject being taught and holding the insurance license for three (3) of the last five (5) years; ~~or,~~

(C) ~~possession of~~ 1) a college degree in the subject matter being taught, or 2) a related recognized professional designation, or 3) related recognized professional credential in the subject matter being taught; and two (2) years experience within the last five (5) years in the course or related subject matter; ~~and,~~

(2) ~~That~~ each classroom and online prelicensing education instructor/subject matter expert, as defined in these regulations, shall meet all instructor/subject matter expert qualifications as stated in this section and shall receive comprehensive training ~~by~~ from the ~~provider~~;

(3) ~~That~~ each online prelicensing education instructor/subject matter expert, as defined in these regulations, shall meet all instructor/subject matter expert qualifications as stated in this section and shall be available by telephone or email within one (1) business day, excluding state holidays, to respond to an online prelicensing student's course content questions. Questions asked during weekends shall be answered by close of business on the following Monday. Technical questions regarding course requirements and materials may be responded to by staff of the ~~CDI approved~~ provider; and,

(4) ~~That~~ an instructor/subject matter expert, defined in these regulations, shall be available by telephone or email within one (1) business day, excluding state holidays, to respond to continuing education non-contact student's course content questions. Questions asked during weekends shall be answered by close of business on the following Monday. Technical questions regarding course requirements and materials may be responded to by staff of the ~~CDI approved~~ provider.

(b) ~~An approved education~~ provider shall collect and maintain sufficient documentation to demonstrate that each instructor/subject matter expert meets the minimum qualifications as set forth in this section. All documentation shall be maintained by the provider for a minimum of five (5) years after termination of the instructor/subject matter expert's employment. Documentation shall include the Form LIC-446-4 (Prelicensing/Continuing Education Program Instructor/Subject Matter Expert Qualification), as set forth in Section 2188.50, Form LIC

446-4 signed under penalty of perjury by the provider director as set forth in Section 2188.50 and at least two (2) of the following:

- (1) Copy of degree, license, or certificate in the subject being taught;
- (2) Curriculum vitae, resume or transcripts stating instructor/subject matter expert's experience, qualifications and education;
- (3) Documents or letters from a third party, including but not limited to, a supervisor, professor, attorney, legislator, or ~~C~~certified ~~P~~public ~~A~~accountant that demonstrate the instructor/subject matter expert meets the minimum requirements; and
- (4) Documentation that the instructor/subject matter expert has successfully completed a course that meets the requirements of ~~California Insurance Code~~ Section 1749.4 of the California Insurance Code.

(c) The provider shall submit to the Commissioner a list of all instructors and subject matter experts that it uses for all of its approved courses. The list will be provided to the Commissioner at the time the provider submits the initial provider certification application, at the time of renewing the provider certification, and at any other time that a new instructor/subject matter expert is authorized. The list will be provided on Form 446-4A, Prelicensing/Continuing Education Program List of Instructor(s)/Subject Matter Expert(s).

~~(d)~~ The Commissioner shall review Form 446-4A, Prelicensing/Continuing Education Program List of Instructor(s)/Subject Matter Expert(s). The Commissioner may direct the provider not to use an instructor/subject matter expert for any of the conditions stated in section 2188(a)(3)(A) and (C) through (K).

~~(e)~~(d) The Department Commissioner shall have the right to review the provider's existing records of instructors/subject matter experts and direct the provider not to use an instructor and/or subject matter expert who does not meet the instructor/subject matter expert qualifications as set forth in this Section or does not adhere to other applicable requirements stated in these regulations.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, and 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A) and 10234.93(a)(4), Insurance Code.

### **§ 2188.2. Course Approval.**

(a) Every provider desiring to obtain approval of a course shall submit to the Commissioner, on Form LIC 446-3 (Prelicensing/Continuing Education Program Course Approval Application), as set forth in Section 2188.50, ~~a course approval application, or electronic submission when such services become available,~~ along with the applicable filing fee specified in ~~California Insurance Code Section 1751.1 of the California Insurance Code.~~ The course approval application form shall request ~~the information which shall include~~ including, but not be limited to, the following:

- (1) ~~¶~~The title of the course;
  - (2) ~~¶~~A detailed statement of how each specific course is relevant to insurance topics or insurance products;
  - (3) ~~¶~~A detailed outline of approximately one (1) page per hour of instruction for a contact course, including the time each topic is being presented; or a copy of all materials presented to each student and the time each topic is being presented;
  - (4) ~~¶~~The number of credit hours requested for the course and how the number was determined;
  - (5) ~~¶~~The applicable ~~license~~ course category type(s) of the intended audience;
  - (6) For a contact course: an agenda showing the beginning and ending times, breaks, and time allotted for examinations, if given;
  - (7) For a non-contact continuing education course: the final examination proposed to be used for the course ~~when completion by examination is required~~; the examination questions shall not be in section/chapter order and shall include the answers along with a page and paragraph or for online continuing education, the section/chapter and screen reference for each answer to the source material; and a statement on how the provider will maintain the integrity of the examination ~~including a page and paragraph reference to the source book(s) for the answers~~; the length of time students have to complete a course; a copy of the examination instruction sheet that goes to the students; an explanation of how a course's completion date is determined, who maintains control of the answer key, what constitutes a passing grade and the provider's procedures in the event that a student fails an examination;
  - (8) ~~¶~~When using another vendor's source material as the basis for the course, a current letter of authorization from the author or publisher; and
  - (9) ~~¶~~Whether the course is open to the public; ~~and~~
  - ~~(10) the original signature of the provider director certifying accuracy of information provided.~~
- (b) Every provider desiring to ~~obtain approval of a~~ offer an approved contact course shall advise the ~~Insurance~~ Commissioner of the course's proposed location, including street address, city, state and zip code, and dates and times of the course. Such information shall be received by the Commissioner at least ~~fourteen~~ ten (10) days before the course offering is scheduled to begin. The provider shall provide this information on Form LIC 446-12 (Class Presentation Schedule ~~Form~~), as set forth in ~~§~~Section 2188.50, or by electronic means provided by the Commissioner.
- (c) Any requests for course approval shall be received by the ~~Department~~ Commissioner not less than thirty (30) days prior to the date of the course offering. The ~~Department~~ Commissioner shall inform all providers and provider applicants submitting such requests in

writing by way of a letter or an email within seven (7) days from the Department's Commissioner's receipt of an application whether that it is complete and accepted for filing, or that it otherwise contains deficiencies requiring correction.

(1) Incomplete course applications shall remain active for one (1) year unless withdrawn by the applicant. After one (1) year, a new application is required, along with the applicable filing fee specified in California Insurance Code Section 1751.1 of the California Insurance Code.

(2) Notification that an application is complete accepted by the Commissioner does not necessarily mean the Department-Commissioner considers all information contained therein to be sufficient, and submission of insufficient information may be a basis for denial of course approval.

(3) The Department-Commissioner shall decide whether to approve or reject a course within thirty (30) days of its receipt of a request, unless the provider has been notified of deficiencies; however the thirty-day (30) time period shall be tolled during any time that a provider or provider-applicant comes under formal investigation by the Department-Commissioner.

(d) All advertisements for approved courses shall include the name of the provider, course title as approved by the Commissioner, license type for which the course is approved and the credit hour(s) assigned. No course shall be advertised as approved for credit by the Insurance Commissioner until approved in writing by the Insurance-Commissioner.

(e) A course may be advertised as submitted for approval if a complete filing, pursuant to Section 2188.2(a), has been submitted within the time specified by Section 2188.2(c), and if such advertisement includes an advisement, in at least the same size type as any language regarding the course having been submitted for approval, that the course is pending approval.

(f) A minor change is a change that only slightly changes the content of a course without introducing new subject matter. Minor changes to courses shall be reported in letter form to the Department-Commissioner not less than thirty (30) days prior to implementation of the change. Changes that correct only spelling and/or grammar are not considered a change for the purposes of this subsection and do not need to be reported to the Department-Commissioner.

(g) Major changes that affect presentation time or alter introduce new subject matter to the course content shall be filed as a new course. The course application shall be received by the Department-Commissioner not less than thirty (30) days prior to the date of the first course offering using the new material. Use of a different source book is considered a major change.

(h) Any changes regarding the location or date of any previously approved course, or notification of any additional date or location offering of a previously approved course shall be submitted on Form LIC 446-12 (Class Presentation Schedule), as set forth in Section 2188.50, or by electronic means provided by the Commissioner. - and -Such notification must be received by the Commissioner at least ten (10) days prior to the course offering. Late submission of a class presentation schedule must be accompanied by a letter of explanation signed by the provider director, in order for the Department-Commissioner to consider the

course-class presentation schedule for approval. Continued non-compliance with the notification requirements of this subsection, including any failure to submit a letter of explanation, shall be considered grounds for the rescission of a provider's certification.

(i) Credit hours for contact courses, such as seminars, workshops or conferences, are determined using a fifty (50) minute hour. A contact course student shall not receive more than 480 minutes per day of instruction. Credit hours for non-contact courses and the non-contact portion of a combination course shall be determined using a sixty (60) minute hour. Fractional hours or credit of less than one (1) hour shall not be granted.

(j) For a non-contact continuing education course, A a provider must assure the Department Commissioner that adequate measures are employed to ensure that the students are actively engaged in course material for non-contact courses and the non-contact portion of combination courses. enrolled in the course is the same student that is completing the course examination by securing the student's signature on the course registration enrollment form. The student's signature may be secured utilizing an electronic method (e.g. Internet login or a completed registration enrollment form that is scanned and emailed) or written method (e.g. a completed registration enrollment form is faxed or sent by U.S. mail or other delivery services to the provider).

