

- 1 Are PMI benefits paid out tax-free?
 - A. No
 - B. Only part of PMI is Tax Free
 - C. Yes
 - D. Up to £1000
- 2 Should I benefit from indemnity insurance?
 - A. Only replacing the loss
 - B. Yes
 - C. It is not uncommon for the insurance company to allow this
 - D. Only in conjunction with full cover
- 3 What is a EU Directive? What is the normal time-scale?
 - A. A Target with no time-scale but typically 2 years
 - B. A Target with a time-scale typically 5 years
 - C. A Target with a time-scale typically 2 years
 - D. A Target with a time-scale typically 10 years
- 4 Is the interest paid gross in an Investment account liable to tax?
 - A. Yes
 - B. Only the first £100
 - C. No
 - D. Only £1500
- 5 Where could I buy my CTF?
 - A. The stock Market
 - B. A Bank
 - C. Abroad
 - D. From a solicitor
- 6 What would a gilt with a Treasury 5% 2021 mean?
 - A. I will receive a lump sum of '5% around 2021
 - B. £2021 at '5% equals my Payout
 - C. It has a coupon of 5% and redeemable in 2021
 - D. None of the above
- 7 Which of these is NOT a reimbursement of PMI: - ?
 - A. Surgical and Medical fees
 - B. Private Car Costs
 - C. Consultations
 - D. Drugs

- 8 What is the ECB and which organisation would be the English Equivalent?
- A. European Community Bank – The Stock market
 - B. Euro Central Bank – FSA
 - C. Euro Commerce Bank – Bank Of England
 - D. Euro Central Bank - Bank Of England
- 9 What are the two main types of Insurance?
- A. General Insurance and Life Assurance
 - B. Long term and Short term
 - C. Comprehensive and TPFT
 - D. General Insurance and Whole of Life Assurance
- 10 When can the child receive the money from His/Her Child Trust Fund?
- A. 18th Birthday
 - B. 16th Birthday
 - C. 21st Birthday
 - D. 11th Birthday
- 11 What is the value of the shares that a script issue distributes?
- A. 1 for 2
 - B. They are free
 - C. They are only available to the public so very little
 - D. Twice the original value
- 12 The Role of the Corporate Director in an OEIC is to buy and NOT sell shares as required by investors?
- A. They can only buy
 - B. They can only sell
 - C. The statement is false
 - D. Corporate Directors only raise funds
- 13 Would I have to detail my CGT payable items in my normal tax return?
- A. Only every four years
 - B. Only if you received a gift less than eight years
 - C. No
 - D. Yes
- 14 Can I underpay my flexible mortgage then start payments again later?
- A. Yes
 - B. Only with a Hybrid
 - C. It is not possible
 - D. Only in the first year

- 15 If my personal loan was for home improvement would it be covered with the consumer Credit Act 1974?
- A. Up to '£25,000
 - B. Over '£25,000
 - C. No
 - D. Yes any amount
- 16 For financial planning would a premium bond be good for a 'School age young people' Financial life cycle client?
- A. Yes it would as well as a stake holder pension opened by a family member
 - B. No
 - C. School Age is not a Financial Life Cycle Client
 - D. Its better for Pensioners
- 17 With a cash back mortgage do I receive money straight away after arranging my mortgage?
- A. No
 - B. Yes
 - C. After 1 year after completion
 - D. It is held until the second mortgage payment
- 18 Which statement is correct?
- A. None of the statement are correct
 - B. The trustees of a Unit trust's duties are to hold and control the trusts finances?
 - C. The trustees of a Unit trust's duties are to hold and sell the trusts finances?
 - D. The trustees of an OEIC duties are to hold and control the trusts finances?
- 19 Are profits made from the sale of shares subject to tax?
- A. No
 - B. Up to £25,000
 - C. 10% Tax
 - D. Always
- 20 What is the maximum pension available with FSAVC of a member's final remuneration?
- A. 10%
 - B. 25%
 - C. 1/3 (One Third)
 - D. 2/3 (Two Thirds)

