

- 1 The CGT payment on a Unit trusts is _____?
 - A. 0%
 - B. 10%
 - C. 12%
 - D. 15%
- 2 Which one of these is not a income support payment?
 - A. Personal allowances
 - B. Taxable Gift
 - C. Premiums
 - D. Other additions
- 3 What is the name of the policy used to pay IHT when a spouse dies?
 - A. Joint-life second life policy
 - B. Joint second policy
 - C. Joint death policy
 - D. Joint-life second death policy
- 4 What is Carpet bagging in the financial Mutual Organisation sense?
 - A. Moving from a Proprietary to a Mutual
 - B. Getting a high interest account
 - C. Moving from a Mutual to a Proprietary
 - D. Putting money in building societies to get shares
- 5 What is the tax for the supply of Health and Educational services?
 - A. 0%
 - B. 10%
 - C. 12%
 - D. 15%
- 6 If I have paid into a term assurance policy and now I want to cancel it can I receive my money back?
 - A. Yes
 - B. 50%
 - C. No
 - D. 10%
- 7 Why would a Unit trust manager buy into 30 to 150 different shares rather than just one?
 - A. More tax efficient
 - B. To cover the risk
 - C. Intermediation
 - D. Disintermediation

- 8 Which is NOT a evaluation of a share potential?
- A. Dividend cover
 - B. PE Ratio
 - C. Future Funds
 - D. Earnings Per Share
- 9 What is another name for All risks insurance?
- A. Home
 - B. Maximum
 - C. Total
 - D. Extended contents
- 10 At what age does child benefit stop?
- A. 16 to 18 if in full time education
 - B. 21
 - C. 25
 - D. 31
- 11 A with Profits Endowment has two types of bonus what are they called?
- A. Final Bonus and Progressive Bonus
 - B. Long and Short Bonus
 - C. Short term and Terminal Bonus
 - D. Reversionary Bonus and a Terminal Bonus
- 12 If I were over my CGT level would it be good for me to invest in gilts?
- A. Yes
 - B. No
 - C. Up to '£2500
 - D. Up to £3500
- 13 Family Income benefits are usually to replace the income of the breadwinner on _____?
- A. Illness
 - B. Death
 - C. Short term illness
 - D. Unemployment
- 14 Investment funds can be categorised into 4 main ways?
- A. Industry, Type of investment, forms of specialisation and Location
 - B. Industry, Market type, forms of specialisation and Location
 - C. Industry, Type of investment, forms of specialisation and Size
 - D. Industry, Type of investment, forms of specialisation and status

- 15 What does my employer pay as benefit for illness?
- A. Sick Benefit
 - B. Sick Leave Support
 - C. Statutory Sick Pay
 - D. Illness Credits
- 16 Is a P/E ratio of 4 good?
- A. Very good
 - B. Average
 - C. No
 - D. P/E ratio is measured by percentages
- 17 For CGT on shareholdings in a company on the stock market at what percentage rate voting rights must the holdings be lower than for an individual who is not an employee?
- A. 20%
 - B. 15%
 - C. 10%
 - D. 5%
- 18 What percentage of the share capital of a company must be in the hands of the public to be on the Main shares market in the UK?
- A. 10%
 - B. 15%
 - C. 25%
 - D. 35%
- 19 How many years after money or assets are given as a gift could the receiver be liable for tax?
- A. 4 years
 - B. 5 years
 - C. 6 years
 - D. 7 years
- 20 What are the two types of Money market deposit account?
- A. Profile account and notice account
 - B. Fixed account and notice account
 - C. Fixed account and budget account
 - D. Fixed account and loan account
- 21 If person's liabilities exceed his/her assets they are seen to be_____?
- A. Sub prime
 - B. Indebted
 - C. Bankrupt
 - D. Insolvent

- 22 An ISA is a good repayment vehicle for a mortgage because_____?
- A. Its easy to open
 - B. Its tax free
 - C. Its tied to a mortgage
 - D. Its easy to move money from year to year
- 23 The price Trust Units are sold at are calculated on a_____ Basis?
- A. Daily
 - B. Weekly
 - C. Monthly
 - D. Yearly
- 24 What if my PMI benefit from my company takes it over _____ for my benefits I will have to pay tax?
- A. £7000
 - B. £4500
 - C. £8500
 - D. £9000
- 25 DO I have to pay CGT on PIBS?
- A. No
 - B. Yes
 - C. At normal tax levels
 - D. 25% tax
- 26 What is more precise way of legislation for a European Member?
- A. Directive
 - B. Regulations are not recognised
 - C. Regulations
 - D. Higher Directives
- 27 What is the tax % on dividends on an OEIC?
- A. 10%
 - B. 20%
 - C. 30%
 - D. 25%
- 28 Investment Bonds are a collective investment?
- A. No
 - B. 50% of the fund is
 - C. 75% of the fund is
 - D. Yes