In addition, the provider shall secure the student's signature on the completed examination utilizing an electronic or the written method noted above. These signatures are to be retained by the provider as stated in Section 2188.4(b) and as proof that the student enrolled in the course was the individual who completed the examination. To determine credit hours for non-contact continuing education courses, a Aprovider shall ensure that, at a minimum, the following measures are employed:

(1) the course-Self-directed continuing education courses presented in hardcopy or portable document format (pdf) textbook or other format which are intended to be read by the student must contain a minimum of 4,600 words for each hour of credit; and, Credit hours for self-directed courses presented in audio and/or video format, which are not intended to be read by the student, will be based on the run-time of the course; or,

(2) Online continuing education courses presented in an Internet-based course content format intended to be read by the student must include a minimum of 4,600 words for each hour of credit. For courses that are not intended to be read by the student (i.e. audio and/or video files) the credit hours will be based on the run-time of the course. In addition, the provider must submit the Internet address to be used for the online continuing education course and provide online access, including log-on and password, to the Commissioner for review of course material; and,

(2) (3) Time included for the course examination time must total at least 10 percent and not more than shall not be more than 15 percent of the course completion time-total credit hours; and,

(3)(4) aA final examination at the end of the course must contain a minimum of three (3)

questions for each credit hour.

(k) An online continuing education course, as defined in section 2186.1 (e)(2)(C), in addition to meeting the course approval requirements of Sections 2188.2 (a), (d), (e), (f), (g), (i), (j), (l), (m), (n),(o), and (p) shall include the following in the course:

~~(1) Require each student to enroll for the online course before having access to online course materials;~~

~~(2)(1) Demonstrate that reasonable measures have been taken to prevent student access to the online course examination before review of the online course materials;~~

~~(3)(2) Demonstrate that reasonable measures have been taken to prevent student from alternately accessing the online course materials and online course examinations.~~

~~(4)(3) Demonstrate that reasonable measures have been taken to prevent student downloading of any online course examination;~~

~~(5)(4) Provide review questions at the end of each section/chapter for courses approved for two (2) or more continuing education credit hours and prevent student access to the final examination until each set of questions are answered at a 70 percent pass rate; and,~~

~~(6)(5) Provide final online course examination questions that do not duplicate section/chapter questions.~~

~~(k) (l) Subjects qualifying for continuing education course approval shall include, but not be limited to, insurance contract analysis, risk management techniques, and rating and classification sessions. The overriding consideration in determining whether a specific program or course qualifies for continuing education credit is that it be a structured learning program which contributes directly to the professional or technical competence of the individual licensed. Courses on nontraditional insurance products or programs may be acceptable if the course contributes to the professional or technical competence of the individual person in the capacity for which they are licensed.~~

~~(l)(m) Contact and self-directed Continuing education course subjects that do not qualify for continuing education course approval shall include, but not be limited to, sales training, communication skills, motivational training, meetings offered by insurers to launch new products or programs, and self-improvement programs.~~

~~(m)(n) Combination courses having identical content in both the self-directed non-contact and contact continuing education portions of the course may not be approved. Combination courses having identical content in both the self directed and contact portions of the course or may be subject to a reduction in requested credit hours.~~

~~(n)(o) Courses may fail to qualify for continuing education credit if the subject matter is deemed to be too basic, or is not at least as comprehensive as any applicable portion of the~~

prelicensing curriculum. Courses which have, as a majority of their allocated time, general subject matter such as economics, demographics, or taxation and law will be decided on a case-by-case basis. Courses on retirement planning, financial planning and estate planning may not qualify if the course curriculum does not reflect a substantial allocation of course time to training the agent to provide product-specific information to insurance consumers.

~~(o)~~ (p) No course approved for prelicensing or continuing education credit shall be construed to be endorsed by the Commissioner.

~~(p)~~ (q) Only an ~~approved~~ provider can offer and schedule an approved contact or non-contact course; ~~providers cannot delegate this authority to instructors, subject matter experts, or other parties.~~

~~(q)~~ (r) When scheduled courses are cancelled, providers must take reasonable efforts to notify all ~~registrants~~ students and maintain documentation of those efforts.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.2, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.6, ~~and~~ 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

#### **§ 2188.2.5. Online Prelicensing Course Approval.**

(a) Every provider desiring to obtain approval of an online prelicensing course, in addition to meeting the ~~C~~ course A approval requirements of Sections 2188.2 (a), (c), (d), (e), (f), (g), (i), (p), and (q) shall include the following in the course:

- (1) ~~e~~ Clear instructions to the student on how to access and participate in the course;
- (2) ~~a~~ A methodology to ensure that the student taking the course cannot complete the course in less time than the period for which the course certification is granted by the ~~department~~ Commissioner;
- (3) ~~a~~ An electronic component that:
  - (A) ~~m~~ Monitors, tracks and provides rosters on the student's time spent completing each section/chapter of the course;
  - (B) ~~a~~ Authenticates the student's identity on a periodic basis, including upon entering and during the course (i.e. employs miscellaneous types of questions that only the student would know and requires the student to answer correctly);
  - (C) ~~p~~ Prevents the student from skipping the course content materials before answering the review questions; and,
  - (D) ~~l~~ Logs the student out of the course after a period of inactivity of twenty minutes, requiring the student to log back in and re-enter the course;

(4) ~~e~~Encryption of all non-public personal student information so that the information cannot be read as it passes across the internet;

(5) ~~a~~A participatory component that:

(A) ~~r~~Requires students to answer the review questions after each section/chapter or requires a minimum of four interactive multiple choice inquiry periods during each hour of the course. Inquiry periods shall occur at regular intervals and shall cover material presented in that section/chapter of the course.;

(B) ~~i~~Identifies all incorrect responses and informs the student of the correct response with an explanation of the correct answer. Examples include, but are not limited to,; a response to the student with a correct answer and explanation or a reference back to the student with the section/chapter/screen that pertains to the question.;

(C) ~~r~~Requires students to answer one hundred percent (100%) of the review questions before allowing the student to proceed to the next section/chapter or to complete the course.;

(D) ~~p~~Provides the student with the ability to review any ~~unit~~/section/chapter of the course at any time.;

(E) ~~p~~Provides the student with the ability to contact an online prelicensing course instructor/subject matter expert regarding course material. Online prelicensing course instructors/subject matter experts shall be available by telephone or email within one (1) business day, excluding state holidays, to respond to student questions. Questions asked during weekends shall be answered by close of business on the following Monday. Technical questions regarding course requirements and materials may be responded to by staff of the ~~CDI~~ approved provider.

(b) Every provider desiring to obtain approval of an online prelicensing course shall ensure that each student completes the following minimum number of review questions per course, ~~per~~ section/chapter:

(1) ~~Fire Property Broker-Agent and Casualty Agent~~ Courses:

12-Hour Course:		Review Question Total = 36
40- <del>20</del> -Hour Course:	Sections I & II -	<del>37</del> <u>19</u> Review Questions
	Section III -	<del>45</del> <u>24</u> Review Questions
	Section IV -	<del>32</del> <u>17</u> Review Questions
	<del>Section V -</del>	<del>6</del> <u>Review Questions</u>
		Review Question Total = <del>120</del> <u>60</u>

(2) Casualty Broker-Agent Courses:

<u>12-Hour Course:</u>		<u>Review Question Total = 36</u>
<u>20-Hour Course:</u>	<u>Sections I &amp; II -</u>	<u>19 Review Questions</u>

Section III - 19 Review Questions  
Section IV - 22 Review Questions

Review Question Total = 60

(2 3) Life-Only Agent Courses:

12-Hour Course:

Review Question Total = 36

20-Hour Course: Section I - ~~19~~ 18 Review Questions  
Section II - ~~20~~ 39 Review Questions  
Section III - 3 Review Questions

Review Question Total = ~~39~~  
60

(3-4) Accident and Health Agent Courses:

12-Hour Course:

Review Question Total = 36

20-Hour Course: Section I - ~~19~~ 15 Review Questions  
Section II - ~~20~~ 39 Review Questions  
Section III - 3 Review Questions  
Section IV - 3 Review Questions

Review Question Total = ~~39~~ 60

(4 5) Personal Lines Broker-Agent Courses:

12-Hour Course:

Review Question Total = 36

20-Hour Course: Sections I & II - ~~19~~ 21 Review Questions  
Section III - ~~20~~ 39 Review Questions

Review Question Total = ~~39~~ 60

(5 6) Limited Lines Automobile Insurance Agent Courses:

12-Hour Course:

Review Question Total = 36

20-Hour Course: Section I - ~~19~~ 3 Review Questions  
Section II - ~~20~~ 3 Review Questions  
Section III - 48 Review Questions

Review Question Total = ~~39~~ 60

(7) Personal Lines Broker-Agent Broker-Agent to Become a Property Broker-Agent and Casualty Broker-Agent Course:-

20-Hour Course: Section I - 60 Review Questions Review Question Total = 60

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749 and 1749.1, Insurance Code.

**§ 2188.3. Course Renewal.**

(a) Every provider desiring to renew approval of an unchanged course or a course with only

minor changes shall receive by way of an electronic delivery method, such as an email, from the Commissioner an electronically generated Provider Course Renewal Letter, Form LIC 446-38 (Rev. 08/2001), incorporated by reference herein, ~~that lists the courses to be renewed.~~ The ~~P~~provider shall submit Form LIC 446-38, unless online submission becomes available, to the ~~Insurance~~ Commissioner along with the applicable renewal fee specified in ~~California Insurance Code~~ Section 1751.1 of the California Insurance Code. The course renewal ~~application~~ form shall request information which shall include but, not be limited to, the following:

(1) ~~¶~~The title of the course and the Department of Insurance Commissioner's approval number;

(2) ~~¶~~The number of credit hours currently assigned;

(3) ~~for contact courses;~~

~~(i) a~~A certification stating that the course remains unchanged from its last approval, signed by the provider director; and;

~~(ii)~~(4) Notification that for minor or major changes not affecting time or course content, shall follow the procedures described in Section 2188.2 (f) and (g). a course outline and agenda highlighting the changes made;

~~(45) for self directed courses, a~~ A current letter of authorization from the author or publisher when using another vendor's source material as the basis for the course; and,

~~(5) an original signature of the provider director certifying accuracy of information provided.~~

(b) The ~~Department~~ Commissioner reserves the right to revise the number of credit hours previously assigned for courses submitted for renewal approval.

(c) Course renewal applications shall be received by the ~~Department~~ Commissioner not less than sixty (60) days prior to the expiration of the course's approval to ensure continuity of the approval status.

