



Chapter 27

LAW – LIFE AND ANNUITIES

Must state you're working on behalf of an insurance company and not allowed to call yourself a financial planner, financial consultant, investment advisor, etc. unless you have those designations.

References to dividends have to state that dividends are not guaranteed.

Must give a Buyer's Guide (Shopper's Guide) and Policy Summary BEFORE THE PREMIUM IS COLLECTED.

Buyer's Guide

- Guide = Generic

Policy Summary

- Summary = Specific (anything with dollar amounts)

Replacement

- Not illegal
- IF REQUESTED BY THE APPLICANT, give a Comparative Information Form

Spendthrift

- Protects beneficiaries from creditors
- "Proceeds are exempt from attachment" means creditors can't go after the death benefit while held by the insurance company.

Life insurance agent can be beneficiary if they have insurable interest with the applicant.

If you're divorced and your ex-spouse is still named as beneficiary, we pay the secondary beneficiary.