

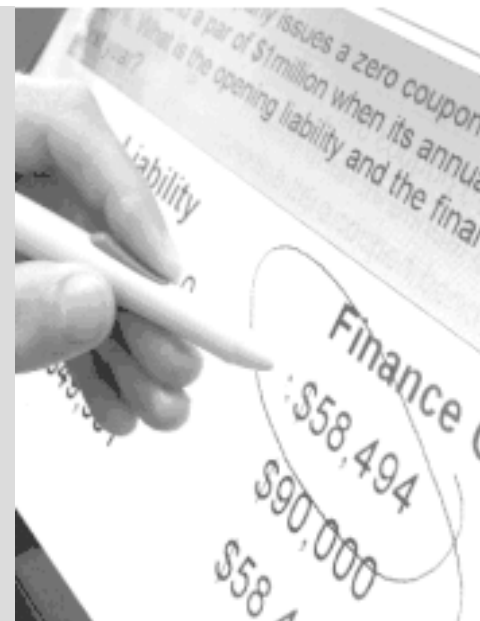
STUDY GUIDE

Diploma in Investment Planning

2010/11

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© September 2010
BPP Learning Media Ltd
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London W12 8AA

www.bpp.com/learningmedia

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ISBN 978 07517 9347 5

1 THE DIPLOMA IN INVESTMENT PLANNING (DIPIP)

The Diploma in Investment Planning is designed for financial advisers who already hold existing qualifications that meet the FSA requirements before the RDR rules were implemented, ie an appropriate Level 3 or equivalent.

The qualification is jointly offered by AIFA and BPP Learning Media and is awarded by CIOBS.

Full details of CIOBS Data Protection Policy and their Equal Opportunities Policy Statement can be found in Appendix 1 on page 12.

Candidates should note that whilst they only have to pass one paper, they will be tested on material drawn from the following units in the Diploma in Investment Planning:

- Financial Services, Regulation and Ethics
- Investment Principles and Risk
- Personal Taxation
- Pensions, Retirement Planning and Financial Protection
- Providing Investment Advice Practice Case Studies

The FSA also recognises the Diploma in Investment Advice as an appropriate qualification.

2 ENROLLING FOR THE DIPLOMA IN FINANCIAL PLANNING

2.1 Introduction

It is important that the administrative requirements associated with the course are complied with in order to ensure its smooth running, and to contribute to our aim of delivering a high quality service to all candidates.

2.2 Enrolment

Candidates are required to enrol for the course using the order form on the BPP Learning Media web site: <http://www.bpp.com/dipip>.

Candidates should complete the form and return it to BPP Learning Media accompanied by the appropriate fee. Where appropriate arrangements have been made with BPP Learning Media, enrolment and fee payment may be made directly through the candidate's employer.

Subject enrolment will activate the dispatch of the printed study materials and candidates will be enrolled on the Competent Adviser electronic support system. It is recommended that candidates undertake subject enrolment at least 10 weeks in advance of their intended examination date.

Subject enrolment is valid for 12 months from the date of registration.

2.3 Enrolment fees

Diploma in Investment Planning (existing adviser) - £655 for AIFA Members or £695 for candidates who are not AIFA members.

Your enrolment fee covers the following:

- Four background reading study texts
- A book of practice case studies
- One examination entry fee
- Access to your Online Student Support Programme for 12 months.

In addition to the above, the enrolment fees include the provision of any updated study material issued by BPP Learning Media. Where subject updates are produced, these will be made available for downloading via the BPP Learning Media website and will be free of charge if obtained by this method.

Where a student requires a hard copy of the update to be sent to them, an administration fee may be payable for this service. As it is the candidate's responsibility to ensure that they are in possession of the latest study material, it is strongly recommended that candidates regularly review the student resources available at www.bpp.com/dipip for information relating to subject updates.

2.4 Refund of fees

All subject and examination enrolment fees are non-refundable. If extenuating circumstances have forced a withdrawal these will be considered on a case by case basis.

