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**Addendum: for use with Tennessee Life online ExamFX course and study guides version #20198en, per exam content outline updates effective 10/01/2018.**

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*The following are **content additions** to supplement your existing text unless otherwise indicated:*

**Tennessee Laws and Departmental Rules Pertinent to Life Only**

**Annuities**

It is a producer's responsibility to make sure that annuity transactions address consumers' needs and financial objectives. To ensure suitability, producers must make a reasonable effort to obtain relevant information from the consumer and evaluate the following factors:

- Age;
- Annual income;
- Tax status;
- Financial needs and timeline;
- Investment objectives;
- Liquidity needs and liquid net worth;
- Existing assets;
- Intended use of annuity;
- Financial experience; and
- Risk tolerance.

An insurance producer may **not** solicit the sale of an annuity product in this state unless the producer has adequate knowledge of the product to recommend the annuity and is in compliance with the insurer's standards for product training.

Prior to soliciting annuity products, producers must complete a **one-time 4-credit hour** annuities training course approved by the Department of Insurance.

The course must cover the following topics:

- Uses of annuities;
- Types and classifications of annuities;
- The parties to an annuity;
- Fixed, variable and indexed annuity contract provisions and their effect on policyowners and annuitants;
- Annuities and taxes on qualified and nonqualified annuities; and
- Appropriate sales practices, replacement and disclosure requirements.

The training required for annuity products qualifies for at least 4 CE credit hours. Training courses taken in another state that are substantially the same will satisfy this requirement.