



## Test 10

- 1 What must a MIG be described as to applicants?
- 2 Is a buy to let a greater or lesser risk to a lender?
- 3 What date does the rate for personal pension term assurance change from 5% to 10% of net relevant earnings?
- 4 Which bodies guidelines state that a mortgagor must have the choice of insurer?
- 5 When an international fund is chosen for a unit-linked endowment what is the level of risk?
- 6 A low cost low start premiums increase by which percentage in the first 5 years?
- 7 Can I extend my low start with profits endowment?
- 8 Which two way can profits be distributed in a with profits endowment policy?
- 9 Could I use a unit-linked endowment policy as a mortgage repayment vehicle?
- 10 If I knew about immanent redundancies before I took out insurance to cover them, would I still be able to claim?
- 11 If my interest only mortgage interest is calculated on an Annual basis will I pay more or less interest if I switch to a daily at the same rate?
- 12 What is the minimum age for a Maxi ISA?
- 13 Is it important to have contents insurance for the Lender?
- 14 The right to buy legislation was included in which Act?
- 15 Would kidney failure be covered for CIC?
- 16 Would a heart attack be covered for CIC?
- 17 If a burst pipe flooded my house would I be covered under the MIG policy?
- 18 The bid price of a unit linked endowment policy is what?
- 19 What are the two types of ISA?

- 20 Is a low-cost with profit endowment policy a mortgage repayment vehicle?
- 21 What may be a problem with ISA's in 10 years?
- 22 What are the minimum loans size for a CAT standard Mortgage?
- 23 When looking at a partnership for lending we should look at the individuals the business or both?
- 24 How could gilt-edged securities effect endowment policies?
- 25 Are endowment fees included in TCC?
- 26 Which Act introduced the Annual Percentage Rate?
- 27 How much more can higher rate taxpayers claim through self-assessment of personal pension contributions?
- 28 What do lenders look for when choosing house insurance companies to work with?
- 29 Is an interest only or capital mortgage guaranteed to pay off my mortgage at the end of the term?
- 30 What mortgage protection product is used with a Capital repayment mortgage?
- 31 Is the charges for a unit linked endowment or a low start endowment easier to read?
- 32 Convertible term assurance can convert into what?
- 33 Are redemption penalties included in TCC?
- 34 What is more riskier Unit linked or with profits endowment policies?
- 35 What does SHIP stand for?
- 36 Are buy to let mortgages regulated by the FSA?
- 37 If my fixed rate is above the variable rate is it easy to move it over?
- 38 What does portable mean for a mortgage?
- 39 What age can I take benefits from my personal pension?
- 40 Which market would LIBOR mortgages be offered to?
- 41 An insurer has the right to impose a ????? Percentage excess on MIG claims?

- 42 Why do I need life insurance with my Capital repayment mortgage?
- 43 What is MPPI?
- 44 Can an ISA hold Corporate Bonds within its fund?
- 45 Could my decreasing term assurance be added to my mortgage payment, ISA or trust fund?
- 46 Is the final value of a unit-linked endowment guaranteed?
- 47 Can an ISA hold Gilts within its fund?
- 48 If I surrender my with profit endowment policy early will I receive my full payments?
- 49 Which change of tax law made HIP's less attractive?
- 50 With an ISA mortgage how long does the capital remain outstanding?

## Answers

- 1 Higher lending charge Page 72 Section 3
- 2 Greater Page 50 Section 2
- 3 6 April 2001 Page 67 Section 3
- 4 Office of fair trading Page 62 Section 3
- 5 High Page 16 Section 1
- 6 20% Page 13 Section 1
- 7 No Page 14 Section 1
- 8 Reversionary bonus and terminal bonus Page 9 Section 1
- 9 Yes Page 8 Section 1
- 10 No Page 68 Section 3
- 11 Same Page 26 Section 1
- 12 18 years old Page 22 Section 1
- 13 No Page 59 Section 3
- 14 Housing Act 1985/2004 Page 48 Section 2
- 15 Yes Page 71 Section 3
- 16 Yes Page 71 Section 3
- 17 No Page 60 Section 3
- 18 Price purchased by client Page 15 Section 1
- 19 Equity and Cash Page 21 Section 1
- 20 Yes Page 8 Section 1
- 21 They may be discontinued or changed Page 23 Section 1
- 22 10000 Page 44 Section 2
- 23 Both Page 55 Section 2
- 24 Lower rate so less return Page 17 Section 1
- 25 No Page 28 Section 1
- 26 Consumer Credit Act Page 27 Section 1
- 27 0.18 Page 24 Section 1
- 28 They are a member of the Association of British Insurers Page 63 Section 3
- 29 Capital Page 5 Section 1
- 30 Decreasing Term assurance Page 65 Section 3
- 31 Unit linked Page 16 Section 1
- 32 Whole of life or endowment Page 66 Section 3
- 33 No Page 28 Section 1
- 34 Unit linked Page 14 Section 1
- 35 Safe Home Income Plans Page 53 Section 2
- 36 No Page 50 Section 2
- 37 No Page 30 Section 2
- 38 Can be moved to another house Page 41 Section 2
- 39 50 years old Page 25 Section 1
- 40 Sub-prime market Page 34 Section 2
- 41 20% Page 72 Section 3
- 42 It has no life cover Page 7 Section 1
- 43 Mortgage payment protection insurance Page 67 Section 3
- 44 Yes Page 21 Section 1

45 Mortgage payment Page 65 Section 3  
46 No Page 17 Section 1  
47 Yes Page 21 Section 1  
48 Probably not Page 10 Section 1  
49 Mortgage Interest Relief Page 52 Section 2  
50 Duration of the term Page 20 Section 1