(d) No provider shall be permitted to offer, for continuing education or prelicensing credit, a course with an expired status until such time as the active approval status of the course has been renewed.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.2, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.6, ~~and~~ 1749.8, 1749.85, 10113.2(b)(1)(A) and 10234.93(a)(4), Insurance Code.

#### **§ 2188.4. Maintenance of Records.**

(a) All providers shall maintain completed instructor/subject matter expert qualification information on Form LIC 446-4 (Prelicensing/Continuing Education Program Instructor/Subject Matter Expert Qualification), as set forth in Section 2188.50 and shall

maintain documentation as set forth in Section 2188.1(b).

(b) All providers shall maintain records of enrollments, ~~and/or registrations~~, provider rosters, examination answer sheets, ~~and~~ grades of students and review question responses attending approved courses. Prelicensing education providers shall also maintain student ~~resident~~ residence addresses, telephone numbers, and the student's birth date shown in mm/dd/yyyy and the last four digits of the student's complete social security numbers. Online prelicensing student affidavits shall be maintained by providers as required by Section 2188.5.5. Electronic records of online prelicensing student affidavits may be accepted. All records shall be maintained in a manner that protects the identity and non-public personal information of the student.

(c) All providers shall maintain attendance records on forms approved by the Commissioner pursuant to Section 2188.5(b).

(d) Records of attendance in accordance with this Section shall be maintained by the provider (including the local chapter of educational entity) for classroom programs referred to in ~~Insurance Code~~ Section 1749.4 of the California Insurance Code.

(e) Provider records are to be maintained for a period of five (5) years and must be made available to the ~~Insurance~~ Commissioner for inspection and copying immediately upon request. All records of providers with an office in this State, or which are otherwise doing business in this State, shall be maintained at a location within the State unless Form LIC 446-32 (Prelicensing/Continuing Education Provider Stipulation to Maintain Records Outside of California), as set forth in Section 2188.50, is submitted by the provider director. Failure to comply with this ~~subdivision~~ section shall be grounds for rescission of a provider's certification.

(f) Providers shall maintain records such as bank statements, ledgers, journals, receipt books, invoices, and checks, which establish an audit trail of all fees collected from and refunded to students for prelicensing and continuing education courses.

(g) Providers shall maintain copies of all advertisements, mailers and solicitations used in connection with the advertising or offering of prelicensing and continuing education courses to the public. Providers are ~~not~~ required to retain such items for a period of at least in excess of two (2) years, unless ~~they have been~~ notified by a representative of the ~~Department's of Insurance~~ Commissioner that a longer retention period is required.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, ~~and 1749.85, 10113.2(b)(1)(A) and 10234.93(a)(4)~~, Insurance Code.

### **§ 2188.5. Successful Completion of Prelicensing Courses.**

(a) A student's successful completion of a course, intended to meet the prelicensing education requirements ~~referred to in California Insurance Code~~ of Section 1749 of the California Insurance Code, shall be by attending one-hundred percent (100%) of a scheduled course.

(b) Course attendance shall be determined by the provider completing and maintaining a daily attendance record, at both the beginning and end of each session. The daily attendance record shall protect the identity and non-public personal information of the student. ~~Such~~The attendance record may be maintained on Form LIC 446-5 (Prelicensing/Continuing Education Program Course Attendance Record and Verification), as set forth in Section 2188.50, or on a form selected by the provider as long as the form contains the following minimum requirements:

(1) ~~n~~Name, signature, the full birth date shown in mm/dd/yyyy, last four digits of the social security number or insurance license number (if any) of the student, and time in and out of each session;

(2) ~~p~~Provider name and ~~Department of Insurance~~ the Commissioner's certification number;

(3) ~~e~~Course title and ~~Department of Insurance~~ the Commissioner's approval number;

(4) ~~d~~Date, ~~and~~ location of course, and the beginning and end time of course or session;

(5) ~~w~~Whether the record is for the beginning or end of a session; ~~and~~

(6) Instructor/subject matter expert verification that the persons named on the course attendance record sheet(s) were present at the class during the times and days indicated; and

(7) Certification by the provider director that the course attendance records and verification were reviewed and found to be accurate.

(c) Providers of courses referenced in ~~California Insurance Code~~ Section 1749.4(n) of the California Insurance Code are exempt from the attendance record keeping requirements of Section 2188.5(b) ~~above~~.

(d) The provider/ or instructor/subject matter expert has the authority to withhold credit for program completion when, in his or her opinion, the student did not pay satisfactory attention, or otherwise failed to demonstrate acceptable student conduct in class.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749 and 1749.1, Insurance Code.

### **§ 2188.5.5. Successful Completion of Online Prelicensing Courses.**

(a) A student's successful completion of an online prelicensing course, intended to meet the prelicensing education requirements referred to in ~~California Insurance Code~~ of Section 1749 of the Insurance Code and these regulations, shall be determined by the student's compliance with the following:

(1) ~~a~~Actively engaged in one-hundred percent (100%) of an approved online prelicensing course and completion of the total number of required training hours;

- (2) eCompletion of one-hundred percent (100%) of the inquiry period review questions;
  - (3) sSuccessful identity authentication throughout the course as defined in Section 2188.2.5 of these regulations; and,
  - (4) sStudent signature on a completed affidavit (paper or electronic) that declares that the identified student has completed the entire course including 20 or 40 hours of product training, whichever is applicable, and/or 12 hours of ~~code and e~~Ethics and California Insurance Code training.
- (b) Online prelicensing course attendance shall be verified by the provider who shall complete and maintain attendance records that contain at a minimum the following:
- (1) eDate and time student logs into and exits the online prelicensing course; and,
  - (2) eCompleted affidavit signed by student as defined ~~above~~in Section 2188.5.5(a)(4).

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Section 1749 and 1749.1, Insurance Code.

**§ 2188.50. Forms.**

(a) Prelicensing/Continuing Education Program Provider Certification/Renewal Application LIC 446-2

State of California  
**Prelicensing/Continuing Education Program**  
**Provider Certification/Renewal Application**  
 446-2 (Rev. ~~11/089/2013~~ 7/2014)

Department of Insurance

**Producer Licensing Bureau, Education Section**  
 320300 CAPITOL MALL, SUITE 1600  
 SACRAMENTO, CA 95814-4309/4344  
 Information (916) 492 – 3064  
 www.insurance.ca.gov

1.	Check one only:	<input type="checkbox"/> Original filing	<input type="checkbox"/> Renewal	Provider Number: _____	DEPARTMENT USE ONLY:  Provider Number  _____  Effective date:  _____  BY:            Date:
		<input type="checkbox"/> Change of Provider Director	<input type="checkbox"/> Prelicensing Education		
	2.	Check one only:	<input type="checkbox"/> Continuing Education	<input type="checkbox"/> Corporation FEIN: _____	
3.	Entity Type:	<input type="checkbox"/> Sole Proprietor SSN _____	<input type="checkbox"/> Partnership FEIN: _____	<input type="checkbox"/> Association FEIN: _____	
4.	Entity name:				
5.	Does the organization intend to use a fictitious (DBA) name?    _____ Yes    _____ No If YES, list such name: (Name must be approved by the Department prior to use)				
6.	Business Address *:	Number/Street (PO Box is not acceptable)			
		City/	State/	Zip	
	* If located outside of California, attach completed Form 446-40, Out-of-State Provider Jurisdiction Agreement.				
7.	Mailing Address:	Number/Street/PO Box			
		City/	State/	Zip	
8.	Phone Numbers :	Toll free (    )	Business (    )	Fax (    )	
9.	Record Storage Address **:	Number/Street (PO Box is not acceptable)			
		City/	State/	Zip	

	** If address is outside of California, attach completed Form 446-32, Stipulation To Maintain Records Outside of California.			
10.	Record Storage Contact Person:	Last ( )	First ( )	Middle ( )
		Business Phone ( )	Fax number ( )	

**PROVIDER DIRECTOR:** Individual within a provider organization with responsibility for the administration of the programs approved by the Commissioner pursuant to Sections 1749, ~~and~~ 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.8, 1749.85, 10113.2(b)(1)(A), 10234.93(a)(4), and 1810.7 of the California Insurance Code.

11.	Provider Director Name:	Last	First	Middle
12.	Residence Address:	Number/Street		
		City/	State/	Zip
13.	Phone Numbers:	Residence ( )	Business ( )	Fax ( )
14.	E-mail Address:			
15.	Provider Director Qualifications (experience [i.e. insurance, teaching], professional designations, degrees, licenses held, etc.)			
16.	Is this organization now using or has it ever used any name other than listed in #4 or #5 above? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, list such names and dates used:			
17.	Has the organization submitted to the Department within the last year, a filing for which an approval has not been issued? <input type="checkbox"/> Yes <input type="checkbox"/> No    If YES, list name under which the filing was made and date filed:			

**COMPLETE THE AREA BELOW FOR YOUR ORGANIZATION TYPE.** (Attach additional sheets if more space is needed.)

18) **CORPORATE APPLICANT:** Complete the following **and** attach a copy of the articles of incorporation. (If you are an admitted insurer and there have been no changes in officers, directors or stockholders since last official filing with the Department submit a letter stating such. If there have been changes, the following must be completed.)

	Name: Last, First Middle	Residence Address	Social Security No. *
President			
Vice President			
Secretary			
Treasurer			
Director			
Director			
Director			
Stockholder			
Stockholder			

19) PARTNERSHIP APPLICANT: List name and address of all partners and attach copy of the partnership agreement. If no agreement, submit letter signed by all partners.

Partner Name: Last, First Middle	Residence Address	Social Security No. *

20) SOLE PROPRIETOR or ASSOCIATION APPLICANT: List name and address of proprietor or all officers, directors and shareholders of association and attach copy of articles of association. If no articles, submit letter stating such.