- 29 I play the pools and win about £1000 every year is it taxable?
- A. £500 is taxable
 - B. £250 is taxable
 - C. Yes
 - D. No
- 30 When are Local Authority Stocks interest paid during the year?
- A. 3 months
 - B. Half Yearly
 - C. 9 months
 - D. Yearly
- 31 What is the maximum amount of cash I can invest into an ISA?
- A. Nothing its shares
 - B. £3000
 - C. £7000
 - D. £10,000
- 32 What is the percentage payout amount of an Investment Bond if I die?
- A. 101%
 - B. 50%
 - C. 25%
 - D. 10%
- 33 If I have already paid tax on my building society interest when would I have to pay more tax?
- A. If I have a high rate interest account
 - B. If I take the money out early
 - C. If I was a basic rate tax earner
 - D. If I was a higher rate tax earner
- 34 What is the maximum purchase price of a Premium bond?
- A. £5000
 - B. £10,000
 - C. £15,000
 - D. £30,000
- 35 What is the percentage for dividends tax?
- A. 10%
 - B. 20%
 - C. 30%
 - D. 25%

- 36 When do Income rates become under review?
- A. 3 months
 - B. Half Yearly
 - C. 9 months
 - D. Yearly
- 37 Which out of these is not a consideration when pricing PHI cover :-
- A. Age, claims, length of present cover and medical history?
 - B. Age, state of health, length of present cover and medical history?
 - C. Age, state of health, previous cover and medical history?
 - D. State of health, length of present cover, medical history and status?
- 38 I receive a £5000 wedding gift from my mother do I pay any tax on it?
- A. No
 - B. Only up to '£2500
 - C. It is an undeclared item
 - D. Yes
- 39 Can shareholders be responsible for the debts of a company?
- A. Yes
 - B. In certain cases a small amount
 - C. No
 - D. This also means payment in way of dividends
- 40 What type of insurance is compulsory as an individual?
- A. House insurance
 - B. Car Insurance if you own a car
 - C. Life cover with an endowment
 - D. Live cover with a pension
- 41 Why was there a major review of the endowment policies in 1999?
- A. Advice and Not enough margin for the Financial Advisor
 - B. Advice, performance and shortfall for borrowers
 - C. Lack of good service for customers
 - D. The stakeholder was launched
- 42 Can I claim for my PHI if I am in the deferred period?
- A. Yes
 - B. No
 - C. Only if you write firstly to the supplier
 - D. Yes but only to 50% of the total value

- 43 Can Gilts be redeemed before the redemption date?
- A. No
 - B. In some cases Yes
 - C. Long Term GILTS only
 - D. Yes
- 44 What is the maximum percentage annual charge of a Stakeholder CTF?
- A. 1.5%
 - B. 2%
 - C. 2.5%
 - D. 3%
- 45 Can I put the Cash part of my ISA with one company and The Shares part with another?
- A. Yes
 - B. No you can not split them up
 - C. Only if you have a Maxima Account
 - D. Higher Tax earners only
- 46 Name the two types of Decreasing term assurance?
- A. Life assurance and gift inter vivos cover
 - B. Pension cover and gift inter vivos cover
 - C. Mortgage protection assurance and gift inter vivos cover
 - D. Mortgage protection assistance and gift inter vivos cover
- 47 Are saving certificates attractive to lower rate taxpayers or higher rate?
- A. It doesn't matter
 - B. Lower rate
 - C. Higher
 - D. Only the lowest rate taxpayers would benefit
- 48 What does a scrip issue do to the share price of the stock?
- A. Nothing
 - B. Give a second dividend
 - C. Increases the price
 - D. Reduces the price
- 49 For a life company that is mutual the members are with-profit policyholders?
- A. Only the directors have to be
 - B. Yes
 - C. No
 - D. None of the above

50 If you inherited monies from a relative abroad would you be charged CGT?

- A. Yes
- B. No
- C. Up to '£10,000
- D. Up to '£15,000