

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ii: INSURANCE PRODUCERS, LIMITED INSURANCE
REPRESENTATIVES AND BUSINESS ENTITIES

PART 3119
PRE-LICENSING AND CONTINUING EDUCATION

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AUTHORITY: Implementing Sections 500-25, 500-30 and 500-35 and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/500-25, 500-30, 500-35, and 401].

SOURCE: Adopted at 9 Ill. Reg. 80, effective January 1, 1985; amended at 15 Ill. Reg. 69, effective January 1, 1991; amended at 16 Ill. Reg. 126, effective January 1, 1992; amended at 18 Ill. Reg. 16568, effective November 1, 1994; amended at 20 Ill. Reg. 10340, effective July 19, 1996; amended at 21 Ill. Reg. 13820, effective October 15, 1997; amended at 25 Ill. Reg. 6480, effective May 3, 2001; amended at 26 Ill. Reg. 16522, effective October 28, 2002; amended at 29 Ill. Reg. 15515, effective September 29, 2005; amended at 34 Ill. Reg. 5856, effective April 7,

2010; amended at 34 Ill. Reg. 12802, effective August 20, 2010; amended at 44 Ill. Reg. 3910, effective March 2, 2020; amended at 50 Ill. Reg. _____, effective _____.

Section 3119.20 Definitions

For the purposes of this Part, the following definitions shall apply:

"CER Agreement" means the NAIC Continuing Education Reciprocity (CER) Agreement – 2019 Version (no later amendments or editions) available on National Association of Insurance Commissioners' (NAIC) website.

"Code" means the Illinois Insurance Code [215 ILCS 5].

"CER Course Filing Form" means the NAIC Uniform CER Course Filing Form, (Appendix A of the CER Agreement) or a substantially similar form, including an equivalent electronic submission method. Whenever a CER Course Filing Form is required, providers must also provide the required course materials, a detailed course outline, instructor information, and the appropriate fee (see 215 ILCS 5/500-135(a)(6) or (7)).

"Classroom" (or "synchronous" or "contact") means course activities or information occurring in real time at a specific time, date, and place, and delivered via Internet or in person, such as, but not limited to, seminar/workshop, webinar/virtual class. Student attendance is based on personally identifiable information (e.g., username, password, email, government-issued identification, and signature) and student participation or interaction with course activities. Classroom courses do not require an examination.

~~Contact instruction means a course presented in a classroom or seminar format.~~

"Course" means any course of study certified to the Director that meets the requirements of this Part, including, but not limited to, ~~seminar~~, classroom, and self-study formats.

"Date of Original Issue" means the date of the issuance of a producer's license. Any lapse or suspension of 1 year or more shall establish a new date of original issue and subject the person to this Part.

"Department" means the Illinois Department of Insurance.

"Director" means the Director of the Illinois Department of Insurance ~~of the State of Illinois~~ or anyone to whom the Director's responsibilities and authority are lawfully delegated.

~~Interactive Online means self study courses only presented on the Internet that do not require a proctored final exam.~~

"Long Term Care" (LTC) training~~Training (LTCT)~~ means prescribed training required by licensed producers prior to the producer being allowed to sell long term care insurance coverage. This training is required pursuant to 50 Ill. Adm. Code 2012.121 and may satisfy a part of the continuing education requirement if the course is filed with the Department as a continuing education course.

"Provider" means any person who offers a course for which certification has been received by the Director.

"Self-study" (or "asynchronous" or "non-contact") means course activities or information delivered outside of real time (recorded or otherwise similarly accessible) and available at any time, such as, but not limited to, correspondence, online training, video, audio, CD, or DVD (see CER form). Student attendance is verified based on identity (e.g., username, password, email, signature) and successful completion of an examination. Self-study courses do not require interaction with instructors. Self-study credit hours require the successful completion of a final proctored examination covering the self-study material.

"Substantially different" means, when referencing examinations, 50% of questions on the successive exam after a failed attempt must be different from any previously taken exam.

