

146 Estate Planning Primer \$30 Web / \$35 Book Discounts Available 6 Hours Instructions

Fill-in information below if you plan to fax or mail answers. Or, Submit Answers & get Certificates online at CEclass.com—click My Account

Name _____ E-Mail _____

Address: _____ Phone (_____) _____

City _____ State _____ Zip _____

Calif. License # _____ Type: ___ Life ___ Health ___ P&C Renewal Date _____

I certify I have reviewed the course book and completed this exam on my own. I agree to all [course conditions](#) at www.CEclass.com. If I have not paid yet, I enclose a check or authorize you to charge the credit / debit card below or one you may already have on file.

X _____ Dated _____
Signature (Required)

Visa MC AE Disc Credit Card # Expires \$ _____ Amount

More Exams & Books at CEclass.com

1. Review book.
2. Fill-in answers below.
3. Choose How To Send below.
4. Get results in 10 days by mail or quicker via CEclass.com at My Account.
5. Credits sent to DOI weekly.

How To Send

3 Ways To Send When Finished: 1) ONLINE (quickest): [www.CEclass.com](#) (choose *Submit Answers*) or 2) FAX to (951) 296-3004 or 3) MAIL to Affordable Educators at 41890 Enterprise Circle So #100, Temecula, Ca 92590

Quicker Results

INSTANT GRADING & CERTIFICATE: Grade your test and get an instant Certificate of Completion ONLINE using *Submit Answers* at [www.CEclass.com](#)

DOI CREDIT RUSH: CE hours are posted by DOI in approximately 48 hours (NO holidays & weekends). Check below or choose this service online.
___ YES. Charge \$15 to rush ALL my DOI credits.

Mark Your Answers With a Dark Pencil

If You Mail This Sheet, Make a Copy Before Sending

	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D	A	B	C	D				
1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	7	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	13	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	19	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	25	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	8	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	14	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	20	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	26	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	9	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	15	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	27	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	10	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	16	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	22	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	28	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	11	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	17	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	23	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	29	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	12	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	18	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	24	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	30	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ESTATE PLANNING PRIMER EXAM

1. Estate assets are anything a person owns that has value. Legally speaking, however, assets consist of _____.
 - A. Unencumbered property
 - B. Property that is available to pay debts
 - C. Possessions that can be sold within 30 days
 - D. Any property that can be titled
2. If there is no will and no executor designated for an estate, the court will appoint an _____ who has the same duties as an executor.
 - A. Judge
 - B. Trustee
 - C. Administrator
 - D. Substitute beneficiary
3. A possible consideration for aid in paying federal estate taxes due upon death is IRS Code Section 6166 which allows _____.
 - A. Installment payments
 - B. Cancellation of taxes due
 - C. Waiver of all state tax
 - D. A reduction in tax due to illness
4. A business insurance trust is created to allow for the _____ of a business interest so that both the business and the decedent's family benefit.
 - A. Continuation or disposition
 - B. Outright sale
 - C. Refinance
 - D. Total restructure
5. What are the 3 legal means by which an estate can be administered
 - A. By means of finance, accounting, liquidation
 - B. By means of will, trust, power of appointment
 - C. By means of voter stock, judicial review, juris appointment
 - D. By means of luck, song, prayer
6. "Vested interest in a pension" means that _____.
 - A. The value of the pension has exceeded \$100,000
 - B. The value of the pension has exceeded \$500,000
 - C. A creditor has liened the pension
 - D. Monies are due even if the person has not yet retired
7. A durable health care power authorizes another person to make medical decisions _____.
 - A. For a person who is unable to do so
 - B. For all beneficiaries of a trust
 - C. In the absence of an executor
 - D. A parent or legal guardian
8. The technical definition of a gift is the transference of property from a donor to a donee for _____.
 - A. Consideration over \$100
 - B. At least 30 days
 - C. Less than the fair market value of that property
 - D. A lifetime
9. A conservation device is a plan through which property in an estate is managed so that it _____.
 - A. Is conserved for the primary beneficiary
 - B. Cannot be attached by creditors
 - C. Will irrevocably pass to future generations
 - D. Is not wasted or depleted by unnecessary expenditures
10. Which of the following is NOT considered to be a FINAL EXPENSE
 - A. Medical expenses
 - B. Funeral expenses
 - C. Future tax reserves
 - D. Estate administrative costs
11. When considering the welfare of minor children, the estate planner should factor _____ needs as well as financial needs for _____.
 - A. Tax rates / Entertainment
 - B. Basic support / Education
 - C. Basic support / Tax rates
 - D. Liquidity / appreciation
12. Although a trustee is personally liable to the trust beneficiaries for any mismanagement of trust assets, this liability generally applies only in cases of
 - A. Fraud
 - B. Negligence
 - C. Unintentional errors
 - D. A & B