Name: Last, First Middle	Residence Address	Social Security No. *

\*PERSONAL INFORMATION NOTICE: Pursuant to the Federal Privacy Act (P.L. 93-579) and the Information Practices Act of 1997 (Civil Code Section 1798, et seq.), notice is hereby given for the request of personal information by this form. The requested personal information is voluntary. The principle purpose of the voluntary information is to facilitate the processing of this form. The failure to provide all or any part of the requested information may delay processing of this form. No disclosure of personal information will be made unless permissible under Article 6, Section 1798.2 of the IPA of 1997. Each individual has the right upon request

and proper identification, to inspect all personal information in any record maintained on the individual by an identifying particular.

21.	<p>Is there any person within the organization, other than listed in question (18), (19), or (20), who acts in the capacity of a Controlling Person as defined in Section 1668.5 of the California Insurance Code, who possesses decision making authority in matters pertaining to prelicensing and/or continuing education?</p> <p><input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>If YES, list name, residence address, and social security number of such person(s): attach a separate sheet if more space is needed.</p> <hr/>
22.	<p><del>Has the <u>provider</u> organization or have any of its partners, members, controlling persons, officers, directors, or any shareholders owning a 10% or more interest in the organization,</del> been the subject of any administrative agency disciplinary action <u>relating to its prelicensing or continuing education provider status</u>? For the purpose of this question, administrative agency disciplinary action includes but is not limited to: having any professional, vocational or business license denied, suspended, placed on probation, restricted or revoked, or any fine imposed; withdrawing any application or surrendering any license to avoid disciplinary action; being issued a cease and desist order or its equivalent; being the subject of a conservation, liquidation, rehabilitation or receivership order.</p> <p><input type="checkbox"/> YES    <input type="checkbox"/> NO</p>
23	<p><u>Have any of the provider organization's partners, members, controlling persons, officers, directors, or any shareholders owning 10% or more interest in the organization, been the subject of any administrative disciplinary action? For the purpose of this question, administrative agency disciplinary action includes but is not limited to: having any professional, vocational or business license denied, suspended, placed on probation, restricted or revoked, or any fine imposed; withdrawing any application or surrendering any license to avoid disciplinary action; being issued a cease and desist order or its equivalent; being the subject of a conservation, liquidation, rehabilitation or receivership order.</u></p> <p><input type="checkbox"/> YES    <input type="checkbox"/> NO</p>
23 24.	<p><del>Has</del><u>Have the organization or have any of the provider organization's</u> <del>its</del> partners, members, controlling persons, officers, <u>directors, or any shareholders</u> owning a 10% or more interest in the organization, ever been convicted of a crime?    <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>"Crime" includes a felony or misdemeanor and military offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, having had any charge dismissed, expunged or plea withdrawn pursuant to Penal Code Section 1203.4, or having been given probation, a suspended sentence or a fine. You may exclude traffic citations and juvenile offenses.</p>

**IMPORTANT NOTE:** If the answer is "YES" to question (22), ~~or~~ (23), or (24) above, attach a detailed statement, signed by an authorized person for the organization, listing the events which led to the charges (dates and places). If the matter was heard in court, attach copies CERTIFIED BY THE COURT of the Criminal Complaint and

the Sentencing Minute Order showing the final plea, judgment and sentence. If any disciplinary action was taken by an administrative agency, attach a certified copy of the action.

24 25.	Is the organization registered with the Bureau for Private Postsecondary & Vocational Education? _____ Yes _____ No If YES, list approval number: _____
25 26.	Describe the organization's experience in offering educational programs to insurance licensees: Attach separate sheet if more space is needed.
26 27.	Provide a complete statement of your refund policy and describe how this policy will be transmitted to students before <del>registration</del> <u>enrollment</u> (submit sample):
27 28.	Indicate instruction method of courses to be offered: <input type="checkbox"/> Contact (attendance required) <input type="checkbox"/> Non-Contact (self-directed <u>and/or</u> <u>online</u> ) <input type="checkbox"/> Both Contact and Non-Contact
28 29.	For Contact courses, the following information is required: 1) Sample of attendance record forms proposed for use meeting the requirements of <del>s</del> <u>Sections 2105.7 and or 2188.5(b) of Title 10</u> of the California Code of Regulations. 2) Sample of Certificate of Completion (see <del>s</del> <u>Sections 2105.10(a) and or 2188.8(a) of Title 10 of Title 10</u> the California Code of Regulations).
29 30.	For Non-Contact courses, a statement providing the following information is required: 1) How long do students have to complete the course and how is that information transmitted to them? 2) What is your method for determining what date to use for course completion date and how is that information communicated to students? 3) Please supply information about protecting the integrity of the exam: who has control of the answer key(s); what is a passing grade; if someone fails the exam may they retake the exam and, if so, how many times and would it be the same exam; and do you return exams to students or discuss the answers with them? 4) Please enclose copy of your instruction sheet that goes to the student upon <del>registration</del> <u>enrollment</u> . 5) Sample of Certificate of Completion (see <del>s</del> <u>Sections 2105.10(a) and or 2188.8(a) of Title 10 of Title 10</u> the California Code of Regulations).

**CERTIFICATION**

I agree to (a) maintain records of enrollments, attendance, exam grades and other pertinent information as requested by the Commissioner for a period of five years, (b) provide certificates of completion to those students who successfully complete courses, (c) use only qualified instructors/subject matter experts to conduct courses, (d) timely provide the Commissioner with completed course approval applications for programs submitted for credit

approval, and (e) comply with the prelicensing and continuing education regulations and all applicable California Insurance Code sections. Further, I certify under penalty of perjury that I am the person who has responsibility for the administration of the operations contained in this application; that the information contained in this application is true and correct; and that no approved course will be offered for credit unless the organization holds an active provider approval status. Lastly, I understand that I must promptly report to the Commissioner any changes in the information contained in this form.

\_\_\_\_\_  
Original Signature of Provider Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name

**FILING INSTRUCTIONS:**

This form must be completed by each entity desiring to be certified or to renew certification as a prelicensing or continuing education provider.

Type or print clearly in ink. All sections of this form must be completed and submitted with proper attachments and filing fees to the Department.

Attach additional sheets if more space is needed to answer questions.

Please send this completed application, other required attachments and a NON-REFUNDABLE ~~\$606~~\$468.00 filing fee to:

Make checks	California Department of Insurance
payable to:	Producer Licensing Bureau, Education Section
	320 Capitol Mall
	Sacramento, CA 95814-4309

Education Section Inquiries: (916) 492-3064

**§ 2188.50. Forms.**

(d) Prelicensing/Continuing Education Program Course Approval Application LIC 446-3



12-hour Code and Ethics	20- hour	32- hour	40-hour	52-hour	<input type="checkbox"/> California Partnership for Long-Term Care <input type="checkbox"/> Annuity <del>-8 Hour</del> <u>4 hour**</u> <input type="checkbox"/> Homeowners' Insurance Valuation** <input type="checkbox"/> Ethics <del>-4 Hour</del> <u>2 Hour**</u> <input type="checkbox"/> Life Settlement** <input type="checkbox"/> Independent Adjuster <input type="checkbox"/> Public Adjuster
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**Instruction Method:\*\***

<b>Contact:</b> <input type="checkbox"/> Seminar <input type="checkbox"/> Workshop/Conference <input type="checkbox"/> Classroom/Lecture <input type="checkbox"/> Teleconference (monitored)	<b>Non-Contact:</b> <input type="checkbox"/> Audio Cassette <input type="checkbox"/> Video Tape <input type="checkbox"/> Correspondence/Text Book <input type="checkbox"/> Computer Diskette <input type="checkbox"/> Internet <input type="checkbox"/> Other: _____	
<u><b>Prelicensing Education</b></u> <b>Contact (Interactive):</b> <input type="checkbox"/> Classroom  <b>Non-Contact (Internet Delivery):</b> <input type="checkbox"/> Online Prelicensing	<u><b>Continuing Education</b></u> <b>Contact (Interactive):</b> <input type="checkbox"/> Seminar <input type="checkbox"/> Workshop/Conference <input type="checkbox"/> Classroom/Lecture <input type="checkbox"/> Teleconference (monitored) <input type="checkbox"/> Webinar (monitored)** <input type="checkbox"/> Other: _____	<u><b>Continuing Education</b></u> <b>Self-Directed (Non-Interactive)</b> <input type="checkbox"/> Correspondence/Hardcopy Textbook <input type="checkbox"/> Portable Document Format (PDF) Text <input type="checkbox"/> Ebook <input type="checkbox"/> Compact Disk (CD) <input type="checkbox"/> Digital Versatile Disc (DVD) <input type="checkbox"/> Audio File <input type="checkbox"/> Video File <input type="checkbox"/> Other: _____  <b>Online Continuing Education (Internet Delivery)</b> <input type="checkbox"/> Internet <input type="checkbox"/> Other: _____

**License Category Type(s) for course credit (check one or more):**

<input type="checkbox"/> Fire and Casualty Property	<input type="checkbox"/> Casualty	<input type="checkbox"/> Property and Casualty
<input type="checkbox"/> Personal Lines	<input type="checkbox"/> Life Agent	<input type="checkbox"/> Life-Only
<input type="checkbox"/> Accident and Health	<input type="checkbox"/> Life-Only and Accident and Health	<input type="checkbox"/> Limited Lines Automobile
<input type="checkbox"/> Life Settlement**	<input type="checkbox"/> Independent Insurance Adjuster**	
<input type="checkbox"/> Public Insurance Adjuster**	<input type="checkbox"/> Independent and Public Insurance Adjuster**	
<input type="checkbox"/> General**	<input type="checkbox"/> Business Management**	

Is this course part of a designation program?  Yes  No If yes, which program?

Number of continuing education course credit hours requested (Note: <u>courses must be at least one hour and partial hours will not be accepted</u> ):	Include on <del>Department's</del> <u>Commissioner's</u> list of courses open to public? <input type="checkbox"/> Yes <input type="checkbox"/> No
<p><b>CERTIFICATION:</b> I certify under penalty of perjury that I have read and understand the information and requirements contained in this application, that all statements are true and nothing has been withheld which would influence a complete evaluation of this course.</p> <p style="text-align: center;"><input type="checkbox"/> I Agree</p>	
<hr/> <del>Original Signature of Provider Director</del> Print Name of Provider Director <span style="float: right;">Date</span>	
<hr/> <del>Printed Name of Provider Director</del> Email Address <span style="float: right;">Date</span>	
<p><b>For <del>Department</del> <u>Commissioner</u> use only:</b>          _____ COURSE APPROVED _____ COURSE NOT APPROVED</p> <p><u>Comments/Calculations:</u></p>  <p>By:</p> <hr/> <del>Education Section Staff</del> <u>Signature</u>	

\* Advertising and course materials must use ~~this~~ the exact title on this application. Courses based on another provider's material must be approved by that provider and must use the same name.