- 21 What is the taxable benefit for cars based upon?
- A. Petrol or Diesel
 - B. The cars Carbon Dioxide emissions rating
 - C. Retail price of the car
 - D. Retail price of the car + Diesel or Petrol + Carbon Dioxide Rating
- 22 Gaffers Bank has the status of a bank would that be Proprietary or Mutual?
- A. Neither
 - B. Mutual
 - C. Both
 - D. Propriety
- 23 The basic price for an OEIC share is :- The total value of the fund _____ the number of shares?
- A. Divided
 - B. Multiplied
 - C. Minus
 - D. Plus
- 24 Which is the last of the four main methods of how indemnity is achieved: - cash, replacement, reinstatement and _____?
- A. Borrowing
 - B. Written off
 - C. Building
 - D. Repair
- 25 Both companies and individuals need intermediaries for covering risk because intermediaries:-?
- A. Can't cover the risk over many borrowers
 - B. Can cover the risk over many borrowers
 - C. Are tax free
 - D. The FSA Rules apply
- 26 Debentures are normally secured on which part of the companies assets?
- A. Loans
 - B. Shares
 - C. Cash
 - D. Property
- 27 How old must I be to receive attendance allowance?
- A. 60 years old
 - B. Under 65 years old
 - C. Over 70 years old
 - D. Under 75 years old

- 28 Once a bonus has been allocated to a reversionary bonus can it be changed?
- A. Yes
 - B. It must pay at least half the bonus
 - C. Only if profits are too small
 - D. No
- 29 How many classes of PHI classification are there?
- A. 1
 - B. 2
 - C. 3
 - D. 4
- 30 What is the earliest I can retire on my personal pension?
- A. 55 Years Old, 65 after 2010
 - B. 65 Years Old, 55 after 2010
 - C. 45 Years Old, 55 after 2010
 - D. 50 Years Old, 55 after 2010
- 31 If I bought £2000 worth of futures does that mean I have an _____ to buy or to sell the stock in the future?
- A. Possibility
 - B. Obligation
 - C. Small chance
 - D. Right
- 32 If I won the lottery in France would I have to pay tax in the UK?
- A. At the French tax level
 - B. Double taxation would come into affect
 - C. No
 - D. Yes
- 33 The Unit trust manager will always have to _____ my units?
- A. Sell
 - B. Cancel
 - C. Buy back
 - D. Certify
- 34 What are the three different types of motor insurance?
- A. Third party, Standard, Comprehensive
 - B. Basic, Third party fire and theft, Comprehensive
 - C. Third party, Third party fire and theft, Maximum
 - D. Third party, Third party fire and theft, Comprehensive

35 How much can I withdraw of my original Investment Bond tax-free ever year?

- A. 2%
- B. 3%
- C. 4%
- D. 5%

36 Which one of these is not tax-free?

- A. ISA
- B. PEP
- C. State pensions
- D. Education Grant

37 When I buy Units Trust Units I receive two pieces of paperwork the Contract note and the _____?

- A. Bond reference
- B. Contract receipt
- C. Contract reference
- D. Unit certificate

38 Where are PIBS bought and Sold?

- A. Retailer
- B. The stock market
- C. Bank
- D. FSA

39 If I want to start a company as a LLP where would I get it registered?

- A. The Post Office
- B. FSA
- C. Companies House
- D. Companies Head Quarters

40 What date was the Banking Act?

- A. 1981
- B. 1987
- C. 1999
- D. 2001

41 What is the tax rate on Child benefit?

- A. 3%
- B. 10%
- C. 0%
- D. 5%

- 42 When recommending a financial solution for a potential customer _____ must be taken into consideration?
- A. Size of property
 - B. Taxation
 - C. Health
 - D. Location
- 43 How often are LIBOR rates fixed?
- A. Every minute
 - B. Hourly
 - C. Daily
 - D. Weekly
- 44 Is my pension mortgage liable to CGT?
- A. Yes
 - B. 25% of the fund
 - C. No
 - D. 75% of the fund
- 45 The Bank of England Monetary Policy manipulates what to effect inflation?
- A. The interest rate
 - B. The economy
 - C. Tax
 - D. Borrowing
- 46 Can I have a policy that has Renewable, increasable and convertible term assurances?
- A. Only Renewable and increasable
 - B. Only Increasable and convertible
 - C. Yes All are fine
 - D. None of the above
- 47 If a low cost endowment borrower dies before the end of the policy what is included to help?
- A. PHI
 - B. SHIP
 - C. Decreasing term assurance
 - D. Increasing Term assurance
- 48 Investment bonds are set up as a Single-premium unit linked whole of _____ Policy?
- A. Risk
 - B. Term
 - C. Life
 - D. Pension

49 What is domicile of origin?

- A. The domicile of Father or Mother if not married
- B. The domicile of Mother or Father if not married
- C. The domicile of Grandparents or Mother if not married
- D. The domicile of Extended Family or Mother if not married

50 Are Save as you earn schemes taxable from CGT?

- A. No
- B. Yes
- C. Normal tax rate apply
- D. From IHT only