"Successful Completion" means passing an examination with a score of 70% or above in accordance with criteria established by the provider.

"Supervised Examination" means a proctored, timed and closed book examination.

"Webinar/Virtual Class" means a type of classroom study that is instructor-led, delivered using the Internet to remote attendees, with a specific start time and end time, in which students enroll before gaining access to the instructor, information, and course activities. Student attendance is monitored and validated based on personally identifiable information (e.g., username, password, email) and student participation in interactive exercises is required. Credit for course is based on attendance and activity, not examination.

(Source: Amended at 50 Ill. Reg. _____, effective _____)

Section 3119.25 NAIC Continuing Education Reciprocity Agreement

- a) The Department has agreed to review and approve continuing education courses in accordance with the CER Agreement.
- 1) The Department will accept the CER Course Filing Form and the required home state course approval document as the sole requirement for the approval of a reciprocal course submission, provided that the home state is also a signatory of the CER Agreement.
- 2) The Department will conduct a substantive review of Illinois home state course submissions and other course submissions that do not meet the criteria in paragraph (a) and in accordance with the CER and the additional Illinois specific requirements of Sections 3119.30 and 3119.60 of this Part.
- b) The Department will review and approve pre-licensing course submissions for compliance with the course guidelines in the CER Agreement and the requirements of Sections 3119.30 and 3119.50 of this Part. All pre-licensing course submissions will be substantively reviewed by the Department, regardless of whether the course has been approved in any other state.

(Source: Added at 50 Ill. Reg. _____, effective _____)

Section 3119.30 Provider Responsibilities

- a) Each provider shall file for course approval using the CER Course Filing Form. ~~submit a certification to the Director for each course it intends to offer for pre-licensing or continuing education credit. Certification is to be submitted to the Department of Insurance at least 30 days prior to the first date the course will be offered. Certification must be accompanied by the appropriate fee (see 215 ILCS 5/500-135(a)(6) or (7)), be signed and dated by the provider, and contain: the provider's name; Federal Employer Identification Number (FEIN) and/or Social Security number of the individual provider; contact person and that person's telephone number; published provider telephone number; course title; first date course will be offered; whether the course is for public education; class of insurance to which the course is applicable; and type of course instruction (see 215 ILCS 5/500-35(b)(1)). The certification format and content have also been posted to the Department's website at: www.insurance.illinois.gov/Producer/producer_information.asp and will be made available upon request from the Department. Use of the National Association of Insurance Commissioners (NAIC) Midwest Zone Form is also permissible for purposes of certification.~~

- b) Each provider shall submit a new CER Course Filing Form~~certification~~ when there is a significant change in the course. A significant change includes, but is not limited to:
- 1) a change to course content/material done in response to new or revised statutes, regulation or case law;
 - 2) the replacement, removal or addition of a section/subsection/chapter/unit;
 - 3) a change that impacts run time; or
 - 4) a change to the instructor.
- c) No provider shall submit the same or substantially the same course content for more than one course.
- ~~d~~e) Each provider shall maintain a copy of all instructional materials for each course. If the provider ceases to offer a course or makes a significant change in the course materials, the provider shall maintain the original material for 1 year from the date the course was terminated or significantly changed.
- ~~e~~d) Each provider shall maintain the following records for 3 years at a central location:
- 1) Classroom or webinar~~seminar~~ – roster for each classroom course or webinar~~seminar~~ identifying the instructors, the student, the course, the location, the date and hours of attendance, the completion date, the examinations and the results of any examinations administered.
 - 2) Self-study~~-online~~ – name of student, name of course, date of completion; of the examinations, the results of examinations, and other applicable proof of completion.
- ~~f~~e) Each provider shall provide to the Director a list of students who have successfully completed a pre-licensing or continuing education course. The list shall contain course number; credit hours; course title; reporting week being submitted; provider name; FEIN and/or Social Security number for the individual provider; and student data (including student name and Social Security number, date course completed and either class of insurance for pre-licensing or credit hours for continuing education). The information shall be submitted by an electronic method of transfer prescribed by the Director and in the specifications established by the Director. Each list shall be received by the Director within 10 days following the end of the week in which the course was completed. The list

