

- 1 If I were an internal Auditor would I have a Governing Function, Required Function or a Systems and Control Function?
- A. Systems and Control Function
  - B. Control Function
  - C. Governing Function
  - D. Required Function
- 2 If I cancel my product and I am in the cooling off period why have I got back less than I started with?
- A. Cancellation fee
  - B. The monies have been used to buy an investment product that has gone down in price or the costs of doing so
  - C. Charges from the bank
  - D. Part of the interest
- 3 A private customer is the 'Highest / Middle / Lowest' level of investor protection?
- A. Highest
  - B. Middle
  - C. Lowest
  - D. Standard
- 4 What is the body that regulates occupational Pensions?
- A. OPRA
  - B. FSA
  - C. The Bank of England
  - D. The Government
- 5 The Key facts document\_\_\_\_\_?
- A. Must be given to some customers
  - B. Can be given to all customers
  - C. Never should be given to customers
  - D. Always given to all customers
- 6 Training for a Controlled person must be organised by the \_\_\_\_\_?
- A. The HR manager
  - B. The FSA
  - C. The Employee
  - D. The Employer
- 7 If a customer changes the lender of the mortgage do I have to change the KFI?
- A. If you want to
  - B. Only if they ask
  - C. Yes
  - D. No

- 8 Legislation of the financial services industry has often come from \_\_\_\_\_?
- A. The FSA
  - B. Other countries
  - C. Europe
  - D. Scandals
- 9 OPRA have three powers: - Investigating schemes, Acting against avoidance and, \_\_\_\_\_?
- A. Fines
  - B. Putting things Right
  - C. Imprisonment
  - D. The law
- 10 What is the limit in pounds of a loan covered by the Consumer credit act?
- A. £5,000
  - B. £15,000
  - C. £20,000
  - D. £25,000
- 11 Does the Investment Services Directive cover insurance companies?
- A. No
  - B. Some of them
  - C. Only in Europe
  - D. Yes all of them
- 12 What is the annual charge maximum for a stakeholder product?
- A. 0.5%
  - B. 1%
  - C. 1.5%
  - D. 2%
- 13 The Bank of England and the Stock Market Organisations were governing bodies at one stage, who is responsible mainly the financial industry now?
- A. OPRA
  - B. The Bank of England MPC
  - C. FSA
  - D. The Government
- 14 When must an IDD be given to a customer?
- A. Its not necessary
  - B. Anytime
  - C. Second meeting
  - D. First Meeting

- 15 Where would I find the list of appropriate examinations?
- A. FSA
  - B. FIBRA
  - C. FSSC
  - D. A Financial Advisor
- 16 Does the second life Assurance directive cover group pensions?
- A. Yes
  - B. No
  - C. It covers Corporate pensions
  - D. It covers insurance not pensions
- 17 What is the sentence for Concealing?
- A. 14 years
  - B. 10 years
  - C. 5 years
  - D. 1 year
- 18 Do soft complaints have to be reported to the FSA?
- A. No
  - B. Soft are ignored
  - C. Soft are deleted after 6 months
  - D. Always
- 19 What types of crime were not covered in the Proceeds of Crime Act and are today?
- A. Property
  - B. Money laundering
  - C. Diamonds
  - D. All forms of crime as it was mainly drug crime before
- 20 What is the difference between a soft and a hard complaint?
- A. Size of money claim
  - B. Hard complaint someone has lost money
  - C. Written and spoken
  - D. A person or the company
- 21 If I design an advert for the financial services market when don't I have to keep a record of the advert?
- A. If its a Internet advert
  - B. If it is a Paper advert
  - C. If it is a Magazine advert
  - D. You must always keep a record

- 22 If I hold a position that is a supervisory function must I make sure the firm is \_\_\_\_\_ so it can be controlled ?
- A. Small enough
  - B. Organised
  - C. Financially secure
  - D. Authorised
- 23 The FSA must always \_\_\_\_\_?
- A. Allow innovation and competitiveness
  - B. Stop innovation and competitiveness
  - C. Help production of new products
  - D. Restrict new products
- 24 Which two main areas did the FSA NOT cover in 2000 but it does now?
- A. Mortgages and General Insurance
  - B. Pension and Mortgages
  - C. Mortgages and ISA's
  - D. Shares and Stocks
- 25 The principles of good regulation for the FSA means that they MUST :- Allocate resources in an \_\_\_\_\_ way?
- A. Economic Way
  - B. Cheap
  - C. Expensive
  - D. Logical
- 26 Enforcement power of the FSA is to close a Limited Companies Offices?
- A. The statement is true
  - B. The statement is false
  - C. In certain extreme cases.
  - D. This is common practice
- 27 I deal with settlements in my financial company, what function is that?
- A. Customer function
  - B. Significant Management Function
  - C. Management Function
  - D. None of the above
- 28 If I were to sell lifetime mortgages do I need to sit any other exams?
- A. Yes
  - B. No further exams are required after CeMAP
  - C. A small exam with your employer
  - D. A small exam with The FSA