\*\*See Required Attachment Checklist on page 2 and 3 of this application.

**REQUIRED ATTACHMENT CHECKLIST:**

**Instruction Methods:**

- A. ~~For-Contact (Interactive) Courses~~ as defined in Section 2186.1(e)(1) of Title 10 of the California Code of Regulations (CCR):**
1. \_\_\_ A detailed statement on how the course is relevant to insurance topics and insurance products.
  2. \_\_\_ A detailed outline of approximately one page per hour of instruction including the time each topic is being presented.
  3. \_\_\_ A copy of all materials presented to each student if a detailed outline is not submitted with application.
  4. \_\_\_ An agenda showing the beginning and ending times, breaks, and time allotted for examinations, if applicable.
  5. \_\_\_ A completed Class Presentation Schedule form for each presentation.
  6. \_\_\_ A current authorization letter from the author or publisher if using another vendor's source material as the basis for the course.
  7. \_\_\_ For a webinar, teleconference, or similar technological medium, demonstrate how the instructor knows when a student has signed in and out of the course,

how students are monitored and their active participation time tracked, and how communication between instructor and student is achieved.

- ~~7.8.~~ For a prelicensing courses only, California prelicensing curriculum and educational objectives are to include the with page and paragraph-references every line page-reference to the source books(s) used to the provider course material for every line topic. ~~(For Prelicensing Courses Only)~~

**B. ~~For Non-Contact (Non-Interactive) Courses: Self-Directed Continuing Education Course~~ as defined in Section 2186.1(e)(2)(B) of Title 10 of the CCR:**

- ~~1.~~ A detailed statement on how the course is relevant to insurance topics and insurance products.
- ~~2.~~ A copy of the ~~A~~audio cassette file, video file ~~or tape~~, computer diskette, DVD, CD, EBook or hardcopy or pdf text book for the course or a copy of the text book cover, copyright page and table of contents if using another vendor's pre-approved material/book.
- ~~3.~~ Internet courses must include your Internet address, security measures, log on and password for our review of course(s). ~~Answers to exam questions must reference Section/chapter and screen for answer source.~~
- ~~4.3.~~ A final examination with at least three questions (not in chapter/section order) for each hour of credit with questions scrambled (not in chapter order). A detailed statement on how provider will ensure the student enrolled in the course is the same individual who is completing the final course examination as defined in Section 2188.2(j) of Title 10 of the CCR.
- ~~5.4.~~ Answers to all examination questions with page and paragraph referencing to the source ~~book(s)~~ material used.
- ~~6.5.~~ A current authorization letter from the author or publisher if using another vendor's source material.
- ~~7.6.~~ A ~~C~~copy of the course and examination instruction sheet sent to students detailing the length of time the student is allowed to complete the course, how the course completion date is determined, what constitutes a passing grade, and procedures in event student fails an examination.
- ~~7.~~ A detailed statement on who maintains control of the answer key and how the integrity of the examination is maintained (see Section 2188.2(a)(7)).
- ~~8.~~ A document listing the total word count (4,600 words for each hour of credit) for courses intended to be read or the run time for courses not intended to be read in audio and/or video format (see Section 2188.2(j)(1))
- ~~9.~~ Demonstrate that reasonable measures have been taken to prevent student from access to course examination before review of the course material as defined in Section 2186.1(e)(2)(~~A~~B)1. (~~1~~) and 2. (~~1~~) of Title 10 of the CCR. Provide Internet address, log-on and password for course review.

**C. ~~Ethics Training Course Questions:~~**

- ~~1.~~ Describe how this course contributes to an agent's understanding of his/her ethical responsibilities.
- ~~2.~~ Point out where in the course examples of "good" licensee conduct are given, as well as examples of "bad" licensee conduct.

3. \_\_\_ Explain how this course contributes to an agent's understanding of the complexities of ethical decision making within the context of insurance transactions.
4. \_\_\_ Describe where in the coursework an agent may find tools to help the agent identify, prevent, and resolve ethical dilemmas that arise in the course of conducting insurance business.
5. \_\_\_ How will the content of this course contribute to the producers understanding of proper vs. improper, honest vs. dishonest behavior?
6. \_\_\_ Please provide two samples of licensee conduct you will use in this course to contrast ethical with unethical behavior and details supporting the judgment of ethical or unethical behavior.
7. \_\_\_ Identify how this course demonstrates to whom the licensee "owes" an ethical responsibility in this course and how this course will help the licensee understand his or her ethical responsibilities to such an entity.
8. \_\_\_ How will this course help the licensee distinguish between legal and ethical behavior and legal but unethical behavior?

**C. Non-Contact (Internet Delivery) - Online Continuing Education Course as defined in Section 2186.1(e)(2)(C) of Title 10 of the CCR:**

1. \_\_\_ A detailed statement on how the course is relevant to insurance topics and insurance products.
2. \_\_\_ A final examination with at least three questions (not in chapter/section order) for each hour of credit. A detailed statement on how provider will ensure student enrolled in the course is the same individual who is completing the final examination as defined in Section 2188.2(j) of Title 10 of the CCR.
3. \_\_\_ Answers to all examination and review questions with section/chapter and screen referencing to the provider course material.
4. \_\_\_ Internet address, log-on and password for course review.
5. \_\_\_ Demonstrated compliance with Section 2188.2(k) of Title 10 of the California Code of Regulations.
6. \_\_\_ A document listing either the total word count (4,600 words for each hour of credit) or that the credit hour is based on the run time of the course as stated in (Section 2188.2(j)(42)).
7. \_\_\_ A current authorization letter from the author or publisher if using another vendor's source material.
8. \_\_\_ A copy of the course and examination instructions to students detailing the length of time the student is allowed to complete the course, how the course completion date is determined, what constitutes a passing grade, and procedures in the event a student fails an examination.
9. \_\_\_ A detailed statement on who maintains control of the answer key and how the integrity of the examination is maintained.
10. \_\_\_ Demonstrate that reasonable measures have been taken to prevent student access to the course examination before ~~purchasing~~ enrollment in and ~~completing completion of~~ the course materials as defined in Section 2186.1(e)(2)(~~BC~~)(~~4~~) of Title 10 of the CCR.
11. \_\_\_ Internet courses must include the provider's Internet address, security measures, log-on and password to allow for Commissioner to review the course(s).

Answers to examination questions must reference Section/chapter and screen for answer source.

**D. Four-Hour Annuity Training Course Questions:**

1. Illustrate with examples how this course provides an enriched and more thorough education than the training in Section IV or Section IX from the “California Department of Insurance 2004 Annuity Training Outline, Topics To Be Included in 8-hour Annuity Training Course”.
2. Point out where in the course the examples of how annuity contract provisions impact the senior consumer (Section IV, “How fixed, variable, and index annuity contract provisions affect consumers”, from the California Department of Insurance 2004 Annuity Training Outline, Topics To Be Included in 8-Hour Annuity Training Course) OR where in the course there are examples of proper and improper annuity sales practices discussed (Section IX, “Introduce sales practices for California insurance agents” from the California Department’s of Insurance Eight Hour Annuity Training Outline).
3. Explain how this course contributes to an agent’s understanding of the laws governing the design of annuities and the sale of annuity products to seniors in California.
4. Describe where in the course there are tools provided to assist an agent to identify when an annuity product and/or an annuity sales practice are out of compliance with the law.

**D. Non-Contact (Non-Interactive-Internet Delivery) - Online Prelicensing Course as defined in Section 2186.1(e)(2)(A) of Title 10 of the CCR:**

1. A detailed statement on how the course is relevant to insurance topics and insurance products.
2. A copy of the applicable California prelicensing educational objectives with section/chapter and screen references to the provider course material for every line topic.
3. Internet address, log-on and password for course review.
4. Demonstrated compliance with Sections 2188.2.5 and 2188.5.5 of Title 10 of the California Code of Regulations.

**Course Category Type(s):**

**E. Ethics Training Course: as defined in Section 1749.1(a) of the California Insurance Code (CIC):**

Attach separate sheet with responses to each of the eight statements listed below:

1. Describe how this course contributes to an agent’s understanding of his/her ethical responsibilities.
2. Point out where in the course examples of “good” licensee conduct are given, as well as examples of “bad” licensee conduct.
3. Explain how this course contributes to an agent’s understanding of the complexities of ethical decision-making within the context of insurance transactions.

4. Describe where in the coursework an agent may find tools to help the agent identify, prevent, and resolve ethical dilemmas that arise in the course of conducting insurance business.
5. Explain how the content of this course contributes to the producers understanding of proper vs. improper, honest vs. dishonest behavior.
6. Provide two samples of licensee conduct you will use in this course to contrast ethical with unethical behavior and details supporting the judgment of ethical or unethical behavior.
7. Explain how this course demonstrates to whom the licensee “owes” an ethical responsibility in this course and how this course will help the licensee understand his or her ethical responsibilities to such an entity.
8. Explain how this course helps the licensee distinguish between legal and ethical behavior and legal but unethical behavior.

**F. Annuity Training Course:** as defined in Section 1749.8 of the CIC:

**Eight-Hour Annuity Training Courses:**

1. A copy of the Eight-Hour Annuity Training Outline, approved by the Commissioner, with page and paragraph-references to the provider course material for every line topic.

**Four-Hour Annuity Training Courses:**

1. A copy of the selected Four-Hour Annuity Training Course Specific Topic Outline, approved by the Commissioner, with page and paragraph-references to the provider’s course material for every line topic.