shall be compiled pursuant to the criteria established in Section 3119.50(b) and ~~(d)(e) or Section 3119.65~~. The date of completion for a course with an examination shall be the date the examination is graded by the provider. Other than the original course fee, no additional fee shall be charged to the student for reporting the student's successful completion to the Department. ~~If the initial report contains an error, no additional charge shall be given for re-reporting the credits to the Department.~~

gf) Instructors shall have either a Bachelor's degree or 3 years experience in the course subject matter and must not have had their license revoked by the Department. Providers must maintain evidence of such qualifications while the instructor is actively engaged in instructing the course and for 1 year thereafter.

hg) Providers shall, upon the request of the Director, provide a copy of all course material, provider records, and evidence of instructor's qualifications to the Director. ~~All such requests shall be subject to a warrant of the Director and for the express purpose of gauging compliance with the Code and Department of Insurance regulations pertaining to the Code.~~

ih) The Director may make arrangements, including contracting with an outside service administrator, for the purpose of administrating and collecting the educational data from the providers. Under such an arrangement, all or a portion of the reporting requirements of the provider shall be made to the servicing administrator.

ji) Providers may not advertise a ~~pre-licensing or continuing education~~ course as approved for pre-licensing or continuing education credit in this State until the course ~~unless it~~ has been approved by the Department ~~of Insurance~~.

k) Providers are prohibited from selling or distributing student information to any third party without prior written consent of the student. Such consent shall be optional and documented by the provider on a separate consent form. Providers may not require such consent as a condition of registration, participation or completion of the course. Registration, participation, or completion of the course shall not constitute consent. Providers must include a statement on their registration form/page that student information will not be sold or distributed to any third party without prior written consent of the student.

(Source: Amended at 50 Ill. Reg. _____, effective _____)

Section 3119.45 Responsibilities of the Applicant for Insurance Producer Licenses and the Licensed Insurance Producers

a) Applicants for Insurance Producer Licenses

- 1) Prior to taking the licensing examination, each applicant shall complete the pre-licensing education requirements for each class of insurance for which an examination is being taken. The pre-licensing education course must be used within 1 year after completion.
- 2) Applicants who either have earned a college degree in insurance from an institution of higher education that is accredited by a nationally recognized accrediting agency or hold any of the designations listed in this subsection (a)(2) will be exempt from the pre-licensing requirement of this Part. A copy of the college degree or certification for the following designations must be provided to the Department at the time of licensure application.

Class of Insurance	Designation
Life	CEBS, ChFC, CIC, CFP, CLU, FLMI, <u>LACP</u> , and LUTCF, <u>and RICP</u>
Accident and Health	RHU, CEBS, REBC, and HIA
Property and Casualty	AAI, ARM, CIC, <u>CRM</u> and CPCU

- 3) The following abbreviations and acronyms are used in subsection (a)(2):

Life Designations

CEBS	Certified Employee Benefits Specialist
ChFC	Chartered Financial Consultant
CIC	Certified Insurance Counselor
CFP	Certified Financial Planner
CLU	Chartered Life Underwriter
FLMI	Fellow Life Management Institute
<u>LACP</u>	<u>Life and Annuities Certified Professional</u>
LUTCF	Life Underwriting Training Council Fellow
<u>RICP</u>	<u>Retirement Income Certified Professional</u>

Accident and Health Designations

RHU	Registered Health Underwriter
CEBS	Certified Employee Benefits Specialist
REBC	Registered Employee Benefits Consultant
HIA	Health Insurance Associate