2.5 Enrolment deadlines

It is advised that candidates complete subject enrolment at least 10 weeks in advance of taking the examinations. This allows sufficient time to send out study materials and for candidates to prepare for the examination.

2.6 Validity of enrolment

Enrolment is valid for 12 months from the date of enrolment. Candidates who do not sit the examination within the 12 month period will be required to re-enrol and pay the applicable enrolment fee.

2.7 Time limit

There is no time limit for completion of this qualification. However enrolment is valid for 12 months from the date of enrolment.

2.8 Entry qualifications and exemptions

Candidates who wish to study for the DipIP must hold an appropriate financial advice qualification at Level 3 under the pre-RDR qualification requirements. There are no age restrictions on entrants.

Exemption requests **will not** be considered for this exam.

3 THE SYLLABUS

The syllabus covers areas that should be familiar to the experienced adviser and focuses on demonstrating that candidate's ability to:

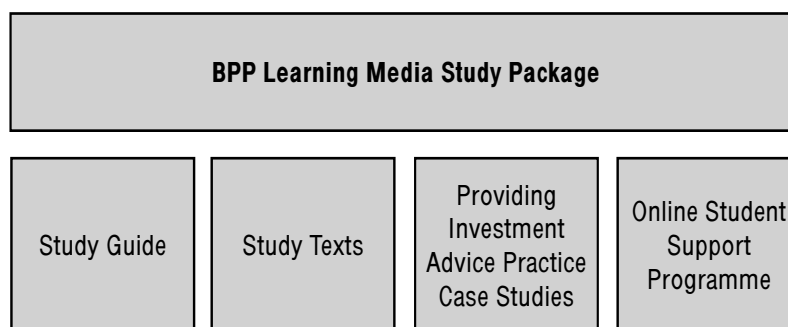
- Analyse the macroeconomic factors influencing advice-giving
- Explain the various tax regimes and their impact on holistic financial planning process
- Describe and explain the risks posed by the range of products

- Apply knowledge and understanding of key financial services regulation
- Determine appropriate recommendations by demonstrating knowledge and understanding of the wide range of savings and investment products
- Construct and present recommendations and solutions logically, clearly and concisely

The full syllabus can be found in Appendix 2 on page 13.

4 YOUR STUDY MATERIAL PACKAGE

Your comprehensive study package is designed to cover all of the Diploma in Investment Planning syllabus and help you pass the exam at the first attempt.



Your study package comprises of four study texts:

- Financial Services, Regulation and Ethics
- Investment Principles and Risk
- Personal Taxation
- Pensions, Retirement Planning and Financial Protection

which have been written to cover in full, to the depth required by the examination, the syllabus for the Diploma in Investment Planning of the Chartered Institute of Bankers in Scotland examination.

Within the chapters of your Study Texts you will find

- A list of the topics covered in each chapter
- Clear, concise, topic-by-topic coverage
- Examples to reinforce learning, confirm understanding and stimulate thought

We recognise that most students have only limited time for study. BPP Learning Media has prepared study material which provides you with what you need to secure a good pass in your exam, while making effective use of your time. Bear in mind however that exam success depends not only on reading the contents of the Study Texts, but also on memorising the facts and understanding the concepts.

These demanding examinations are designed to reflect situations and issues that practitioners will encounter in their work. You will be required to apply your knowledge to answer case studies and explain techniques and terms.

Your printed study texts and practice case studies are all available in your online learning environment which is where your **active study should take place**. The printed books are for your reference and should be used only as a means of background reading.

It is your online student support programme that will

- Identify your weak areas
- Improve your knowledge
- Test your understanding
- Assist you prepare for the examination itself

4.1 Your online Student Support Programme

Upon registration for the course your user name and password will be sent to you within two working days with full details of how to access your online student support.

We recommend that you set your internet browser to remember it and that you note your user name and password below for handy reference.

