

- 1 If I had a criminal record would it be taken into consideration to pass the Fit and Proper test?
- A. Yes
  - B. You will not pass
  - C. Depending on the crime
  - D. Only if it was a financial crime
- 2 \_\_\_\_\_ is a specialist source book?
- A. Money Laundering
  - B. The supervision of Lloyd's of London
  - C. Training
  - D. Interim Prudential
- 3 FOS can make awards up to what value?
- A. £1000
  - B. £5000
  - C. £500,000
  - D. £100,000
- 4 Which type of organisation is the most complex when working out its solvency margin?
- A. Life Insurance
  - B. Banks
  - C. Building Societies
  - D. Friendly Societies
- 5 What is the other name for the third Life directive?
- A. Life Framework Directive
  - B. Insurance Directive
  - C. Formax Directive
  - D. Twin Life Directive
- 6 Property' in relation to the definitions of Money Laundering covers\_\_\_\_\_?
- A. Just offices
  - B. Just homes ( Where you live)
  - C. Just buildings
  - D. Many things
- 7 How could an Insurance company reduce their prospective liabilities if they were technically insolvent?
- A. Sell shares
  - B. Reduce staff
  - C. Reduce annual bonuses and with profits policies
  - D. Sell Bond

- 8 What is the name of the multi-national committee that supervises banks?
- A. FSA
  - B. Banking Code
  - C. Basel committee
  - D. Bankassurance committee
- 9 Preventing crime can be divided into two areas\_\_\_\_\_?
- A. Market Abuse and Money laundering?????
  - B. Market manipulation and Data Protection
  - C. Systems and processes
  - D. Personal and Corporate
- 10 \_\_\_\_\_ is a Systems and Control procedure for managers?
- A. Compliance
  - B. Disciplinary proceedings
  - C. Criminal records
  - D. Complaints
- 11 Mortgages are NOT affected by the ?
- A. FSA
  - B. Consumer credit Act
  - C. European Law
  - D. MPC
- 12 A Banks own funds must be at least \_\_\_\_\_ percent of there risk-weighted assets?
- A. 8%
  - B. 9%
  - C. 10%
  - D. 11%
- 13 If the FSA believed that a authorised person was money laundering would they undertake a general investigation or specific investigation or both
- A. Neither
  - B. Just a general
  - C. Specific only
  - D. Maybe a general first then a Specific
- 14 What is the level for a small business that the FSA rules apply to regarding complaints?
- A. Companies over £1,000,000 turnover
  - B. 25 Staff
  - C. 100 Staff
  - D. Trading 1 year

- 15 Are suitability letters required for Life policies?
- A. Never
  - B. In a few cases
  - C. Not in all cases
  - D. Yes
- 16 Is the FSA a \_\_\_\_\_?
- A. Limited Liability Partnership
  - B. Partnership
  - C. Limited Company
  - D. Government Organisation
- 17 Is my loan for house improvements covered by the consumer credit act?
- A. Yes
  - B. No
  - C. Up to £25,000
  - D. No the mortgage regulations
- 18 What is Bad faith risk?
- A. Fraud claim
  - B. Consumer not understanding the product
  - C. The product does not produce the desired outcome
  - D. The firm collapses
- 19 The FSA must promote \_\_\_\_\_ understanding?
- A. Fair
  - B. Total
  - C. Industry
  - D. Public
- 20 Which Act covers disabled employment?
- A. Financial Act 1989
  - B. Markets Act 2001
  - C. The Disability Discrimination Act 1995
  - D. Employment Act 1999
- 21 When recommending a Life Policy the payment to the financial advisor receives must be \_\_\_\_\_?
- A. Free of tax
  - B. In the levels as set out by the FSA
  - C. Never Disclosed to the client
  - D. Disclosed to the client

- 22 If both mortgage and insurance products are sent you can send a \_\_\_\_\_ Document?
- A. Initial Disclosure Document
  - B. New
  - C. Combined Initial Disclosure Document
  - D. Tax
- 23 The FSA regulatory regime is based on a set of how many principles?
- A. Advisors
  - B. Client
  - C. FSA
  - D. Banks or Building Societies
- 24 The FSA regulatory regime is based on a set of how many principles?
- A. 9
  - B. 10
  - C. 11
  - D. 12
- 25 What document must be giving outlining the 'Cost of Our Services'?
- A. Company Overview
  - B. Combined Initial Disclosure Document
  - C. IDD
  - D. Key facts
- 26 What is the time period for a firm to aim resolve any complaints?
- A. 6 weeks
  - B. 7 weeks
  - C. 8 weeks
  - D. 9 weeks
- 27 Legislation of the financial services industry has often come from a need to change for\_\_\_\_\_?
- A. Pensions
  - B. Lifestyles
  - C. European Law
  - D. The Bank of England
- 28 What is the Examination that will further demonstrate the principles of TCF?
- A. CeMAP IV
  - B. CeRCC
  - C. CeTTI
  - D. CePHI

