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Clarification of Oklahoma's Annuity Training Requirement Effective July 14, 2010

Oklahoma Administrative Code 365:25-3-1 establishes a training requirement for licensed producers who desire to sell, solicit or negotiate the sale of annuities or currently sell, solicit, or negotiate the sale of annuities. A producer who is licensed with a Life line of authority and **does not intend** to sell, solicit, or negotiate the sale of such products is **not** required to complete the annuity training requirement.

The rule stipulates that producers licensed prior to July 14, 2010, with an active life line of authority and who sell, solicit or negotiate annuity products have until July 14, 2011, to complete the training requirement. Producers who become licensed or add a life line of authority on or after July 14, 2010, and desire to sell annuity products, must complete the training **prior** to selling, soliciting, or negotiating such products.

The training requirement is a onetime, four (4) hour annuity course. Topics must include, but are not limited to, the following: types of annuities and various classifications of annuities; identification of the parties to an annuity; how fixed, variable and indexed annuity contract provisions affect consumers; the application of income taxation of qualified and non-qualified annuities; the primary uses of annuities; and appropriate sales practices, replacement and disclosure requirements.

Courses approved for this requirement are assigned their own course category of "annuity". A producer will be able to find courses approved for this category by going to www.sircon.com/oklahoma, clicking on "Look up education courses/credits", selecting "approved course inquiry", selecting the appropriate state, and then placing a check in the box beside "Annuity" and clicking the "Submit button".

Additionally, the rule requires insurance carriers offering such products to ensure their producers are able to verify completion of the required training. While responsibility for verification of training lies with the insurance carrier, individual producers are ultimately responsible to complete the training in accordance with the rule.

Producers who have satisfied an annuity training requirement in another state with substantially similar provisions as the Oklahoma rule will be deemed to satisfy the Oklahoma training requirement.