

SILA Indexed Insurance Products

31,916 words = 5 CE Credits

Course Description: Out of all the insurance products available today, indexed life and annuity contracts are arguably among the most complex. Whether selling indexed annuities or indexed universal life insurance, producers working in these markets are accountable for not only understanding how these products work alone, but also how they compare to each other and how each compares to traditional fixed and variable products.

This course specifically identifies types of annuities and life insurance products available, common contract provisions of each, contract riders and waivers, with specific emphasis on the senior client. NAIC suitability standards, disclosures, and recordkeeping requirements are reviewed, and issues of concern to senior clients conclude the course.

Chapter 1 Types of Annuities

Annuity Types; Annuities and Policyholder Risk; Review Questions

Chapter 2 Annuity Contract Provisions

Interest Rates; Issue Age and Maturity Date; Withdrawal / Surrender Charges; Premium Payments; Withdrawal Privilege Options – Surrender Charge Free Window; Market Value Adjustment (MVA); Policy Administration Charges & Fees; Death Benefits; Minimum Premium and Interest Rate Guarantees; Loan Provisions; Common Indexed Crediting Strategies; Index Strategy Performance; Available Riders; Guaranteed Withdrawal Benefit (GWB) Riders; Review Questions

Chapter 3 Advantages and Disadvantages of Annuities

Introduction; Guaranteed Principal; Tax Deferred Growth; Advantages and Disadvantages of Annuitization; Income Distribution; Retirement Savings; Potential to Avoid Probate; Summary - Advantages of Qualified and Non-Qualified Annuities; Review Questions

Chapter 4 Fixed Indexed Life Products

Types and Characteristics of Life Insurance; How Indexed Life is Similar to Indexed Annuities and How it is Different; Assuring Policyowners Understand Indexed Life Performance; New Developments; Review Questions

Chapter 5 Suitability, Market Practices, and Senior Compliance

Introduction; NAIC Suitability in Annuity Transactions Model Regulation; Importance of Determining Client Suitability for Indexed Products; Needs-Based Selling for Life Insurance; Senior Suitability Information; Review Questions

Review Questions Answer Key