Property and Casualty Designations

AAI	Accredited Advisor Insurance
ARM	Associate in Risk Management
CIC	Certified Insurance Counselor
<u>CRM</u>	<u>Certified Risk Management</u>
CPCU	Chartered Property and Casualty Underwriter

b) Licensed Insurance Producers

- 1) Each resident producer shall complete ~~24 hours of~~ continuing education requirements in accordance with paragraph (b) of Section 500-35 of the Code. ~~prior to requesting an extension of an insurance producer license. As set forth in subsection (b)(5), three of the 24 hours of continuing education must consist of classroom ethics.~~
- 2) The producer should complete the course no later than 1 month prior to the license extension date to allow time for the provider to submit proof of completion to the Director. Each producer shall maintain a record of each course completed for 3 years from the date of completion. The record shall include the name of the provider, the course title, and the date of completion.
- 3) Pre-licensing courses cannot be used to meet continuing education course requirements and continuing education courses cannot be used to meeting pre-licensing requirements.
- 4) Continuing education courses completed prior to the original issue date of the license shall not be used to meet continuing education requirements.
- 5) The producer may only carry over a maximum of 12 continuing education hours completed during the prior licensing period. No ethics credit hours may be carried over.
- 6) A producer shall not request credit for a course that was taken more than once in the same license continuation period.
- 7) Each producer shall maintain a record of each course completed for 3 years from the date of completion. The record shall include the name of the provider, the course title, and the date of completion.
- 2) ~~Hours taken, course material provided or presented, in whole or in part, or in conjunction with a pre-licensing course that is not certified as pre-licensing education requirement, shall not be used to meet continuing~~

~~education requirements.~~

- ~~3) Courses initiated or completed prior to the original issue date of the license shall not be used to meet continuing education requirements.~~
- ~~4) The producer may accumulate a maximum of 36 credit hours on file with the Department.~~
- ~~5) Each producer whose license is subject to renewal shall meet the classroom ethics instruction requirement by registering for, and successfully completing, three hours of classroom ethics instruction.~~

(Source: Amended at 50 Ill. Reg. _____, effective _____)

Section 3119.50 Pre-Licensing – Course of Study Requirements

- a) The CER Course Filing Form~~certification form~~ must be received by the Director at least 30 days prior to any course being offered.
- b) A course ~~filed to be certified~~ by the Provider~~provider~~ as a pre-licensing course of study shall meet the content requirements of Section 500-30(b) of the Code and time distribution requirements as set forth in Exhibit E, F, G or H of this Part, whichever is applicable.
- c) ~~The~~For purposes of this Section, the minimum number of hours may be made up of any combination of classroom,~~seminar,~~ or self-study hours.~~A self-study course must have an examination.~~
- ~~d) One credit will be awarded for each 50 minutes of contact instruction.~~
- de) Self-study courses, regardless of whether they are provided online, shall comply with the Continuing Education Recommended Guidelines for Online Course in Appendix B of the CER to the extent they can be applied to the course mode. Self-study courses must comply with the following additional Illinois requirements:
 - 1) No credit shall be given for a self-study course if the student does not successfully complete the examination. If the student fails the required~~an~~ examination and successive examinations are given, the successive examinations must be substantially different from each other.~~Self-study courses are subject to the following additional requirements:~~

- 24) No students shall evaluate their own examination. The evaluation of the examination must be completed by the provider;
- 32) No provider shall furnish the answers to an examination prior to the student completing the examination; and
- ~~3)~~ ~~Self study exams must contain at least 25 questions. The number of questions must increase proportionately as the amount of material increases;~~
- 4) No true/false questions may be included on the exam.~~more than a third of the questions shall be true/false;~~
- ~~5)~~ ~~Credit hours shall be determined by the time it may take a student to study the material using 10 8½" by 11" full pages per credit hour (10-12 point font text), single line spacing with 1" margins; and~~
- ~~6)~~ ~~Graphs, charts, forms and pictures may be used in course materials; however, only a total of 10 percent will count toward the course content. The graphs, charts, forms and pictures must pertain to the course content.~~
- f) Interactive Online Courses
~~Interactive online is considered a type of self study course. Interactive online courses are, by definition, only presented on the Internet and do not require a proctored final exam. To be eligible for certification under Section 3119.30, an interactive online course must meet the following additional requirements:~~