- 29 Within which period can complaints be made regarding a financial event?
- A. 3 years from the event or 3 years from customer knowing there was a problem
  - B. 4 years from the event or 3 years from customer knowing there was a problem
  - C. 5 years from the event or 3 years from customer knowing there was a problem
  - D. 6 years from the event or 3 years from customer knowing there was a problem
- 30 When a mortgage advisor calls a potential customer what must they do before we start the main conversation?
- A. Get their bank account details
  - B. Advise them about what status The Advisor is
  - C. Check if caller is happy to proceed
  - D. Ask questions
- 31 Is charging excessive fees a common practice?
- A. Yes
  - B. No
  - C. This is why the FSA check pricing every year
  - D. It is tending to decrease since the new Pricing Act
- 32 I have just started a financial company how is it possible to be authorised by the FSA in 6 months after working with financial clients?
- A. It is not possible
  - B. I would be in training
  - C. I would get a form from the FSA
  - D. The firm will register me as a Trainee
- 33 What is the time period a bank should acknowledge a complaint under the Banking Code?
- A. 2 days
  - B. 3 days
  - C. 4 days
  - D. 5 days
- 34 Basel II introduced \_\_\_\_\_ to ascertain enough capital for adverse economic conditions ?
- A. The Money Laundering committee
  - B. The FSA
  - C. Stress tests
  - D. Stair casing'

- 35 If I wanted to tell my customer how I would contact them in the future by phone which document should I write it in?
- A. Client Agreement
  - B. IDD
  - C. CIDD
  - D. Key Facts Illustration
- 36 If a unapproved person works in authorised role the FSA\_\_\_\_\_?
- A. Do nothing as they can claim financial immunity through the Public Disclosure ACT
  - B. Will discipline
  - C. File a record on the worker
  - D. Leave proceeding for 6 months until confirmation is received
- 37 Workers are protected by which ACT? If they report their company as not complying with the legislation?
- A. The Finance and Markets Act
  - B. Public Interest Disclosure Act
  - C. Rights and Employer Act
  - D. Public Rights Act
- 38 What does the NCIS stand for?
- A. National Criminal Insurance Service
  - B. National Credit Intelligence Service
  - C. National Criminal Intelligence Support
  - D. National Criminal Intelligence Service
- 39 What is the directive that allows Countries to do investment business in other EU countries?
- A. Investment States Directive
  - B. European Law Directive
  - C. Investment Trust Directive
  - D. Investment Services Directive
- 40 Which is not a valid form of identification?
- A. Mobile Phone Bill
  - B. Electricity Bill
  - C. Passport
  - D. Driving License
- 41 The FSA must secure a level of \_\_\_\_\_ for Consumers?
- A. Free tax
  - B. Protection
  - C. Choice
  - D. Freedom

- 42 The solvency ratio of a bank = Own funds as a percentage of the \_\_\_\_\_ Value of its assets?
- A. Total
  - B. Risk-adjusted
  - C. Mortgage
  - D. Loan
- 43 What is the level of Indemnity insurance an insurance intermediary should hold?
- A. E1,000,000 euros per case and E2,500,000 in total
  - B. E1,000,000 euros per case and E1, 500,000 in total
  - C. E100,000 euros per case and E1,500,000 in total
  - D. E500,000 euros per case and E1,500,000 in total
- 44 What does ICOB 2 Cover?
- A. Customer Services
  - B. Sales
  - C. Marketing
  - D. General rules
- 45 Re mortgages regulated by the Unfair Terms in Consumer Regulations 1999 or just The FSA?
- A. Both
  - B. Unfair Terms
  - C. The FSA
  - D. Neither
- 46 What is a market counterparty?
- A. A customer
  - B. Another bank
  - C. Someone in the financial services industry
  - D. Friend in the business
- 47 What is the timescale a bank should aim to start to deal with complaints?
- A. 2 weeks
  - B. 3 weeks
  - C. 4 weeks
  - D. 8 weeks
- 48 Of the three Life Directives which one covers the freedom to provide services abroad?
- A. Number Two
  - B. Number Three
  - C. Number Four
  - D. Number Five

49 Does the Investment Services Directive cover money market instruments?

- A. No
- B. Some of them
- C. Just one of them
- D. Yes

50 If a firm goes bust what is the maximum I can receive in compensation?

- A. £38,000
- B. £42,000
- C. £48,000
- D. £50,000