**G. Independent Adjuster and/or Public Adjuster Course** (attach separate sheet with responses to each of the four statements listed below) as defined in Section 14090.1, and/or 15059.1, of the CIC:

1. Describe how this course contributes to an independent/public insurance adjuster’s understanding of insurance coverage and claims, how the course relates to the adjusting of insurance claims, and how adjuster competence may be improved by completion of the course.
2. Describe how this course contributes to an independent/public insurance adjuster’s understanding of insurance statutes and rules, how the course relates to the adjusting of insurance claims, and how adjuster competence may be improved by completion of the course.
3. Describe how this course contributes to an independent/public insurance adjuster’s understanding of specific topics (i.e. construction, commercial, residential), how the course relates to the adjusting of insurance claims, and how adjuster competence may be improved by the completion of the course.
4. Describe how this course contributes to an independent/public insurance adjuster’s understanding of valuation, how the course relates to the adjusting of insurance claims, and how adjuster competence may be improved by completion of this course.

**H. Life Settlement Broker Course** as defined in Section 10113.2 of the CIC:

1. A copy of the 15-Hour Life Settlement Broker Outline, approved by the Commissioner, with page and paragraph-references to the provider course material for every line topic.

**I. California Eight-Hour Long-Term Care Course** as defined in Section 10234.93(a)(4) of the CIC:

1. A copy of the Eight-Hour Mandatory Long-Term Care Course Outline, approved by the Commissioner, with page and paragraph-references to the provider course material for every line topic.

**J. Homeowners' Insurance Valuation Courses** as defined in Section 1749.85 of the CIC and Section 2188.65 of *Title 10* of the CCR:

1. A copy of the Homeowners' Insurance Valuation course curriculum, approved by the Commissioner, with page and paragraph-references to the provider course material for every line topic.

**K. General Category Course:**

1. A detailed statement on how the course is equally relevant to a combination of the following license types: property broker-agent (PR), casualty broker-agent (CA), personal lines broker-agent (PL), limited lines automobile agent (AU), life only agent (LO) and accident and health agent (AH). Specifically, the provider is to describe in each section of the course outline or material how the licensee that holds the specific license types (e.g. a licensee that holds PR, CA and AH or a PR, CA, LO and AH or PL, LO and AH license types) is enriched and is provided a more thorough education by completing a general category type course. **Please note** that if the course topics are specific to one license type, the Commissioner will give the course the appropriate course category code.

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PLEASE SEND THIS COMPLETED APPLICATION ALONG WITH THE PROPER ATTACHMENTS AND FILING FEE TO:

California Department of Insurance  
Producer Licensing Bureau-Education Section  
Education Course  
P.O. Box 957  
Education Course  
Sacramento, CA 95812-0957

Filing fees:  
~~\$30~~~~\$31~~\$34 per Continuing  
~~\$60~~~~\$62~~\$68 per Prelicensing

Make check payable to: California  
Department of Insurance

Course applications must be received in this office at least 30 days prior to the first course presentation date. ~~No education credit will be granted prior to the 30<sup>th</sup> day from receipt of the completed application.~~ Course advertisements for pending courses must clearly state that the course has been submitted and is pending approval, if the course application is complete and

submitted within the appropriate time frame. EDUCATION SECTION INQUIRIES: (916) 492-3064.

**§ 2188.50. Forms.**  
(g) Provider Roster LIC 446-13

State of California  
**Provider Roster**  
LIC 446-13 (Rev. 12/08)(Rev. 7/2014)

Department of Insurance

**Producer Licensing Bureau - Education Unit Section**

320300 CAPITOL MALL, SUITE 13600  
SACRAMENTO, CA 95814-43094344  
Information (916) 492-3064  
[www.insurance.ca.gov](http://www.insurance.ca.gov)

Important: This form must be submitted to the ~~California Department of Insurance (CDI)~~ Commissioner within 10 days following the completion of the prelicensing course and 30 days following the completion of the continuing education course. ~~Late roster may not be accepted.~~ *Items marked with an asterisk (\*) are not required for non-contact courses.*

**Late rosters may not be accepted.**

Pre-licensing Course:  Continuing Education Course:   
Contact course:  Non-Contact course:  Combination Course:

Provider ID #: \_\_\_\_\_ Provider Name: \_\_\_\_\_

Course ID #: \_\_\_\_\_ Credit Hours: \_\_\_\_\_ Course Name: \_\_\_\_\_

\*Course Start Date: \_\_\_\_\_ \*Beginning Time: \_\_\_\_\_ \*End Time: \_\_\_\_\_ Completion Date: \_\_\_\_\_  
(\*Military time (i.e. 1300 = 1:00 P.M.))

\*Class location: \_\_\_\_\_  
Street Address Suite/Room ,

City State Zip Code

The ~~CDI Commissioner~~ requests disclosure of a student's ~~complete~~ last four digits of his or her social security number and the student's birth date shown as month, day, and year (mm/dd/yyyy) pursuant to Insurance Code Sections 1749, 1749.2, 1749.3, 1749.4, 1749.5, and 1749.7, and California Code of Regulations, Title 10, Chapter 5, Sections 2188.4(b) and 2188.65(b)(1). This information will enable the Commissioner to ~~is requested so that the Department can~~ properly identify and assign credit to students who have completed a prelicensing course. ~~For~~ or continuing education courses, the student's insurance license number is required. While a student's disclosure of his or her full birth date and the last four digits of his or her social security number ~~here is~~ are not mandatory, any failure to provide this

information may delay or otherwise impede the CDI Commissioner-in assigning credit for the completion of such courses to the appropriate students.

<b>ALL ENTRIES MUST BE TYPED. #</b>						
#	<u>Last Four Digits of the Social Security Number</u>	<u>Student's Licensee Name:</u> Last                                      First                                      M.I.			<u>Birth Date (mm/dd/yyyy)</u>	<u>Individual Insurance License # Number</u>
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						

**Certification**

I have reviewed this Provider Roster and the associated Course Attendance Records or examination information and certify to the best of my knowledge that the individuals listed here meet the requirements for credit.

 \_\_\_\_\_ ( ) \_\_\_\_\_  
 Original signature of Provider Director                                      Date                                      Telephone

\_\_\_\_\_  
 Printed Name of Provider Director

**§ 2188.50. Forms.**

(h) Prelicensing/Continuing Education Program Instructor/Subject Matter Expert Qualification Form LIC 446-4

State of California                                      Department of Insurance  
**Prelicensing/Continuing Education Program Instructor/Subject Matter Expert  
 Qualification Form**

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**Producer Licensing Bureau - Education Unit Section**  
320300 CAPITOL MALL, SUITE 1600  
SACRAMENTO, CA 95814-43094344  
Information (916) 492-3064  
[www.insurance.ca.gov](http://www.insurance.ca.gov)

**INSTRUCTIONS:**

- **This form must be completed by each proposed instructor/subject matter expert, lecturer, moderator, or person conducting a classroom course, seminar, workshop, conference, ~~etc.~~ or person identified by the provider to respond to non-contact course student questions.**
- **Type or print clearly in ink.**
- **Provider Director must verify the information provided by the instructor/subject matter expert.**
- **DO NOT SUBMIT THIS FORM TO THE DEPARTMENT. –Please retain this form and any additional documentation in your files for FIVE YEARS after termination of the instructor/subject matter expert.**
- **Attach additional sheets if more space is needed to answer questions.**

Provider Number: \_\_\_\_\_ Date: \_\_\_\_\_

Provider Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip Code

Instructor/Subject Matter Expert Name: \_\_\_\_\_

Residence Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Residence Address: \_\_\_\_\_  
Street City State Zip Code

List the course titles and course numbers to be taught:

Course Title

Course Number

\_\_\_\_\_  
\_\_\_\_\_

Describe your experience (within the last 5 years) in the course or related subject matter:

\_\_\_\_\_

If you hold or have ever held an insurance license, complete the following:

License Type License or National Producer Number State or Province Dates License Held  
From To

---

If you have a college degree in the subject matter being taught, complete the following:  
Name of College or University      Course of Study      Degree      Date Completed

---

Please indicate if you hold a recognized professional insurance designation and the date earned:

\_\_\_ LUTC    \_\_\_ CLU    \_\_\_ AAI    \_\_\_ CPCU    \_\_\_ CIC    \_\_\_ Other: \_\_\_    Date \_\_\_

If you hold a recognized professional credential in the subject matter being taught, complete the following:

Type of Credential      Credential Number      Date Earned      State or Province Issued

---

Have you ever been an instructor/subject matter expert for another ~~approved~~ prelicensing or continuing education provider?

\_\_\_ YES    \_\_\_ NO    If YES, list the provider names, dates and reasons for leaving:

---

**BACKGROUND QUESTIONS:**

1) Have you been the subject of any administrative agency disciplinary action? For the purpose of this question, administrative agency disciplinary action includes but is not limited to: having any professional, vocational or business license denied, suspended, placed on probation, restricted or revoked, or any fine imposed; withdrawing any application or surrendering any license to avoid disciplinary action; being issued a cease and desist order or its equivalent; being the subject of a conservation, liquidation, rehabilitation or receivership order.

\_\_\_ YES\*    \_\_\_ NO

~~For the purpose of this question, administrative agency disciplinary action includes but is not limited to: having any professional, vocational or business license denied, suspended, placed on probation, restricted or revoked, or any fine imposed; withdrawing any application or surrendering any license to avoid disciplinary action; being issued a cease and desist order or its equivalent; being the subject of a conservation, liquidation, rehabilitation or receivership order.~~

2) Have you ever been convicted of a crime?

For the purpose of this question, "crime" includes a felony or misdemeanor and military offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, having had any charge dismissed, expunged or plea withdrawn pursuant to Penal Code Section 1203.4, or having been given probation, a suspended sentence or a fine. You may exclude traffic citations and juvenile offenses.