User Name:	
Password:	

Your personal home page is the focal point for all your studies and is split into three distinct parts:

1. **Special reading and combined assignments** – this is where you will find special readings we may want you to read as part of your studies
2. **Test assignments** – where you will find your Gap Analysis test
3. **Required reading assignments** (from completed tests) – will show you any required reading you have been assigned as a result of not achieving the required pass mark in any completed assignment

The first stage in your study programme is to undergo a Gap Analysis test, which has been specially designed to identify areas of Level 3 knowledge weakness.

The second stage is to start your Personal Development Programme (PDP) that has been specifically designed to improve your knowledge, test your understanding and prepare you to begin your Level 4 studies.

4.2 Gap Analysis Test

Prior to sitting your gap analysis test it is important to read your Gap Analysis Quick Start Guide in Appendix 3 on page 29.

Your Gap Analysis test will quickly identify your areas of Level 3 knowledge weakness and will give you the tools required to bring this knowledge up to date.

There is no requirement to sit your Gap Analysis test in one sitting as the system will store your answers to questions you have already answered.

Once you have completed your test you can view your test results which will provide you with an summary of your performance in each section of the assignment.

If you fail to obtain the relevant pass mark in any section don't worry as this will create your **Required Reading Requirement**, which will then be displayed on your home page.

Once you have completed your required reading requirement(s) you will be asked to sit a five question **Re-Test** assignment. Once you have completed the Re-Test you should view your results and if you fail to achieve the required pass mark (80%) you should repeat the process until you are successful.

When you have successfully achieved a pass in the Gap Analysis test you are now ready to begin your **Personal Development Programme (PDP)**.

4.3 Personal Development Programme (PDP)

Prior to commencing your Personal Development Programme it is important to read the PDP Quick Start Guide in Appendix 4 on page 40.

Your PDP programme has been designed to provide you with the tools you need to improve your knowledge, test your understanding and achieve that all important exam success.

Each module contains at least one reading assignment, to improve your knowledge, and a randomised test assignment to test your understanding of the areas covered. You also have the ability to bookmark areas of the text you wish to return to at a later date.

Throughout your studies you will have the ability to test your understanding in a number of ways:

Self Tests – quick five-question tests. You should be constantly achieving at least 80% in each self-test before you undertake the module test assignment.

Module Test Assignment – a randomly selected test designed to assess your understanding of the syllabus material within that particular module. The pass rate for each module test is 70%. If you fail to achieve 70% the system will automatically assign you a new module test and you will not be permitted to sit the final stage exam until you have achieved a pass in your module test.

Stage exam – designed to sat after you have completed a module and sat under exam conditions (against the clock). This will provide you with an accurate picture of your current abilities.

Upon successful completion of your stage exam your PDP will be updated to reflect that you have completed the module and are now ready to move to a new module. Once each module has been successfully completed the amount of reading time you have spent on each module and all test results will automatically update your **CPD record** which will clearly reflect the work you have done.

Progress through each module is under your direct control so you can move throughout the programme at your own pace. However we do provide an indication of the minimum time you should spend reading through the required reading assignments.

The modules can be tackled in any order you choose.

4.4 Support throughout your studies

Please remember that BPP Learning Media are available to help throughout your studies. It is our aim to assist you to pass the examination at the first attempt and we will do all we can to achieve that end.

During office hours (8.00 a.m. – 6.00 p.m. Monday to Friday) you can telephone us on

 **0845 075 1100**

If you wish to contact us by e-mail, the address is dipip@learningmedia.com.

If you have a technical query to ask a tutor, please also supply your telephone number in the e-mail. It is often the case that such questions are best explained verbally.

5 FORMAT OF THE CIOBS DIPLOMA IN INVESTMENT PLANNING EXAMINATION

CIOBS has developed an online assessment system for the DipIP which allows regular assessment at various approved test centres throughout the UK. A full list of test centres can be found in Appendix 5 on page 56.

