

- 1 When tax planning today would it be right to say _____ are safe and secure way to invest money?
- A. Shares
 - B. PEP's
 - C. ISA's
 - D. Investment Shares
- 2 What is the maximum percentage permitted for a 60 year old person to borrow on a Home income plan?
- A. 15% to 20%
 - B. 15% to 40%
 - C. 30%
 - D. 25%
- 3 If I receive benefit for being pregnant do I have to pay tax on the benefit?
- A. No
 - B. Yes
 - C. Normal Tax breaks apply
 - D. Yes if you are employed
- 4 Which of these is would not included in a Whole of life Universal Assurance?
- A. PMI
 - B. Critical Illness Cover
 - C. Automotive Cover
 - D. Hospital Benefits
- 5 Are stakeholder pensions more attractive to lower income individuals?
- A. Both higher and lower
 - B. Lower income individuals
 - C. Civil Servants mainly
 - D. Higher Tax earners only
- 6 I am a non-taxpayer can I reclaim the 10% tax I have paid on my dividends within my unit trust?
- A. Yes
 - B. You can only reclaim 5%
 - C. No
 - D. Not in the same tax year
- 7 The role of the trustee is usually carried out by an institution like a _____?
- A. Building Society
 - B. Trust Fund
 - C. Clearing bank or life company
 - D. Government Office

- 8 A Unit trust manager must manage the trust fund?
- A. The statement is true
 - B. It is also true of OEIC's
 - C. The Unit trust Manager should not manage the fund
 - D. The Unit Trust ACT confirms this
- 9 In order how does the UK regulation system work for financial matters?
- A. European Union, Parliament, Regulatory groups i.e. FSA, Financial Institutions, Arbitration schemes
 - B. European Bank, Parliament, Regulatory groups i.e. FSA, Financial Institutions, Arbitration schemes
 - C. European Union, Parliament, Regulatory groups i.e. FSA, Financial Advisor's, Arbitration schemes
 - D. European State, Parliament, Regulatory groups i.e. FSA, Financial Institutions, banks
- 10 CAT Standard Equity ISA's must have at least _____ % of their funds invested in the EU?
- A. 50%
 - B. 20%
 - C. 30%
 - D. 25%
- 11 If I want to invest some money and I want it to be very save which would I invest in Unit Trust or OEIC?
- A. OEIC
 - B. Unit Trust
 - C. Both are equal
 - D. Neither both are high risk
- 12 Why do Building Societies issue PIBS?
- A. To offset mortgages
 - B. To allow members shares
 - C. To move capital
 - D. To raise Capital
- 13 The Trustees of a Unit trust duties can be to delete unit certificates from investors where applicable?
- A. The statement is true
 - B. The statement is false
 - C. Upon application of the certificate
 - D. If the client cancels

- 14 How many months before the budget does the government publish a pre-budget report?
- A. 3 months
 - B. Half Yearly
 - C. 9 months
 - D. Yearly
- 15 How long must I have worked for my employer if to receive SMP?
- A. 10 weeks
 - B. 13 weeks
 - C. 20 weeks
 - D. 26 weeks
- 16 Are Building societies taxed the same as Banks?
- A. No
 - B. If they are a full member yes
 - C. Apart from mortgages
 - D. Yes
- 17 If I am 9 years old do I have a personal allowance the same as everyone else or am I exempt?
- A. At 16
 - B. At 18
 - C. Children have an tax allowance from birth
 - D. No
- 18 What is the main difference between a Bank and a Building society?
- A. Size
 - B. Legal Structure
 - C. Reports
 - D. Mortgage products
- 19 What is taper relief?
- A. The sliding scale of CGT over time
 - B. A type of insurance
 - C. A discounted mortgage
 - D. A stamp duty deduction
- 20 Which of these is not a use for Whole of life assurance?
- A. Tax free legacy, cover expenses on death, protection against death of a breadwinner
 - B. Cover expenses on death, protection against death of a breadwinner, Funds for inheritance tax
 - C. Funds for inheritance tax
 - D. All above are fine

- 21 In the financial life cycle, for young families what would be a major reason for them to borrow money?
- A. Pay off debts
 - B. Security
 - C. Pension
 - D. Mortgage to buy house
- 22 What is the maximum number of days you can spend in the UK without being taxed?
- A. 30
 - B. 90
 - C. 184
 - D. 182
- 23 When taking the clients details for knowing your customer do we really need to get their date and place of birth?
- A. If it is relevant
 - B. Yes
 - C. If they are married
 - D. If they are under 65
- 24 If I sold to the public and to a wholesale market could I be in the retail wholesale or both sides of the market?
- A. Only Wholesale
 - B. Both
 - C. Retail
 - D. Neither
- 25 If I had been travelling for a year what National Insurance Code would I have for that year?
- A. T
 - B. 1
 - C. 2
 - D. 3
- 26 If I was a resident in the UK but I work Abroad what tax code would I have?
- A. E II
 - B. P II
 - C. R II
 - D. E III