\_\_\_\_\_ YES\* \_\_\_\_\_ NO

~~"Crime" includes a felony or misdemeanor and military offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, having had any charge dismissed, expunged or plea withdrawn pursuant to Penal Code Section 1203.4, or having been given probation, a suspended sentence or a fine. You may exclude traffic citations and juvenile offenses.~~

**\*IMPORTANT NOTE:** If the instructor/subject matter expert answer is "YES" to either of the above two questions. The instructor/subject matter expert is to attach a detailed statement, signed by you, listing the events which led to the charges (dates and places). If the matter was heard in court, attach copies CERTIFIED BY THE COURT of the Criminal Complaint and the Sentencing Minute Order showing the final plea, judgment and sentence. If any disciplinary action was taken by an administrative agency, attach a certified copy of the action.

**INSTRUCTOR/SUBJECT MATTER EXPERT CERTIFICATION**

I certify under penalty of perjury that the information contained in this application is true and correct and that nothing has been withheld which would influence a complete evaluation of my qualifications and conduct as an instructor/subject matter expert.

I understand that this completed application will be maintained by the provider and made available to the Commissioner as requested.

---

Original Signature of Instructor/Subject Matter Expert \_\_\_\_\_ Date \_\_\_\_\_

**PROVIDER DIRECTOR VERIFICATION**

I certify under penalty of perjury that I have reviewed and verified the qualifications of the instructor/subject matter expert named above. To the best of my knowledge and belief, this person meets at least one of the following instructor/subject matter expert qualification requirements as stated in sSections 2105.4 and 2188.1 of Title 10 of the California Code of Regulations:

\_\_\_\_\_ Three years experience within the last five years in the course or related subject matter.

\_\_\_\_\_ Currently licensed as an insurance agent or broker for the subject being taught and holding the insurance license for three of the last five years.

\_\_\_\_\_ Possession of a college degree in the subject matter being taught, or a related recognized professional designation or related recognized professional credential in the

subject matter being taught and two years experience within the last five years in the course or related subject matter.

I further certify under penalty of perjury that I have reviewed and maintained at least two of the following documents:

- 1) Copy of degree, license, or certificate in the subject matter being taught;
- 2) Curriculum vitae, resume or transcripts stating instructor/ subject matter expert's experience, qualifications and education;
- 3) Documents or letters from a third party including but not limited to a supervisor, professor, attorney, legislator, or certified public accountant that demonstrates the instructor/subject matter expert meets the minimum requirements; or
- 4) Documentation that the instructor/subject matter expert has successfully completed a course that meets the requirements of Section 1749.4 of the California Insurance Code.

**DO NOT SUBMIT THIS FORM TO THE DEPARTMENT . PLEASE RETAIN THIS FORM IN YOUR FILES FOR REVIEW DURING A PROVIDER AUDIT.**

\_\_\_\_\_  
Original Signature of Provider Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Provider Director

**§ 2188.50. Forms.**

(i) Prelicensing/Continuing Education Program List of Instructor(s)/Subject Matter Expert(s) Form LIC 446-4A

State of California

Department of Insurance

**Prelicensing/Continuing Education Program List of Instructor(s)/Subject Matter Expert(s) Form**

LIC 446-4A (New 7/2014)

**Producer Licensing Bureau – Education Section**

300 CAPITOL MALL, SUITE 1600

SACRAMENTO, CA 95814-4344

Information (916) 492-3064

[www.insurance.ca.gov](http://www.insurance.ca.gov)

California Department of Insurance

List of Instructor(s)/Subject Matter Expert(s)

Per Section 2188.1(c) of *Title 10* of the California Code of Regulations

Provider Name: \_\_\_\_\_ Provider Number: \_\_\_\_\_



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Original Signature of Provider Director

Date

---

Printed Name of Provider Director

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Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

**§ 2188.6. Successful Completion of Continuing Education Courses.**

(a) Students shall attend all of a scheduled contact course, as defined in Section 2186.1(e)(1); any exceptions must be approved by the instructor/subject matter expert or provider director and must not violate the minimum attendance requirements listed below in Section 2188.6(b). The provider/instructor/subject matter expert has the authority to withhold credit for program completion when, in his or her opinion, the student did not pay satisfactory attention or otherwise failed to demonstrate acceptable student conduct in class.

(b) Except as set forth in other subsections of this section, successful completion of a contact course referred to in ~~California Insurance Code~~ Section 1749.4 ~~(g)(o)~~ of the California Insurance Code shall be by attending at least eighty percent (80%) of a scheduled course.

(c) Course attendance of a live prelicensing or continuing education classroom course shall be determined by the provider completing and maintaining a daily attendance record, at both the beginning and end of each session, in the same manner as described in Section 2188.5(b). Attendance for an interactive continuing education course, as defined in Section 2186.1(e)(1)(D), may be by maintaining an electronic attendance record of student log-in/out of the class session and instructor roll-call record.

(d) Providers of courses referenced in ~~California Insurance Code~~ Section 1749.4 ~~(f)~~ (n) of the California Insurance Code are exempt from the attendance record keeping requirements of Section 2188.5(b) above. A student's successful completion of such courses will be by obtaining a passing grade of at least seventy percent (70%) on a final examination or an instructor's/subject matter expert's certification that such student attended at least eighty percent (80%) of the contact course.

(e) Students taking ~~self-directed non-contact~~ courses, as defined in Section 2186.1(e)(2) must meet the provider's established criteria for acceptable work. Successful completion of ~~self-directed non-contact~~ courses shall mean obtaining a passing grade of at least seventy percent (70%) on a final examination. The final examination shall be graded by the ~~approved~~ provider. The provider shall issue certificates of completion only to those students who have passed the final examination.

(f) Interactive courses, as defined in Section 2186.1(e)(1)(D) consisting of only video or audio programs, conducted in supervised environments involving attendance monitoring, such as work stations or conference rooms, may qualify for continuing education credit without the use

of a final examination. A student's successful completion of such a course shall be by attending all of the scheduled time; any exceptions must be approved by an instructor/subject matter expert or provider director and must not violate the minimum attendance requirements. Attendance shall be verified ~~in accordance with Section 2188.5(b)~~, by ~~any approved~~ a provider who reviews and compares the electronic attendance record and instructor roll-call record as stated in Section 2188.6(c).

(g) No course shall be taken for credit more than once within a two (2) year license period.

~~(h) Students licensed as a life agent and/or a fire and casualty broker agent shall complete courses, programs of instruction, or seminars which follow a prescribed outline and have been approved by the Commissioner on ethics as part of, and not in addition to, the continuing education requirements pursuant to California Insurance Code Section 1749.3. The minimum number of required on ethics is as follows:~~

~~(1) The life agent and/or fire and casualty broker agent shall satisfactorily complete four (4) hours on ethics each license term.~~

~~(i) Students licensed as a personal lines broker agent shall complete those courses, programs of instruction, or seminars which follow a prescribed outline and have been approved by the Commissioner on ethics as part of, and not in addition to, the continuing education requirements pursuant to California Insurance Code Section 1749.31. The minimum number of hours required on ethics is as follows:~~

~~(1) The personal lines broker agent shall satisfactorily complete two (2) hours on ethics each license term.~~

~~(j) Excess ethics continuing education hours accumulated during any license term may not be carried forward to the next license term. Pursuant to Section 2188.6(g), no course shall be taken for credit more than once within a two (2) year license term.~~

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

### **§ 2188.65. Broker-Agent Training on Estimating the Replacement Value of a Damaged or Destroyed Structure.**

(a) As used in this section ~~2188.65~~ and in ~~Insurance Code s~~Section 1749.85, of the California Insurance Code, the following terms have the following meanings:

(1) "Homeowners' insurance policy" shall have the same meaning as "policy of residential property insurance" as defined in subdivision (a) of ~~Insurance Code s~~Section 10104 of the California Insurance Code. A "homeowners' insurance policy" does not include:

- (A) a tenant's policy;
- (B) a policy covering an individually owned mobilehome and its contents;

- (C) a policy covering an individually owned manufactured home and its contents;
- (D) a renter's policy; or
- (E) a policy insuring an individually owned condominium unit that does not provide dwelling structure coverage.

(2) "Replacement value" shall have the same meaning as "replacement cost" and is defined as the amount it would cost to repair, construct, rebuild or replace a damaged or destroyed structure.

(3) "~~Fire Property broker-agent~~", and "casualty broker-agent" and "personal lines broker-agent" mean holders of the licenses defined in ~~Insurance Code~~ Sections 1625 and 1625.5 of the California Insurance Code, respectively. ~~Fire Property broker-agents, and casualty broker-agents, and personal lines broker-agents~~ are also referred to as "broker-agents" in this section.

(b) On or after June 27, 2011, every California resident ~~fire property broker-agent~~ and casualty broker-agent and personal lines broker-agent who has not already taken a homeowners' insurance valuation training course must satisfactorily complete one three-hour training course on homeowners' insurance valuation meeting the requirements of this section prior to estimating the replacement value of structures in connection with, or explaining the various levels of coverage under, a homeowners' insurance policy. ~~For resident broker-agents, t~~ This requirement shall be part of, and not in addition to, the continuing education requirements of Insurance Code Section 1749.3 of the California Insurance Code. The homeowners' insurance valuation training course needs to be taken only once in order to satisfy the requirements of this subdivision ~~(b)~~.

(c) The training required by this section must be approved by the eCommissioner and shall consist of topics related to dwelling, fire, and homeowners' insurance. Any course taken to satisfy the requirements stated in Section 1749.85 of the California Insurance Code shall use subject matter described in this ~~article~~ section.