The exam entry fee is included within your study material package so all you must do is complete the Examination Enrolment form, available on our website (www.bpp.com/dipip) and in Appendix 6 on page 58 when you feel ready to undertake the exam.

The examination itself comprises of **five written case studies** to be completed in 3 hours and 15 minutes. Case Study 1 is worth 40 marks and Case Studies 2 – 5 are worth 15 marks each.

All examinations will be conducted in English.

To pass candidates must score an overall mark of 50% or above. Please note there are no facilities for sectional re-sits in this examination.

On successful completion of the Diploma in Investment Planning, candidates may apply for Professional Financial Adviser (PFA) status. Please contact CIOBS for further details

Tel: +44 (0) 131 473 7777

Email: info@charteredbanker.com

5.1 Professional Financial Adviser status

CIOBS can grant Professional Financial Adviser (PFA) status to advisers who pass approved investment advice examinations and are committed to keeping their knowledge up to date.

Becoming a PFA gives advisers:

- The right to use the designatory letters PFA
- Inclusion on an online register of PFAs
- Access to CIOBS's online PFA CPD Scheme
- Access to CIOBS's online library, magazine, and other CIOBS CPD resources
- The right to participate in CIOBS's District Centre Network.

Whilst there is no specific regulatory requirement for individuals offering advice to be a member of a professional body, advisers' adherence to a Code of Ethics and to maintaining professional competence must be annually verified and certified.

Completion of the Diploma in Investment Planning entitles you to apply for PFA status. As the UK's only remaining professional institute for bankers CIOBS's professional body membership is tailored primarily to meet the needs of the retail banking sector. It may also be relevant to those in non-specialised financial adviser roles.

If you apply to become a PFA, a membership fee (currently £95) becomes payable to CIOBS immediately and on an annual basis thereafter.

For more details of PFA status with CIOBS please email info@charteredbanker.com or telephone on +44 (0)131 473 7777.

6 ENROLLING FOR YOUR EXAMINATION

Once you have completed your online Personal Development Programme (PDP) and are confident you are ready to sit the exam you should submit your exam entry form to CIOBS with your preferred exam testing venue and preferred date and time.

Enrolment on your BPP Learning Media study programme does not mean that you are enrolled to sit the examination.

Please note that your exam must be booked at least 10 working days in advance of your first exam choice date.

CIOBS will acknowledge receipt of your examination entry and will confirm the exam venue and time/date of our examination. You must check that the details shown in the acknowledgement are accurate. You must bring your acknowledgement letter to the examination together with some form of photographic photo identification, eg a passport, employer ID card or driving license. If requested to do so you must show your acknowledgement letter and photographic identification to the examination invigilator. Failure to produce the acknowledgement letter and identification may result in you being unable to sit the examination.

6.1 Withdrawal from examinations

Candidates who withdraw from an examination will forfeit their fee and have to pay a re-sit fee of £100 when they next sit the examination. Those candidates with a genuine reason for withdrawal or non-attendance must make a written submission supported by suitable evidence requesting that their fees should be carried forward.

Cancellations made within 10 working days of the examination will be counted as an examination attempt.

6.2 Examination results

Exam results will be sent to candidates by email no later than 6 weeks after the exam.

Candidates cannot be informed of the results by facsimile or telephone, nor will they be given to candidates who call, in person, at CIOBS' offices.

As a matter of course, where fees have been met by the candidate's employer CIOBS will notify the employer of the candidate's examination results unless explicitly instructed otherwise by the candidate.

6.3 Appeals

CIOBS has procedures in place to ensure that the marking of examination scripts has been fair. The decision of the examiners is final and appeals against published results will not be considered.

Prior to the release of results, a random sample of scripts is sent for verification. Any discrepancies between the result of the verifier and the result of the examiner are resolved by discussion between them. Should this result in disagreement then the exam paper will be sent to a second verifier for a final decision.

In addition to the random sample of scripts sent for verification, all scripts whose marks are close to, but below, the pass level are sent for verification. For the purposes of clarity, this is all scripts which fall into the following mark band – between 45 and 49%.