- 27 Insurance is a form of ?
- A. OEIC
 - B. Dis intermediation
 - C. Macro Economy product
 - D. Intermediation
- 28 What are the three main categories that 'investment in Property' falls into?
- A. Home buyer, Farm subject and Foreign property
 - B. Residential, Business and Second home
 - C. Residential, agricultural and Commercial Industry
 - D. Trust, Range and RIC
- 29 Which year was the ISA Launched?
- A. 1987
 - B. 1990
 - C. 1997
 - D. 2000
- 30 Name the three main types of derivative?
- A. Options, 'Futures and Warrants
 - B. Options, Bids and Offers
 - C. Options, 'Fixed and Warrants
 - D. Options, Shares and Warrants
- 31 To replace the lost income after the impact of sickness?
- A. Would be protection
 - B. Would not be enough protection
 - C. Would be a SHIP
 - D. Would be a Whole of Life policy
- 32 Must I have insurance if I drive a vehicle?
- A. At least fully comprehensive
 - B. Not after 2007
 - C. At least Third party and theft
 - D. At least Third party
- 33 What is another name for Ordinary shares?
- A. Futures
 - B. Derivatives
 - C. AIM
 - D. Equities

- 34 Equities have grown _____ inflation?
- A. Equal to
 - B. Slower than
 - C. Slightly behind
 - D. Faster than
- 35 A Stakeholder CTF invests in a range of company shares what happens to the risk of the shares at 13 years Old?
- A. It increases to build a bigger portfolio
 - B. It is maximized
 - C. The risk is increased due to return
 - D. It is reduced and placed into less riskier investments
- 36 What type of assurance is a Family Income Benefit?
- A. Increasing term assurance
 - B. Increasing term assurance and decreasing term assurance
 - C. Decreasing term assurance
 - D. Whole of life
- 37 Do all mortgages have to be CAT standard?
- A. Yes
 - B. Flexible and Hybrid are CAT
 - C. They have to be stakeholder yes
 - D. No
- 38 What are the income tax bands in the UK?
- A. A E P I, II, III
 - B. 10% up to 2090, 22% up to 32400 40% over
 - C. 22% up to 32400 40% over
 - D. 10% up to 2090, over 32400 40%
- 39 When a business partner dies and the 'buy and sell method' is used what happens to their share?
- A. The partners receive the shares
 - B. The family who hold the deceased shareholdings are obliged to sell to the other share holders
 - C. The spouse receives the shares
 - D. They sell the shares on the open market for the best price
- 40 Who now regulates the Pensions in the UK?
- A. FSA
 - B. Pensions Authority
 - C. Pension Council
 - D. The government

- 41 What does LIBOR represent?
- A. London Inter Bank Offered Rate
 - B. Leading Inter Bank Offered Rate
 - C. London Inter Bank Office Reductions
 - D. London Institute of Bank Orientated Refunds
- 42 If I receive a grant from my company for passing a test do I have to pay tax on it?
- A. Always
 - B. Up to '£5000
 - C. In certain circumstances Yes
 - D. No
- 43 Is there any surrender value for my term assurance?
- A. Yes
 - B. 10%
 - C. No
 - D. 25%
- 44 When recommending a financial solution for a potential customer existing arrangements must be taken into consideration?
- A. The advisor should NOT judge before selecting a product
 - B. Gathering small amounts of information after selecting a product
 - C. Yes
 - D. Only if you have a form of repayment vehicle
- 45 For companies is PHI tax-free?
- A. Yes
 - B. No
 - C. 50% tax free
 - D. 80% tax free
- 46 If I am claiming Income support can I receive Child Tax Credit?
- A. If you are unemployed
 - B. No
 - C. Yes
 - D. If you are employed
- 47 What does Ex-dividend mean?
- A. Extra Half yearly dividend
 - B. Minus the dividend from the share price
 - C. The owner will receive a dividend
 - D. The owner will not receive a dividend

- 48 What does the Income tax schedule 'D III' mean?
- A. Unemployed
 - B. No Tax payable
 - C. Higher Tax earners
 - D. The source of income was from Interest, annual payments and annuities
- 49 Modifications to a will are called a _____ document?
- A. Codicil
 - B. Mondart
 - C. Francil
 - D. Contruitive
- 50 Which market serves to recycle surplus money from banks?
- A. The Stock Market
 - B. Money Markets
 - C. London Inter Bank Offered Rate
 - D. ISA's