Learning Objectives

- Describe a typical annuity buyer and the principal reasons individuals buy annuity contracts.
- List the characteristics of annuities and the benefits of tax deferral.
- Explain how variable annuities work.
- Identify the cash value management tools available to a variable annuity contract owner.
- List the factors to be considered in determining variable annuity suitability.
- Calculate interest to be credited under various fixed annuity contracts.
- Explain the operation of indexed annuities.
- Describe how annuities are taxed.

Chapter 1 - Introduction to Annuities and Annuity Buyers

- Demographics of Non-Qualified Annuity Purchasers
- Anticipated Annuity Market
- The Annuity Concept
- Annuities in Operation

Chapter 2 - Characteristics of Annuities

- Premiums
- Annuity Expenses
- Lives Covered by the Annuity
- When Payout Begins
- Cash Value Accumulation
- Death Benefits
- Annuitization Methods

Chapter 3 - Variable Annuities

- Separate Account and Structured Investment Option
- Insurer's General Account Supports Variable Annuity's Fixed Account
- Deferred Annuity Accumulation
- Managing Separate Account Volatility
- Variable Annuity Death Benefits
- Living Benefit Guarantees
- Variable Annuity Payout (Annuitization) Phase
- Features and Benefits
- Suitability
- Compliance Requirements
- Combining Fixed and Variable Annuities

Chapter 4 - Types of Fixed Annuity Contracts

- Traditional Declared-Rate Annuities
- Bonus Annuities
- Multi-Year Guarantee Annuities
- Indexed Annuities
- Guaranteed Lifetime Withdrawal Benefits

Chapter 5 - Annuity Taxation

- Income Tax Treatment
- Estate Tax Treatment

Chapter 6 - Annuity Sales Practices, Replacement and Disclosure Requirements

- Suitability
- Securities Exchange Commission Rules
- Disclosure