



## FINAL EXAM – Annuity 4-Hour Course

1. The mature market continuum recognizes that clients \_\_\_\_\_
  - A. Have many needs
  - B. Progress through life and lifestyle changes
  - C. Continually need investments like annuities
  - D. Never change
2. A crises waiver in an annuity contract allows a seriously disabled client needed payments and withdrawals from his annuity. These withdrawals are \_\_\_\_\_.
  - A. Not subject to usual surrender fees
  - B. Still subject to surrender fees
  - C. Not yet addressed by the IRS
  - D. Illegal
3. A life annuity with period certain annuity provides
  - A. Income until the annuitant dies.
  - B. A waiver of all surrender charges for life
  - C. Provides variable income
  - D. Provides income for two or more individuals
4. Loan provisions in annuity contracts typically permit owners to borrow out their cash value. However, an annuity inside a qualified plan will limit these loans to \_\_\_\_\_% with a maximum repayment period of 5 years.
  - A. 25%
  - B. 33%
  - C. 50%
  - D. 60%
5. A "trust mill" describes an illegal activity providing unsuspecting clients the benefit of an inexpensive trust when the real purpose is to \_\_\_\_\_.
  - A. Sell wills for profit
  - B. Expose client assets and sell potential annuity prospects
  - C. Drum up additional estate planning attorney fees
  - D. Get clients concerned about their estate planning
6. Needs based selling involves the client, allowing him to \_\_\_\_\_ to help you suggest financial planning solutions.
  - A. Act as a sounding board
  - B. Use his own ideas and assumptions
  - C. Spout off
  - D. First sign a waiver
7. Medi-Cal restrictions say that an annuity should not be sold to a senior if the purpose in purchasing the annuity is to \_\_\_\_\_.
  - A. Affect Medi-Cal eligibility
  - B. Earn a higher rate than Medi-Cal allows
  - C. Add more private investments
  - D. Divest financial assets
8. Unnecessary replacement of one annuity with another can be abusive where a pattern of frequent replacements by an agent establishes \_\_\_\_\_.
  - A. The agent did not understand what he was doing
  - B. The client did not understand what he was doing
  - C. The insurer was in on the frivolous replacement
  - D. Detrimental reliance
9. Selling to seniors, who may have reduced judgement and mental competence, means you should be watch for symptoms like \_\_\_\_\_ to avoid selling to a person who has no legal power to contract.
  - A. Problems remembering recent events
  - B. Difficulty in following directions
  - C. Confusion, difficulty in finding words or finishing thoughts
  - D. All of the above
10. In Smith v Dodgeville, the courts determined that agents have a duty to use \_\_\_\_\_ during the application process to determine a client's needs.
  - A. A calculator
  - B. Reasonable skill in asking certain questions
  - C. English
  - D. An expert witness

## FINAL EXAM – Annuity 4-Hour Course

11. An annuity certain annuity option provides income for \_\_\_\_\_.
- A. Life
  - B. A fixed dollar amount
  - C. A fixed period of time, such as 10 or 20 years.
  - D. Two or more individuals
12. In-home solicitation rules now require an agent, who meets with a senior in a senior's home, to deliver notice in writing to the senior no less than \_\_\_\_\_ prior to an initial meeting.
- A. 3 days
  - B. 2 days
  - C. 24 hours
  - D. 12 hours
13. A cumulative withdrawal option can come in very handy. Assume Susan's \$100,000 annuity permits cumulative withdrawals of \$10,000 per year. In the three years she's owned it she has not withdrawn a single dollar. If she had a health emergency today, here insurer would allow a penalty free withdrawal of \$\_\_\_\_\_.
- A. \$10,000
  - B. \$30,000
  - C. \$50,000
  - D. \$100,000
14. A fixed annuity contract, unlike variable annuities, have little or no investment risk. But, "other issues" you need to examine for a client include \_\_\_\_\_.
- A. Long-term risk
  - B. Liquidity
  - C. Effective earnings after bonuses interest, penalties and taxes down the road
  - D. All of the above
15. Seminars or class meeting advertisements, where insurance products will be sold, must now add the words "\_\_\_\_\_ " to comply with State rules.
- A. "and insurance sales presentation"
  - B. "great deal"
  - C. "State sanctioned"
  - D. "free lunch"



[Back To Front Page](#)

## WHY PRINT THE EXAM & DOWNLOAD BOOKS?

Short Answer: Compared to other web systems, with our method you finish the course quicker, spend less time online, get a copy of the book for reference and have a paper back-up of your answers . . . just in case!

Long Answer: Printing out the exam and saving the book to your computer means you can relax and finish the course offline at your own pace, without spending hours and hours on the internet; you'll have a readily available copy of the book for your library in case you need to refer to it; and, you eliminate the constant switching between an exam screen and a book screen . . . a big hassle that can add hours to completing an online course. We know, we've timed it! Some internet courses suggest using an online split screen to view the exam and book at the same time. Well, it sounds complicated, and unless you have a super, giant screen, the print is going to be tiny and unreadable for most people. Finally, a good reason for printing the exam and marking your answers is you have a paper back-up if your computer or the internet freezes . . . and, we've all been there!

## HELP – HOW DOES IT WORK?



Print an exam and download (save) a textbook from our website. When done, shut off your internet connection and finish your course offline at your own pace. See instructions on the first page of your book. Complete your answer sheet by marking answers on the front page with a pen or pencil. Then, come back to [www.CEclass.com](http://www.CEclass.com) . . . choose **Submit Answers** . . . quickly click in your answers, pay and get an instant Certificate of Completion on your own printer. Or, you can choose to fax or mail your answer sheet by following the "Choose How To Send" instructions on the front page.

If you need further information, click the green help button to see detailed audio-visual instructions or go to [www.CEclass.com](http://www.CEclass.com) and press help or call **Customer Service (800) 498-5100 MF (9AM – 5PM)**

## DISCOUNTS — \$5 and \$10 Courses!

THAT'S RIGHT! You can buy online courses as low as \$5 and \$10. It's our multiple course discount program. Your first course is priced at our regular low price . . . Additional courses cost you only \$1.25 per credit hour! That means you can meet your Ethics, Annuity or Anti-Money Laundering required hours for only \$5 each online. Or, take Long Term Care or Annuity Training for only \$10 each.

How do you get the discount? Download as many courses as you like from our website and take as long as you want to finish them. To get the discount, however, you must submit your answers to us all at the same time. When you pay online, our system automatically issues these discounts. If you fax or mail your answer sheets, we will calculate the discount for you every time.

## COURSE CONDITIONS

THIS COURSE PROVIDES GENERAL INSURANCE EDUCATION. CONSULT A COMPETENT PROFESSIONAL REGARDING SPECIFIC MATTERS BEFORE ADVISING CLIENTS. We hope you are pleased with the quality and value our CE courses offer. If for any reason you are unsatisfied, return unused books and exams it to us within 30 days for a full refund (less postage). A passing score is 70%. We can only tell you if you passed. If you fail, you will have another chance to pass at no charge. Further re-testing will cost you \$15 per exam. You have one year to complete this course. However, you should finish as soon as possible since courses like these are subject to constant re-evaluation and change by the Department of Insurance. If this course fails to meet the standards and credit hours advertised, whether by state / agency changes or our mistake, we will refund your entire course fees. It is agreed that this amount is liquidated damages. It is agreed that any differences between you and us will be settled through binding arbitration in Riverside County, California. The State has approved credit hours for our courses, however, they ask us to mention that they do not endorse content or the author's opinions.