(d) The broker-agent shall be trained on the differences between homeowners' insurance coverage and other Fire, and Dwelling Property policies, which differences may necessitate differences in coverage or coverage levels. The broker-agent shall also be trained on the basic concepts of property insurance and estimating replacement value, which includes:

(1) How loss settlement provisions in an insurance policy apply to major claims, the potential causes of underinsurance and the potential effects that underinsurance may have on settlement;

(2) The differences in the measure of indemnity between actual cash value coverage and replacement cost coverage, as summarized in ~~Insurance Code~~ Sections 2051, 2051.5, and 10102 of the California Insurance Code, including:

(A) California Residential Property Insurance Disclosure, as described in ~~Insurance Code~~ Section 10102 of the California Insurance Code; and

(B) Depreciation and how it is applied under a homeowners' insurance policy;

(3) The several components and features of a structure necessary to estimate replacement cost, as well as the other costs incident to reconstruction, including at least the following:

- (A) Type of foundation;
- (B) Type of frame;
- (C) Roofing materials and type of roof;
- (D) Siding materials and type of siding;
- (E) Whether the structure is located on a slope;
- (F) Size of the entire structure and, separately, the square footage of the living space;
- (G) Geographic location of property;
- (H) Number of stories and any nonstandard interior wall heights;
- (I) Materials used in, and generic types of, interior features and finishes, such as, where applicable, the type of heating and air conditioning system, walls, flooring, ceiling, fireplaces, kitchen and bath(s);
- (J) Cost of demolition and debris removal;
- (K) Cost of permits and architect's plans;
- (L) Age of the structure or the year it was built; ~~and~~
- (M) Size and type of attached garage; and
- (N) Additional costs associated with building a single or custom home.

(4) The effects of catastrophes on replacement cost. This includes how shortages of construction labor, building supplies, fuel, transportation issues, and permit restrictions can result in increased costs, sometimes referred to as demand surge, and delays in rebuilding.

(5) Review of the significant enhancements and endorsements to the homeowners' insurance policy, and identification of coverages that help protect against underinsurance. The review is to include:

(A) what is included and excluded in Building Code Upgrade (Ordinance and Law) Coverage, as defined in Section 10102 ~~in~~of the California Insurance Code; and

(B) the various types and levels of replacement cost, as defined in Section 10102 of the

California Insurance Code;

(6) Review of the California Standard Form Fire Policy and FAIR (Fair Access to Insurance Requirements) Plan coverages, as described in Sections 2071 and 10090 of the California Insurance Code, respectively; review of earthquake insurance coverages as described in Section 10081 et seq. of the California Insurance Code, including coverage offered by the CEA (California Earthquake Authority).

(7) Review of the types of basic building construction, including tilt-up, cinderblock, wood frame, brick and masonry, and metal frame.

(8) Review of the various methodologies of estimating replacement cost including:

(A) Proprietary replacement cost valuation tools;

(B) Real estate appraisals;

(C) Insurance company's valuation software;

(D) Contractor's and architect's estimates or opinions;

(E) Cost per square footage estimates; and

(F) Insured's opinion.

(9) Review of fire mitigation and how it affects insurance costs, to include:

(A) Define, recognize, and describe the fire problem in the wildland urban interface;

(B) Discuss the areas that affect the risk and hazard such as topography, fuel types and locations, weather, and construction; and

(C) Discuss current statutes and regulations that address efforts to mitigate and indicate that local codes may also apply. These statutes, regulations and codes include requirements for defensible space and fire-resistant building construction.

(e) The training required by this Section 2188.65 shall ensure that the broker-agent is aware of the provisions of Sections 2695.182 and 2695.183.

(f) Any course or seminar that is disapproved for the reason that it fails to comply with this section shall be presumed invalid for credit towards the continuing education requirement of this section unless the course or seminar is later approved in writing by the eCommissioner.

Note: Authority cited: Sections 790.04, 790.10, 1749.7, 1749.85 and 2051.5, Insurance Code. Reference: Sections 790.03, 790.04, 1625, 1625.5, 1749.1, 1749.3, 1749.31, 1749.85, 2051.5, 10087 and 10104, Insurance Code.

### § 2188.7. Successful Completion of Statutory Approved Courses.

Successful completion of courses referred to in ~~California Insurance Code~~ Sections 1749.4 (a) through ~~(e)~~ (m) of the California Insurance Code shall mean:

(a) Having received a passing grade for the examination administered by the council, college or institute referred to in ~~Insurance Code~~ Sections 1749.4 (a) through ~~(e)~~ (m) of the California Insurance Code; or,

(b) Students attending a program referred to in ~~Insurance Code~~ Section 1749.4 (a) through ~~(e)~~ (m) of the California Insurance Code shall attend all of a scheduled class; any exceptions must be approved by the instructor/subject matter expert or provider director and must not violate the minimum attendance requirement of eighty percent (80%) of the scheduled class. Students shall be awarded credits based on attendance and subject to the attendance record keeping requirements of Section 2188.5(b). The provider/instructor/subject matter expert has the authority to withhold credit for program completion when, in his or her opinion, the student did not pay satisfactory attention, or otherwise failed to demonstrate acceptable student conduct in class.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3 and, 1749.31, 1749.32, 1749.33, 1749.4, and 1749.5 Insurance Code.

### § 2188.8. Certificates of Completion.

(a) Certificates of completion shall be provided by the ~~approved~~ provider to any student successfully completing a prelicensing, continuing education, or training course. Duplicate certificates of completion shall be issued by providers upon request in the case of lost or destroyed certificates. Certificates of ~~C~~ompletion may be issued electronically to the student. Certificates of completion shall contain the following information:

(1) ~~o~~Original or electronic signature of the student and the instructor/subject matter expert, or the provider director, ~~or in~~ in the case of supervised audio/video courses, the original signature of the provider director designee who supervised the course and verified attendance;

(2) ~~t~~The title and the Commissioner's Department's of Insurance course approval number of the course completed;

(3) ~~t~~The provider name, address, telephone number and the Commissioner's Department's of Insurance approval number;

(4) ~~f~~For a non-contact course, the completion date of the course; and for contact courses, the date(s) of the course taken, the date completed and the city, including street address and zip code, where taken;

(5) ~~t~~The number of hours approved for the course;

(6) a statement that submitting a false or fraudulent certificate of completion to the Commissioner may subject any application for an insurance license to denial, and any issued license to suspension or revocation; and

(7) ~~e~~Certificates of completion or the records of final examination grades of courses taken to satisfy the requirements of ~~California Insurance Code~~ Sections 1749, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4) of the California Insurance Code shall state that the student shall retain the continuing education certificate for five (5) years. In addition, the prelicensing certificate of completion shall state that the student is to retain the prelicensing certificates for three (3) years from the date the course is completed. The prelicensing certificate shall also state the expiration date of the prelicensing certificate which is three (3) years after the completion of the course.

(b) The provider shall provide the Commissioner with a roster of students given certificates of completion as follows:

(1) The prelicensing roster is to be submitted within ten (10) business days following the completion of the course;

(2) The continuing education roster is to be submitted within thirty (30) calendar days following the completion of the course. Said roster shall include the name of the instructor/subject matter expert if the instructor/subject matter expert is requesting credit for the course;

(3) The roster shall be submitted through an electronic filing method which can include, but is not limited to, the ~~California Department of Insurance's~~ Commissioner's Web-site, electronic flat file, diskette, compact diskette (CD), or digital versatile disc (DVD). Specific requirements for submitting rosters using one (1) of the methods noted above will be provided by the education unit; and,

(4) Submission of typed hard copy ~~f~~Form LIC 446-13 (Provider Roster), as set forth in Section 2188.50, or typed on a form selected by the provider, as long as the form contains the following minimum requirements, will only be accepted under special circumstances previously approved by the ~~CDI~~Commissioner:

(A) ~~f~~The name, birth date shown in mm/dd/yyyy and the last four digits of the student's social security number and insurance license number (if any) of the student;

(B) ~~f~~The provider name and the Commissioner's Department of Insurance approval number;

(C) ~~f~~The course title and the Commissioner's Department of Insurance approval number;

(D) ~~f~~The date and location of course including street address and zip code;

(E) ~~f~~The number of hours approved for the course; and

(F) ~~¶~~The signature of the provider director certifying accuracy of information provided.

(c) Submission of a late roster shall be accompanied by a letter of explanation signed by the provider director. Continued non-compliance, including any failure to supply a letter of explanation, shall be considered grounds for the rescission of a provider's certification.

Note: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.32, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

### **§ 2188.9 Rescission of Provider Certification or Course Approval**

(a) The approval of a course may be rescinded by the Commissioner pursuant to Insurance Code Section 1749.1(~~de~~) if it is determined that course content has been significantly changed without notice to the ~~Insurance~~ Commissioner and the change affects the number of hours assigned to the course or ~~the change in content would~~ makes the course ineligible for approval.

(b) Provider certification may be rescinded by the Commissioner if it is determined that:

(1) A certificate of completion is or ~~has been~~ was issued to any individual who is or was not entitled to the issuance of any such certificate;

(2) A certificate of completion was not provided when requested by any student successfully completing the course;

(3) Any ~~of the~~ grounds exist on which the Commissioner may deny a provider certification;

(4) The provider has not complied with these regulations or applicable provisions of the California Insurance Code;

(5) The provider has failed to exercise reasonable care in evaluating the competency, good character, and integrity of any of its instructors/subject matter experts as stated in Section 2188.1; or

(6) The provider has allowed any other person or entity to use the provider's approved provider status or course approval status.

(7) The provider has allowed one or more of the following:

(A) ~~¶~~ Giving credit to a student who attends less than 80 percent of a continuing education course, or the student completes less than 100 percent of an approved prelicensing or online prelicensing course as stated in Sections 2188.5, 2188.5.5, 2188.6, and 2188.7(b).

(B) ~~¶~~ Giving credit to a student who did not pass the written examination for a non-contact course as stated in Section 2188.6.

~~(C)~~ Issuing a certificate of completion that does not comply with Section 2188.8(a).

(c) Reinstatement of a rescinded provider certification or course approval shall be at the discretion of the Commissioner after receipt of satisfactory proof that any conditions responsible for the rescission have been corrected, and the Insurance Commissioner has received an application for course approval, pursuant to Section 2188.2, ~~above~~, or an application for provider certification, pursuant to Section 2188-~~above~~.

NOTE: Authority cited: Section 1749.7, ~~of the California~~ Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.33, and 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.

### **§ 2188.10 Compliance Date**

Education Providers must comply with new and amended regulations within one-hundred twenty (120) calendar days after they are filed with the Secretary of State.

NOTE: Authority cited: Section 1749.7, Insurance Code. Reference: Sections 1749, 1749.1, 1749.3, 1749.31, 1749.33, 1749.4, 1749.5, 1749.8, 1749.85, 10113.2(b)(1)(A), and 10234.93(a)(4), Insurance Code.