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# Course Information:

**Course Title:** ***Annuities*** **#290124**

**Recommended continuing education credit hours recommended for this course:**

In accordance with the standards of the Certified Financial Planner Board of Standards, Inc., the Institute for Divorce Financial Analysts, and the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

**CFP®** **5** (All states) CFP Board Course ID# 222058; CFP Board sponsor number: 1008.

**CDFA®** **7** (Registered with the Institute for Divorce Financial Analysts)

**CPA** **7** (All states)

National Registry of CPE Sponsors ID Number: 107615.
Sponsor numbers for states requiring sponsor registration
- Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)
- Hawaii Board of Public Accountancy: 14003
- New York State Board of Accountancy (for ethics): 002146
- Ohio State Board of Accountancy: CPE .51PSR
- Pennsylvania Board of Accountancy: PX 178025
- Texas State Board of Accountancy: 009349

**Course Description**

This course examines the annuity concept and explains what an annuity is and how it works:

-The mechanics of the accumulation and payout phases of an annuity, including sample calculations

-Settlement options and their appropriate uses

-Annuity taxation: Federal income tax treatment of premature withdrawals; lump-sum distributions; and periodic payments.

-A comparison of the different annuity contracts available with respect to client suitability.

Variable and fixed annuities are discussed in terms of single vs. periodic premium, immediate vs. deferred, qualified vs. non-qualified, and settlement options.

### Course Content

Publication/Revision Date: 1/15/2024.
Author: Pau J. Winn, CLU, ChFC
Final exam (online): Forty-five questions (multiple-choice).

**Program Delivery Method:** Self-Study (NASBA QAS Self-Study/interactive)

### Subject Codes/Field of Study

CFP Board of Standards, Inc., IDFA, NAPFA: Investments

NASBA (CPA): Specialized Knowledge and Application

### Course Level, Prerequisites, and Advance Preparation Requirements

Program Level: CFP Board, IDFA, NASBA (CPA): Overview.
This program is appropriate for professionals at all organizational levels.
Prerequisites: None
Advance Preparation: None

### Instructions for Taking This Course

- **Log in to your secure account at www.bhfe.com. Go to "My Account."**
- **You must complete this course within one year** of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- **Complete the course by** following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- **Once you have completed studying the course** and you are confident that the learning objectives have been met, answer the final exam questions (online).

### Instructions for Taking the Online Exam

- **Log in to your secure account at www.bhfe.com. Go to "My Account."**
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

**Have a question?** Call us at 800-588-7039 or email us at contact@bhfe.com.

# Learning Objectives

1. Describe a typical annuity buyer and the principal reasons individuals buy annuity contracts
2. List the characteristics of annuities and the benefits of tax deferral
3. Explain how variable annuities work
4. Identify the cash value management tools available to a variable annuity contract owner
5. List the factors to be considered in determining variable annuity suitability
6. Calculate interest to be credited under various fixed annuity contracts
7. Explain the operation of indexed annuities
8. Describe how annuities are taxed
9. Recognize the requirements imposed on the sale of variable annuities under Regulation Best Interest


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