



FARMERS LIFE INSURANCE COMPANY

Harvest[®] FIA Training Assessment

State Suitability rules require insurance brokers and producers appointed by Farmers Life Insurance Company to demonstrate a thorough and adequate knowledge of its annuity products to support your efforts in determining the suitability of a given annuity for your customers. The following questions will aid you in strengthening your knowledge and understanding of the Harvest[®] FIA.

Broker/Producer name (as shown on your state insurance license)

Broker/Producer state (two-letter abbreviation)

Broker/Producer email address

Broker/Producer telephone number (e.g. 777-777-7777)

1. The Harvest[®] FIA product line is which type of annuity?

- ☐ A. Flexible premium deferred annuity
- ☐ B. Flexible premium variable annuity
- ☐ C. Modified single premium deferred index annuity
- ☐ D. Single premium deferred annuity

2. The maximum issue age for the Harvest[®] FIA is:

- ☐ A. Age 65
- ☐ B. Age 70
- ☐ C. Age 85
- ☐ D. Age 90

3. The minimum premium required to establish a Harvest[®] FIA is:

- ☐ A. \$5,000
- ☐ B. \$10,000
- ☐ C. \$15,000
- ☐ D. \$25,000

4. The Harvest[®] FIA has a choice of surrender charge period plan designs. The available surrender charge periods are: (Check all that apply)

- ☐ A. 3 years
- ☐ B. 5 years
- ☐ C. 6 years
- ☐ D. 7 years
- ☐ E. 10 years

5. The Harvest® FIA includes repeating surrender charge periods:

- ☐ A. True
- ☐ B. False

6. The Harvest® FIA has two basic types of accounts for premium allocation. They are:

- ☐ A. Savings account; Checking account
- ☐ B. Fixed interest account; Index interest account
- ☐ C. Credit account; Savings account
- ☐ D. Checking account; Credit account

7. When may funds in the Harvest® FIA be reallocated among accounts?

- ☐ A. Anytime, with prior home office approval
- ☐ B. Never. Funds must stay in the accounts as initially allocated
- ☐ C. At the end of each point-to-point index term
- ☐ D. Every six months

8. Interest credited to the index interest accounts is subject to: (Check all that apply)

- ☐ A. Growth in the applicable index over the index term
- ☐ B. Cap rate
- ☐ C. Participation rate, including a spread

9. Interest is credited to the index interest accounts:

- ☐ A. Daily
- ☐ B. At the end of the index term
- ☐ C. At the beginning of the new index term

10. A loss incurred by an index over the index term results in:

- ☐ A. A reduction in funds in the index interest account to which the index applies
- ☐ B. No change to the funds in the index interest account to which the index applies

11. The Harvest® FIA includes a Market Value Adjustment (MVA).

- ☐ A. Yes
- ☐ B. No

12. An MVA follows changes in a prescribed index which may increase or decrease surrender benefits. A withdrawal during the MVA period when the index value is lower than the index value at the contract issue date will:

- ☐ A. Increase the cash withdrawal value
- ☐ B. Decrease the cash withdrawal value



13. The Harvest® FIA includes a Cap Rate feature for certain index interest accounts and a Participation Rate feature for other index interest accounts. Which of the following statement(s) are true with respect to Cap Rate Index Interest Accounts? (Check all that apply)

- ☐ A. Credited interest is capped at a maximum interest rate.
- ☐ B. The Cap Rate is guaranteed for the index term for which it is declared.
- ☐ C. A new Cap Rate will be declared for each new index term.

14. The Harvest® FIA includes enhanced features for certain index interest accounts: Enhanced Participation Rate and Enhanced Cap Rate. Select all that apply to the Enhanced Participation Rate feature:

- ☐ A. Election of this feature provides a higher Participation Rate and/or a lower Spread than would be provided without this feature.
- ☐ B. A contract fee applies to this feature.
- ☐ C. The contract fee is deducted from the fund value allocated to the enhanced Participation Rate Accounts at the beginning of each index term.

15. The Harvest® FIA provides an Enhanced Liquidity Package for election by your clients. The Package consists of: (Check all that apply)

- ☐ A. The Enhanced Benefit Rider, which waives surrender charges and MVAs for qualified terminal illness and qualified nursing care.
- ☐ B. The Enhanced Liquidity Benefit rider, which, after the first 30 days of the contract, waives surrender charges and MVAs for partial surrenders up to 10% of the contract value as of the last contract anniversary or the Required Minimum Distribution (if a qualified plan), whichever is greater. This is increased to 20% of the contract value if no partial surrenders were taken in the previous contract year.
- ☐ C. The Enhanced Issue Age benefit, which increases the maximum issue age.

16. The Harvest® FIA also provides a Premium Bonus feature for election by your clients. Which of the following statement(s) are true with respect to the Premium Bonus feature? (Check all that apply)

- ☐ A. The Premium Bonus is credited to the contract value on the date premium is paid.
- ☐ B. The Premium Bonus for the initial premium is allocated to the accounts based on your client's choice of allocation percentages.
- ☐ C. The Premium Bonus vests over the surrender charge period.
- ☐ D. Surrenders and withdrawals taken during the surrender charge period will reduce the vested premium bonus amount(s).
- ☐ E. The Premium Bonus feature is not available if the Enhanced Liquidity Package has been elected.
- ☐ F. The Premium Bonus feature is available for the 7-year and 10-year surrender charge period plan designs only.

17. The Harvest® FIA provides the availability of an Enhanced Death Benefit feature. The Enhanced Death Benefit feature: (Check all that apply)

- ☐ A. Waives surrender charges and MVAs. Therefore, the death benefit equals the full contract value.
- ☐ B. Provides a higher death benefit for death caused by specific accidental means.
- ☐ C. Provides for an acceleration of death benefits prior to death if certain qualifying conditions apply to your client.



18. Surrender charges and market value adjustments are waived in the following instances:

(Check all that apply)

- ☐ A. Terminal illness and qualified nursing care, but only if the Enhanced Liquidity Package has been elected by your client.
- ☐ B. Annuitization.
- ☐ C. Any withdrawal during the first contract year.
- ☐ D. After the first contract year, the first withdrawal in a contract year that does not exceed 10% of the contract value.
- ☐ E. Owner unemployment.
- ☐ F. Owner permanent and total disability.

19. The Maturity Date for the Harvest® FIA is the contract anniversary coinciding with or next following the Owner's _____ birthday:

- ☐ A. 70th
- ☐ B. 85th
- ☐ C. 95th
- ☐ D. 100th

20. The deceased Owner's surviving spousal primary beneficiary may continue the Harvest® FIA as if he or she were the original owner rather than receiving death benefits.

- ☐ A. True
- ☐ B. False

Broker/Producer Acknowledgment

I attest that I have successfully completed the required product training for the Harvest® FIA product line before soliciting business with Farmers Life Insurance Company. ☐ YES ☐ NO

Signature of broker/producer

Date signed