 - 51) If the course is online, the~~The~~ course must provide at least 25 questions after each unit or chapter. The questions must be answered prior to proceeding to the next unit or chapter. The material may be reviewed while answering questions;
 - ~~2)~~ ~~The course must provide clear instructions on how to navigate through the course;~~
 - 63) The course must provide the ability to go back and review the course material~~any unit~~ at any time;
 - 74) If the course is online, the~~The~~ course must provide online viewing access to the Department at all times;

- 395 ~~5) The course must include a statement that the student information will not~~
 396 ~~be sold or distributed to any third party without prior written consent of~~
 397 ~~the student. Taking the course shall not constitute consent;~~
 398
 399 ~~86) If the course is online, the~~~~The~~ course must provide some type of
 400 encryption. All personal information, including credit card number, name
 401 and address of the student must be encrypted so that the information
 402 cannot be read as it passes across the Internet; and
 403
 404 ~~97) Students must affirm that they, and only they, completed the course.;~~~~and~~
 405
 406 ~~8) The course must include the ability to contact an instructor (i.e., automated~~
 407 ~~e-mail).~~
 408

409 (Source: Amended at 50 Ill. Reg. _____, effective _____)
 410

411 Section 3119.60 Home State Continuing Education Requirements

- 412
 413 a) The CER Filing Form~~certification~~ must be received by the Director at least 30
 414 days prior to any course being offered.
 415
 416 b) The Department will provide a substantive review of continuing education
 417 courses as provided in the CER Agreement. Self-study courses must comply with
 418 the following additional Illinois requirements:
 419
 420 c) Courses in excess of 12 hours will not be approved for continuing education
 421 ~~credit. For purposes of this Section, "full credit" shall mean the reasonable amount~~
 422 ~~of time, as certified by the provider, that is necessary for a student to study for and~~
 423 ~~pass an examination, or in the case of a course with no examination, the number~~
 424 ~~of documented classroom attendance hours.~~
 425
 426 e) ~~Courses shall be intended to increase the knowledge and understanding of~~
 427 ~~insurance principles and coverages, applicable laws, insurance regulations,~~
 428 ~~agency management, customer service and sales. The following courses shall not~~
 429 ~~be considered for continuing education:~~
 430
 431 ~~1) Courses used for insurance pre licensing training or insurance qualifying~~
 432 ~~examination preparation.~~
 433
 434 ~~2) Courses with less than 1 hour of certified continuing education credit.~~
 435
 436 ~~3) Courses in excess of 12 hours of certified continuing education credit.~~
 437

- d) ~~The~~For purposes of this Section, the minimum number of hours may be made up of any combination of classroom, ~~seminar,~~ or self-study hours.
- e) ~~One credit will be awarded for each 50 minutes of contact instruction.~~
- e) All courses may renew for a period of five years after initial approval.
- f) Continuing education instructors may receive continuing education credit for courses they teach. The credit earned shall be equal to the credit earned by the students. If an instructor teaches the same course multiple times, they may only receive credit for the course once.
- g) Self-study courses, regardless of whether they are provided online, shall comply with the Continuing Education Recommended Guidelines for Online Course in Appendix B of the CER to the extent they can be applied to the course mode. Self-study courses must comply with the following additional Illinois requirements:
- 1) No credit shall be given for a self-study continuing education course if the student does not successfully complete the examination. If the student fails an examination and successive examinations are given, the successive examinations must be substantially different from each other; ~~Self study courses are subject to the following additional requirements:~~
- 2) No students shall evaluate their own examination. The evaluation of the examination must be completed by the provider;
- 3) No provider shall furnish the answers to an examination prior to the student completing the examination; and
- 3) ~~Self-study exams must contain at least 25 questions. The number of questions must increase proportionately as the amount of material increases;~~
- 4) No ~~more than a third of the questions shall be~~ true/false questions may be included on the exam; ~~and~~
- 5) ~~Credit hours shall be determined by the time it may take a student to study the material using 10 8½" by 11" full pages per credit hour (10-12 point font text), single line spacing with 1" margins.~~
- g) ~~Interactive Online Courses~~