6.4 Extenuating circumstances

Any candidate who believe that, due to extenuating circumstances, they have been disadvantaged in the examination should contact CIOBS as soon as possible after the examination.

Tel: +44 (0) 131 473 7777

Email: info@charteredbanker.com

Any such claims must be supported by relevant evidence, such as medical documentation, and must be submitted within five working days of the date of the examination.

All claims of extenuating circumstances will be reviewed by CIOBS whose decision is final.

6.5 Re-sit examinations

Candidates who fail to pass an examination may re-sit for a fee of £100.

6.6 Examination scripts

Examination scripts remain the property of CIOBS and will not be returned to candidates.

Examination scripts fall under Schedule 7(9) of the Data Protection Act whereby they are exempt from subject access. Any comments recorded by the examiner in the margin of the script or on a separate marking sheet are not exempt and as such could be provided to students. However, this still does not entitle students to see their scripts – only a list of comments. For this reason CIOBS has instructed examiners and verifiers not to make comments on the exam papers or on separate sheets.

7 THE EXAM DAY

7.1 Travel to the exam venue

You should allow sufficient travelling time to reach the exam venue. Where possible exam centres are located near convenient travel links, however delays are likely and should be allowed for when making travel arrangements.

Candidates will not be admitted to the examination room if they are more than 30 minutes late from the appointed starting time.

7.2 Examination conditions

The exam is closed book and taken under strict examination conditions. Any attempts to breach these conditions will result in immediate disqualification from the exam. Candidates found guilty of any misconduct may have previous examinations withdrawn and may be barred from entering further examinations. Candidates may also be reported to the appropriate regulator.

7.3 Entry to the exam hall

You must bring your acknowledgement letter to the examination together with some form of photographic photo identification, eg a passport, employer ID card or driving license. If requested to do so you must show your acknowledgement letter and photographic identification to the examination invigilator. Failure to produce the acknowledgement letter and identification may result in you being unable to sit the examination.

7.4 Accessing the online examination

Candidates will be required to enter a user name and a password, supplied by the invigilator, before gaining access to their exam.

Candidates should ensure that the examination presented to them is the one they entered for, before proceeding to answer any of the questions. If a candidate is presented with the wrong paper, they should report this to the invigilator who will take the necessary steps to correct the matter.

Candidates should be aware of the time they have in which to complete their exam. To assist in this a clock will appear at the bottom of the screen showing the time remaining.

7.5 During the examination

Candidates must place all text books, brief cases, bags and notes out of reach and sight at the front or back of the examination room.

All mobile telephones or any other equipment that can be used for communication purposes must be switched off and left outside the exam room or in a designated area within the exam room.

You must not take into the examination room any rough workings or paper to do rough workings. If you require paper for rough working please ask the Invigilator. If you are found with notes, or other items specified above, either in your possession, on your person, on your desk or in the vicinity of your desk, then you will have breached the conditions regardless or not if you used or referred to these notes or items.

Invigilators will be vigilant throughout the examination to ensure that candidates behave in a professional manner during the examination. Any attempt at collusion or to use notes will be reported to the Institute. If a candidate is suspected of breaking these rules he/she will be removed from the examination room and asked to explain their behaviour. A full written report will be given by the Invigilator and anyone who may have witnessed the incident. The candidate will also be asked to give a written statement. These will be passed to the Institute immediately.

7.6 Use of calculators

Candidates are permitted to use simple calculators, which are non-programmable. Any calculators or computer devices, which can store text or formulae of any description or can be pre-programmed, are not permitted. The invigilator has the right to remove any such devices, which they suspect do not conform to the above restriction.

7.7 End of the examination

Please remember that others within the exam room will not have completed their examination and you should leave the examination room as quietly as possible.

8 EXAM TECHNIQUE

The most frequent criticism raised by the examiner does not relate to the technical content of candidates' scripts but rather to their presentation. These comments embrace both the style of written answers and also the use and abuse of the English language.