ESTATE PLANNING PRIMER -- DOI #12803 -- 6 CE HOURS

13. What guidelines must be met in order for life insurance to qualify for tax-favored status

- A. It must meet the definition of life insurance established by domestic or foreign law
- B. It must pass the cash value accumulation test or guideline premium cash corridor test
- C. Mortality charges must be *reasonable* for contracts formed on or after 10/88
- D. All of the above must be met.

14. If discovered, the fraudulent conveyance of property may void the transfer of the property if it is done _____ and with intent to avoid creditors.

- A. Without witnesses
- B. Without notarization
- C. Without adequate consideration
- D. Without a court approval

15. Income-producing value is defined as the amount of _____.

- A. Internalized return generated by real estate
- B. Income a property does produce or can be expected to produce
- C. Gross multiple value of commercial real estate
- D. Residual value from income

16. Testamentary trusts are established upon the death of the grantor through terms of the will. Because assets in a testamentary trust are owned by the grantor during his lifetime these trusts are subject to _____.

- A. Annual audits by potential beneficiaries
- B. Court supervision at time of death
- C. Income tax during life and estate taxes after death
- D. Creditor claims

17. A large drawback to the private annuity is that in order to qualify for estate tax benefits, the buyer's promise to pay the annuity must be _____.

- A. Unsecured
- B. Secured by the buyer's home
- C. Guaranteed
- D. Notorized

18. In order to qualify as a gift under the Uniform Gifts to Minors Act, there must be only _____ and the account must bear the child's Social Security #

- A. One child per account
- B. Cash gifts
- C. One custodian and one child per account
- D. Marketable gifts

19. The "gross estate" of a deceased individual must be valued as of the date of death or _____.

- A. 90 days later
- B. 6 months later
- C. 9 months later
- D. 12 months later

20. The marital deduction permits unlimited property transfers to a surviving spouse. Overfunding this transfer with too much property can cause _____.

- A. Unnecessary estate tax at the surviving spouse's death
- B. Immediate court sanctions
- C. A lawsuit launched by remaining beneficiaries
- D. The overfunded amount to be returned

21. When a holographic will is witnessed, it is called an _____.

- A. Absolute will
- B. Attested will
- C. Executed will
- D. Immediate will

22. Deferred compensation plans may result in estate tax when the employee dies. The exception is the Survivor's Income Benefit Plan (SIBP) where the employee _____ the deferred benefits during his/her lifetime.

- A. Reclaims all rights to
- B. Donates to charity all
- C. Gives up all right
- D. Spends

23. A buy-sell agreement is valuable to a business interest in that it can be _____ following the death of a partner or owner.

- A. Mortgaged
- B. Converted into cash or notes receivable
- C. Legally valid
- D. Sold for double its value

24. A funded personal insurance trust is one in which the grantor has _____.

- A. Revoked all rights except those he has paid to receive
- B. Placed sufficient funds to pay policy premiums out of the trust
- C. Made arrangements for someone outside the trust to make premium payments
- D. Arranged for financing to pay for premium payments

ESTATE PLANNING PRIMER -- DOI #12803 -- 6 CE HOURS

25. If a donor makes a gift of an annuity within _____ of his/her death, the annuity's value will be included in his/her gross estate.

- A. 3 months
- B. 9 months
- C. 3 years
- D. 5 years

26. According to IRS studies, the cost of opening, administering and closing an estate averages about _____ % of the typical estate.