- 29 If I have a record of being bankrupt how do I become an insurance intermediaries?
- A. It is impossible
  - B. File your credit history
  - C. Notify your new employer
  - D. Clear credit history with FSA
- 30 As an approved firm or approved person I must conduct my business with skill care and \_\_\_\_\_?
- A. Trust
  - B. Security
  - C. The law
  - D. Diligence
- 31 If I get wrongly sold a mortgage what is the maximum I can receive in compensation?
- A. £18,000
  - B. £28,000
  - C. £38,000
  - D. £48,000
- 32 If I am a fully independent advisor how many suppliers must I use?
- A. One or more
  - B. As many as I like
  - C. A wide spread of the market
  - D. Two are fine
- 33 Legislation of the financial services industry has often come from a \_\_\_\_\_ in consumers Awareness?
- A. Shock
  - B. Lapse
  - C. Increase
  - D. Decrease
- 34 \_\_\_\_\_ is one of the principles for firms and approved persons?
- A. Financial prudence
  - B. Good feedback
  - C. Financial Security
  - D. Long term goals

- 35 What is the length of time evidence of identification should be kept?
- A. 2 years after the relationship with the customer has ended
  - B. 3 years after the relationship with the customer has ended
  - C. 4 years after the relationship with the customer has ended
  - D. 5 years after the relationship with the customer has ended
- 36 Capital Adequacy means that the aim is to protect financial companies from \_\_\_\_\_?
- A. Themselves
  - B. Their customers
  - C. The economy
  - D. Bankruptcy
- 37 What is the limit of transaction in Euros for a life assurance policy when you would need to have evidence of identification?
- A. E2500 for single premiums and E1000 for annual
  - B. E2500 for single premiums and E5000 for annual
  - C. E2500 for single premiums and E10000 for annual
  - D. E1500 for single premiums and E1000 for annual
- 38 Is accepting deposits a regulated activity?
- A. Yes
  - B. No
  - C. Not until 2008
  - D. No it is a customer function
- 39 Before starting an authorised role an employee must have satisfied the firm he/she is at an adequate level to do so and they must have also \_\_\_\_\_?
- A. Booked training for their role
  - B. Been authorised by the FSA
  - C. Passed their exams for the position
  - D. Registered as a Financial Employee
- 40 Legislation of the financial services industry has often come from \_\_\_\_\_?
- A. Technology
  - B. Financial Advisors
  - C. Mortgage Advisors
  - D. Word of mouth
- 41 Which Source book deals with financial Soundness of a company?
- A. Management Sourcebooks
  - B. Financial Soucebooks
  - C. Interim Prudential Sourcebooks
  - D. Company Sourcebooks

- 42 What is a Complexity/ unsuitability risk?
- A. Solicitor mistake
  - B. Mortgage company going bust
  - C. Mortgage Mistake
  - D. Customer getting wrong product
- 43 When I find out someone may be money laundering do I
- A. Speak to the MLRO?
  - B. Speak to them and ask them
  - C. Speak to my boss and see if its OK to ask them,
  - D. Contact the Police
- 44 What time period should a firm report to the FSA regularly?
- A. 5 months
  - B. 6 months
  - C. 9 months
  - D. 12 months
- 45 Who deals with the regulation of Mortgages?
- A. Bank Of England
  - B. OPRA
  - C. The Government
  - D. FSA
- 46 Training is very important for staff to understand money laundering, what could happen to them if they are unsure?
- A. They could miss a incident
  - B. They could be prosecuted
  - C. They could be fired
  - D. None of the above
- 47 Does the Investment Services Directive cover Forward future contracts?
- A. No Only Past contracts
  - B. Only SHIP
  - C. No
  - D. Yes
- 48 A complaint regarding a pension should be addressed first with whom?
- A. OPRA
  - B. Pension schemes managers or trustees
  - C. FSA
  - D. The Financial Advisor

- 49 The FSA said that it would act in a very different way than earlier regulators because it would be \_\_\_\_\_ - Based?
- A. Task
  - B. Risk
  - C. Debt
  - D. Money
- 50 If I only advise on investments is it possible not to be authorised by the FSA?
- A. Yes
  - B. If I advise on small investments
  - C. If I advise on ISA's
  - D. No