Whilst acknowledging that it is not possible to pass the exam on style alone, effective written presentation may well make the difference between passing and failing. By adopting a few key techniques, you can improve your examination performance to a significant degree. What every examiner wants to see in a candidate's script is clarity – a script which is easy to read, easy to mark and precisely answers the questions as set.

APPENDIX 1 – CIOBS RULES AND REGULATIONS

Data Protection Policy

The Institute aims to maintain all personal records accurately and securely to a reasonable standard.

We shall not provide any personal information regarding a member, or non-member to any third parties without the express permission of the person, with the exception of information requested by a company listed on our database as the person's employer in relation to the person's standing with the Institute, unless the member or non-member has specifically requested that the information should not be divulged.

We will under no circumstances sell or provide information about our members or non-members to a third party for any purposes except in the case of authorised agents of the Institute. Personal details may be provided to other organisations with whom we are organising joint ventures, so long as they used solely for the purpose of that venture.

The Institute will not send out information directly to members on behalf of other companies, but will endeavour to keep members and non-members informed on matters pertinent to the Institute and financial services industry.

Equal Opportunities Policy Statement

The Institute supports the principle of equal opportunities in employment, education and training and opposes all forms of unlawful direct and indirect discrimination on the grounds of colour, race, religion, ethnic origin, nationality, gender, sexual orientation, age, marital status or disability. To this end, within the framework of the law, we are committed, wherever practicable, to promoting and facilitating access to our qualifications.

In practice this means that every possible step will be taken to ensure that we:

- Produce education programmes and qualifications which are accessible to all candidates who are potentially able to achieve them
- Develop methods of teaching, assessment and quality assurance which are sensitive to the needs of all candidates but which do not compromise the overarching aims of fairness and consistency.

To implement our equal opportunities policy we will:

- Disseminate our equal opportunities policy in information to candidates
- Ensure that criteria which define required candidate performance to achieve our qualifications are appropriate to purpose, present no unnecessary barriers, and are in the public domain
- Produce checklists to be used by all authors, examiners and verifiers of workbooks, support material and assessment instruments
- Provide guidance for those candidates who think that they have been treated unfairly or have been discriminated against, within the framework of the equal opportunities policy
- Ensure that all our publications and promotional literature are written clearly and are designed to be as inclusive as possible
- Make provision to assist examination candidates who are registered disabled (or certified as temporarily disabled), dyslexic, blind or partially sighted – these and other disabilities will be catered for on an individual basis upon advance request.

APPENDIX 2 – THE DIIP SYLLABUS

Learning outcomes

On completion of this subject candidates should be able to:

1. An understanding of the UK financial services industry, in its European and global context.
2. An understanding of how the retail consumer is served by the financial services industry.
3. An understanding of the legal concepts and considerations relevant to financial advice.
4. An understanding of the regulation of financial services.
5. An understanding of the FSA's responsibilities and approach to regulation.
6. An ability to apply the principles and rules as set out in the regulatory framework.
7. An ability to apply the regulatory advice framework in practice for the consumer.
8. An understanding of the range of skills required when advising clients.
9. An understanding of the FSA's use of principles and outcomes based regulation to promote ethical and fair outcomes.
10. An ability to apply the Code of Ethics and professional standards to business behaviours of individuals.
11. An ability to critically evaluate the outcomes that distinguish between ethical and compliance driven behaviours.
12. An ability to analyse the characteristics, inherent risks, behaviour and correlation of asset classes
13. An understanding of the macro-economic environment and its impact on asset classes
14. An understanding of the merits and limitations of the main investment theories
15. An ability to apply the principles of the time value of money
16. An ability to analyse and explain the nature and impact of the main types of risk on investment performance
17. An ability to analyse the characteristics, inherent risks, behaviours and relevant tax considerations of investment products
18. An ability to apply the investment advice process
19. An understanding of the principles of investment planning
20. An ability to analyse the performance of investments
21. Understanding of the UK tax system as relevant to the needs and circumstances of individuals and trusts
22. Ability to analyse the taxation of investments as relevant to the needs and circumstances of individuals and trusts
23. Ability to analyse the role and relevance of tax in the financial affairs of individuals and trusts
24. Ability to apply the knowledge of personal taxation to the provision of investment advice
25. Understanding of the political, economic and social environment factors which provide the context for pensions planning
26. Understanding of how the HMRC tax regime applies to pensions planning