~~Interactive online is considered to be a type of self-study course. Interactive online courses are, by definition, only presented on the Internet and do not require a proctored final exam. To be eligible for certification under Section 3119.30, an interactive online course must meet the following additional requirements:~~

- ~~51)~~ If the course is online, the~~The~~ course must provide at least 25 questions after each unit or chapter. The questions must be answered correctly prior to proceeding to the next unit or chapter. The material may be reviewed while answering questions;
- ~~2)~~ ~~The course must provide clear instructions on how to navigate through the course;~~
- ~~63)~~ The course must provide the ability to go back and review any material~~unit~~ at any time;
- ~~74)~~ If the course is online, the~~The~~ course must provide online viewing access to the Department at all times;
- ~~5)~~ ~~The course must include a statement that the student information will not be sold or distributed to any third party without prior written consent of the student. Taking the course shall not constitute consent;~~
- ~~86)~~ If the course is online, the~~The~~ course must provide some type of encryption. All personal information, including credit card number, name and address of the student must be encrypted so that the information cannot be read as it passes across the Internet; and
- ~~97)~~ Students must be required to affirm that they, and only they, completed the course;~~;~~~~and~~
- ~~8)~~ ~~The course must include the ability to contact an instructor (i.e., automated e-mail).~~

h) LTC Training Credit

- ~~1)~~ (Reserved)~~Continuing education credit may be earned based on the criteria established in Section 3119.65.~~
- 2) Training credit may be obtained after a failed examination if the provider gives, and the student successfully completes, a substantially different examination.

- 3) If a student receives training credit only, the provider shall issue a proof of completion certificate to the student but the certificate shall be prominently stamped "NO CON-ED CREDIT".

(Source: Amended at 50 Ill. Reg. _____, effective _____)

Section 3119.65 Course Credit (Repealed)

~~The value of course credit for purposes of this Section shall be determined as follows:~~

~~a) Supervised Examinations~~

~~1) Successful Completion~~

~~Students who successfully complete a supervised examination will receive full credit for the course.~~

~~2) Unsuccessful Completion~~

~~Students who do not successfully complete a supervised continuing education examination shall receive one hour of credit for each hour of documented classroom attendance not to exceed 50% of full credit.~~

~~b) Non-Supervised Examination~~

~~1) Successful Completion~~

~~Students who successfully complete a non-supervised examination will receive full credit for the course.~~

~~2) Unsuccessful Completion~~

~~Students who do not successfully complete a non-supervised examination will receive no credit. If the student fails a non-supervised examination and successive examinations are given, the successive examinations must be substantially different from each other.~~

~~c) Courses Without Examination~~

~~Students will receive credit for documented attendance based on the certified hours assigned to the course.~~

~~d) A producer will not be permitted to take a course for credit more than once in a license continuation period.~~

~~e) Continuing education instructors may receive continuing education credit for courses they teach. The credit earned shall be determined pursuant to the criteria established in this Section.~~

(Source: Repealed at 50 Ill. Reg. _____, effective _____)

Section 3119.70 Course and Provider Disqualification

- a) The Director may disqualify any provider and/or any provider's courses if the Director finds that:
 - 1) the provider or course has not met the requirements of this Part;
 - 2) the provider has made a material misstatement or intentional misrepresentation on a certification form filed with the Director; a misstatement will be considered material if the course would not have been certified in the absence of such statement;
 - 3) the provider has intentionally misrepresented itself or its course to students or prospective students;
 - 4) the provider has violated any commitment made in the request for certification and supplementary attachments to the certification, including failure to maintain the standards and method of operation set forth in the request for certification and any supplementary attachments;
 - 5) the provider has employed instructors who do not meet the requirements of Section 3119.30(g)(f);
 - 6) the provider is deemed by the Director to have failed to act in good faith in providing a course. A failure to act in good faith may be evidenced by the following:
 - A) a student pass/fail ratio inconsistent with those of other providers for courses which are similar in content and difficulty;
 - B) the number of complaints received by the Director that specifically relate to the provider's courses;
 - C) provides to the student a proof of completion form that contains false or incomplete information;
 - D) provides to the student a partially completed proof of completion form;
 - 7) the provider has failed to maintain the materials and records pursuant to