- A. 1%
- B. 4-5%
- C. 10%
- D. 20%

27. In order for an individual to make a will he must have Testamentary Capacity, that is, he must satisfy which of the legal requirements below

- A. Be the age of maturity
- B. Be of sound mind
- C. Post a \$100 bond
- D. A & B

28. The Gift Tax Exclusion is an annual tax credit that allows a donor to give up to _____ to a donee free of gift tax.

- A. \$1,000
- B. \$5,000
- C. \$10,000
- D. \$20,000

29. In community property states, life insurance policies qualifying as community property will have only _____ of their proceeds included in the insured's gross estate at death.

- A. 25%
- B. 33%
- C. 50%
- D. 60%

30. In a trust, the trustee holds legal title and the beneficiary holds _____.

- A. Equitable title
- B. 100% of the control
- C. Revocable title
- D. Quasi-control



[Back To Front Page](#)

WHY PRINT THE EXAM & DOWNLOAD BOOKS?

Short Answer: Compared to other web systems, with our method you finish the course quicker, spend less time online, get a copy of the book for reference and have a paper back-up of your answers . . . just in case!

Long Answer: Printing out the exam and saving the book to your computer means you can relax and finish the course offline at your own pace, without spending hours and hours on the internet; you'll have a readily available copy of the book for your library in case you need to refer to it; and, you eliminate the constant switching between an exam screen and a book screen . . . a big hassle that can add hours to completing an online course. We know, we've timed it! Some internet courses suggest using an online split screen to view the exam and book at the same time. Well, it sounds complicated, and unless you have a super, giant screen, the print is going to be tiny and unreadable for most people. Finally, a good reason for printing the exam and marking your answers is you have a paper back-up if your computer or the internet freezes . . . and, we've all been there!

HELP – HOW DOES IT WORK?



Print an exam and download (save) a textbook from our website. When done, shut off your internet connection and finish your course offline at your own pace. See instructions on the first page of your book. Complete your answer sheet by marking answers on the front page with a pen or pencil. Then, come back to www.CEclass.com . . . choose **Submit Answers** . . . quickly click in your answers, pay and get an instant Certificate of Completion on your own printer. Or, you can choose to fax or mail your answer sheet by following the "Choose How To Send" instructions on the front page.

If you need further information, click the green help button to see detailed audio-visual instructions or go to www.CEclass.com and press help or call **Customer Service (800) 498-5100 MF (9AM – 5PM)**

DISCOUNTS — \$5 and \$10 Courses!

THAT'S RIGHT! You can buy online courses as low as \$5 and \$10. It's our multiple course discount program. Your first course is priced at our regular low price . . . Additional courses cost you only \$1.25 per credit hour! That means you can meet your Ethics, Annuity or Anti-Money Laundering required hours for only \$5 each online. Or, take Long Term Care or Annuity Training for only \$10 each.

How do you get the discount? Download as many courses as you like from our website and take as long as you want to finish them. To get the discount, however, you must submit your answers to us all at the same time. When you pay online, our system automatically issues these discounts. If you fax or mail your answer sheets, we will calculate the discount for you every time.

COURSE CONDITIONS

THIS COURSE PROVIDES GENERAL INSURANCE EDUCATION. CONSULT A COMPETENT PROFESSIONAL REGARDING SPECIFIC MATTERS BEFORE ADVISING CLIENTS. We hope you are pleased with the quality and value our CE courses offer. If for any reason you are unsatisfied, return unused books and exams it to us within 30 days for a full refund (less postage). A passing score is 70%. We can only tell you if you passed. If you fail, you will have another chance to pass at no charge. Further re-testing will cost you \$15 per exam. You have one year to complete this course. However, you should finish as soon as possible since courses like these are subject to constant re-evaluation and change by the Department of Insurance. If this course fails to meet the standards and credit hours advertised, whether by state / agency changes or our mistake, we will refund your entire course fees. It is agreed that this amount is liquidated damages. It is agreed that any differences between you and us will be settled through binding arbitration in Riverside County, California. The State has approved credit hours for our courses, however, they ask us to mention that they do not endorse content or the author's opinions.