

## SELF-ASSESSMENT TEST XVI

### LIFE INSURANCE PLAN

The AIA Trust presents the latest in a series of instructional needs assessments to evaluate your lifelong learning. The Trust is pleased to provide members with these opportunities to earn AIA/CES learning units. Circle your answers to the following 10 questions; return the test by fax to AIA Trust, (202) 626-7421; and earn one LU. You don't have to have all the right answers to get credit. After all, the learning objectives of this exercise are to:

- Learn what you don't know about the subject, in this case life insurance
- Use your corrected test and the follow-up materials and resources you will receive to increase your knowledge
- Identify areas for more extensive study.

When you fax the completed test to the Trust, it will be scored and your results will be returned to you, along with annotated answers and related references. After you have read the material, the Trust will report your learning unit to the University of Oklahoma. Keeping this information in your files will help you plan your future continuing education schedule.

<b>T</b> <b>F</b>	<b>1.</b> Beneficiaries of Life Insurance policies can be minors, trusts, estates, individuals, businesses and charities.
<b>T</b> <b>F</b>	<b>2.</b> Under Group Life Insurance provided through an employer to its employees, each covered employee receives an individual life insurance policy.
<b>T</b> <b>F</b>	<b>3.</b> Living Death Benefits are a relatively new concept in some life insurance policies which allows an insured, upon being diagnosed as terminally ill, to receive some of the death benefits prior to death to help ease their current financial condition.
<b>T</b> <b>F</b>	<b>4.</b> In a 10 and 20 Year Term Life Plan, the premiums remain the same but the amount of insurance increases at the end of the 10 or 20 year term.
<b>T</b> <b>F</b>	<b>5.</b> One method to determine how much life insurance an individual should have is called the Life Value Concept. This approach considers the present value of an individual's anticipated future earnings (after taxes), less the value of maintenance items (such as food & clothing), and adds a reasonable inflation factor.
<b>T</b> <b>F</b>	<b>6.</b> Endowment Life Insurance plans are used to accumulate a specific sum of money over a specific period of time utilizing insurance protection to pay a beneficiary in case of death of the insured.
<b>T</b>	<b>7.</b> Most Term Life Plans terminate coverage at a designated age such as 65 or 70 or

<b>F</b>	age 75.
<b>T</b> <b>F</b>	<b>8.</b> Key Employee Insurance is a life insurance policy purchased by a company to provide funds in the event a key employee such as a valuable architect dies.
<b>T</b> <b>F</b>	<b>9.</b> Buy/Sell Agreements are used by partners in a business to buy out a deceased partner's interest from the deceased's estate. This agreement is usually funded by operating revenue of the business.
<b>T</b> <b>F</b>	<b>10.</b> The factors used to develop the premium level of a Group Term Life plan include a census of all employees to be covered that includes age, gender, health status, type of job/industry, and salary.

Remember, should your firm desire life insurance, simply call 866-768 0884.

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Name

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Membership Number

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Firm Name

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Address

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City State Zip

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Phone/Fax

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