Section 3119.30;

8) the provider failed to furnish the Director with information and records required by Section 3119.30, or the provider supplied false or incomplete information or records;

9) the provider fails to furnish the Director with an accurate student proof of completion list required by Section 3119.30~~(f)~~(e) within 10 days following the end of the week in which the course was completed;

10) The provider has, while conducting business as a provider, used fraudulent or dishonest practices, or has demonstrated incompetence or untrustworthiness.

11) Otherwise violated the Code or this Part, or knowingly assisted another in violation of the Code or Department rules.

b) Disqualification of a provider or course shall be by order of the Director and will be sent to the provider by certified or registered mail at the address specified in the Department's records. The provider may request a hearing in writing in accordance with 50 Ill. Adm. Code 2402, within 30 days from the date of mailing. If no written request is made, the order shall be final upon the expiration of 30 days.

c) If the provider requests a hearing within 30 days, then the Director shall issue within 30 days after receipt of the request a written notice of hearing to the provider by certified or registered mail and it will be sent to the provider at the address specified in the Department's records. The notice of hearing must state:

1) The grounds, charges or conduct that justifies disqualification under this Section;

2) A specific time for the hearing, which may not be less than 20 days nor more than 30 days after the mailing of the notice of hearing; and

3) A specific place for the hearing.

d) Upon disqualification, the provider shall immediately discontinue offering its courses as certified courses. The Director shall publish all final disqualifications.

e) In any order of disqualification, the Director shall give consideration for credit hours to present students.

- 652 f) An education provider who has been disqualified will be ineligible to apply to the
653 Department for 3 years after the date of the disqualification. A provider whose
654 certification has been disqualified may not be employed, contracted or engaged in
655 any insurance education related capacity during the time the disqualification is in
656 effect.
657
- 658 g) In addition to, or instead of, disqualification, the Director may take any
659 appropriate regulatory action authorized by the Code against a provider who fails
660 to meet the requirements of this Part.
661

662 (Source: Amended at 50 Ill. Reg. _____, effective _____)
663

Section 3119.EXHIBIT E COURSE OF STUDY – LIFE

Course of Study Content Requirements	Time Distribution Requirements
<p>I. Types of policies and coverages</p> <ul style="list-style-type: none"> A. Endowment B. Term <ul style="list-style-type: none"> 1. Level term 2. Decreasing term C. Whole Life D. Limited Pay policies E. Combination plan F. Other types of policies: <ul style="list-style-type: none"> 1. Modified life 2. Family plans 3. Deposit term 4. Universal life 5. <u>Indexed Life</u> G. Annuity H. Accidental death and dismemberment I. Uses for term insurance J. Uses for whole life insurance K. Group life L. Industrial insurance 	32%
<p>II. Policy provisions, options and benefits</p> <ul style="list-style-type: none"> A. Entire contract B. Insuring clause C. Free look D. Consideration clause E. Owner's rights F. Primary and contingent beneficiaries G. Change of beneficiary H. Grace period I. Automatic premium loan J. Reinstatement K. Policy loan L. Nonforfeiture options M. Dividends and dividends options N. Guaranteed insurability options O. Incontestability P. Assignment 	40%

- Q. Suicide
- R. Misstatement of age
- S. Settlement options
- T. Waiver of premiums
- U. Accidental death benefit
- V. Term riders
- W. Exclusions
- X. Conversion Options (individual and group)

667

- III. Completing the application and delivering the policy 16%
 - A. Completing the application and obtaining necessary signatures
 - B. Warranties and Representations
 - C. Complying with provision of Fair Credit Reporting Act and Illinois Insurance Privacy Act
 - D. Explaining the effect of the application with money
 - E. Explaining the effect of the application without money
 - F. The underwriting process
 - G. Delivery and explanation of the policy

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- IV. Taxes, retirement and other insurance concepts 12%
 - A. Insurable interest
 - B. Third party ownership
 - C. Individual tax shelter plans, IRA, Keogh and TSA
 - D. Social Security benefits and taxes
 - E. Tax treatment of premiums and proceeds of insurance contracts
 - F. Determination of premiums
 - 1. ~~Expense~~Mortality
 - 2. Interest
 - 3. Mortality
 - G. Policy reserves

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(Source: Amended at 50 Ill. Reg. _____, effective _____)

Section 3119.EXHIBIT H COURSE OF STUDY – CASUALTY/MOTOR VEHICLE

Course of Study Content Requirements	Time Distribution Requirements
<p>I. Insurance and Insurance-Related Concepts</p> <ul style="list-style-type: none"> A. Risks B. Hazards C. Indemnity D. Insurable interest E. Actual cash value F. Negligence G. Liability H. Accident I. Occurrence J. Burglary K. Robbery L. Theft M. Mysterious disappearance N. Fidelity (employee dishonesty) O. Warranties P. Representations 	25%
<p>II. Policy Provisions</p> <ul style="list-style-type: none"> A. Declarations B. Definition of the insured C. Insuring agreement D. Duties of the insured E. Obligations of the company F. Cancellation and nonrenewal provisions G. Supplementary payments (additional coverages) H. Proof of loss (notice of claim) I. Arbitration J. Pro-rata liability (other insurance) K. Subrogation L. Compliance with provisions of Fair Credit Reporting Act 	20%
<p>III. Types of Policies</p> <ul style="list-style-type: none"> A. General Liability <ul style="list-style-type: none"> 1. Owners, landlords, and tenants 2. Manufacturers, contractors 3. Products and completed operations 4. Contractual liability 	25%

	5. Comprehensive general liability	
	6. Ride Sharing	
	B. Automobile-Personal and commercial auto insurance, including assigned risk and involuntary plans	
	C. Workers Compensation	
	D. Crime	
	1. Fidelity	
	2. Open stock burglary	
	3. Mercantile robbery and safe burglary	
	4. Money and security broad form	
676	IV. Perils, Exclusions, Deductibles, and Liability	24%
	A. Bodily injury and property damage liability	
	B. Perils covered	
	C. Exclusions, extensions, limitations, and conditions	
	D. Limits of liability	
	E. Deductibles	
677	V. Prospecting and Evaluating Needs	2%
	A. Keeps current as to changes (e.g., markets, introduction of new coverages) in types of coverages that might expand coverage for current clients or increase the number of potential clients	
	B. Reviews prospect's existing policies to prevent duplication of coverage and determine areas of further potential coverage	
	C. Obtains information necessary to analyze risks, hazards and exposures	
	D. Analyzes risks, hazards, and exposures in order to determine prospect's needs	
	E. Evaluates continued adequacy of protection, determines unprotected exposures, and recommends suitable changes in coverage	
	F. Contacts accounts at renewal time and reviews existing policies	
678	VI. Servicing Clients	2%
	A. Explains services (e.g., claims, safety programs) provided by insurance producer and company	
	B. Assists policyowner with service needs (e.g., change of name, policy loans, change of mode of premium payment)	
	C. Maintains accurate records of client data (e.g., change of	

address)

D. Assists in filing and following up in claims

679

VII. Presentation and Acceptance

2%

A. Informs insured and carrier of date and time coverage takes effect

B. Prepares and forwards proposal, application, and other pertinent information to appropriate carrier for underwriting and premium determination

C. Maintains complete records of all business transactions as required (e.g., pending files, binders, and binder charges)

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(Source: Amended at 50 Ill. Reg. _____, effective _____)