27. Understanding of the relevant aspects of pensions law and regulation to pensions planning
28. Understanding of the structure, relevance and application of the State Schemes to an individual's pension planning
29. Understanding of the structure, characteristics and application of Defined Benefit schemes to an individual's pension planning
30. Ability to analyse the range of Defined Contribution scheme options as they apply to an individual's pension planning
31. Ability to analyse the options and factors to consider for drawing pension benefits
32. Ability to evaluate the aims and objectives of retirement planning including the relevant investment issues
33. Understanding of the consumer and retail market factors and trends relevant to financial protection
34. Understanding of the areas of need for protection planning and the main sources of financial protection
35. Understanding of the role and limitations of State Benefits and state/local authority funded solutions for financial protection
36. Understanding of the range, structure and application of life assurance and pension based policies to meet financial protection needs
37. Understanding of the taxation treatment of life assurance and pension based protection policies
38. Understanding of the range, structure and application of income protection insurance and options to meet financial protection needs
39. Understanding of the range, structure and application of critical illness insurance to meet financial protection needs
40. Understanding of the range, structure and application of long term care insurance to meet financial protection needs
41. Understanding of the main features of other insurance based protection policies
42. Ability to evaluate the needs and priorities for financial protection and the relevant factors in selecting appropriate solutions
43. Obtain appropriate client information and understand clients' needs, wants, values and risk profile essential to the financial planning process
44. Synthesise the range of client information, subjective factors and indicators to provide the basis for financial planning assumptions and decisions
45. Analyse a client's situation and the advantages and disadvantages of the appropriate options
46. Formulate suitable financial plans for action
47. Explain and justify recommendations
48. Implement, review and maintain financial plans to achieve the clients' objectives and adapt to changes in circumstances

Subject Specific Learning Outcomes

Outcome 1

To demonstrate an understanding of the UK financial services industry, in its European and global context.

Knowledge, Understanding and Skills

- Role and structure of the UK and international markets, key participants
- The impact of the EU on UK regulation
- The role of government – economic and industrial policy, regulation, taxation and social welfare
- The function and operation of financial services within the wider economy

Outcome 2

To demonstrate an understanding of how the retail consumer is served by the financial services industry.

Knowledge, Understanding and Skills

- Obligations towards consumers and their perception of financial services
- Consumers' main financial needs and how they are prioritised:
 1. Managing debt
 2. Budgeting and borrowing, including house purchase
 3. Protection
 4. Saving and investing
 5. Retirement
 6. Estate planning and tax planning
- How these needs are met:
 1. Mortgages and loans
 2. Life and health insurance
 3. Savings and investments
 4. State benefits
 5. The main types of pension provision

Outcome 3

To demonstrate an understanding of legal concepts and considerations relevant to financial advice

Knowledge, Understanding and Skills

- Legal persons and powers of attorney
- Basic law of contract and agency
- Ownership of property
- Insolvency and bankruptcy
- Wills and intestacy
- Use of trusts:
 1. The main types of trusts and their uses
 2. How to create and administer trusts

Outcome 4

To demonstrate an understanding of the regulation of financial services.

Knowledge, Understanding and Skills

- The role of the FSA, HM Treasury and Bank of England – market regulation
- The role of other regulating bodies such as the Competition Commission, the Office of Fair Trading, the Pensions Regulator, the Information Commissioner
- Financial Services and Market Act (FSMA) 2000, other relevant legislation
- The role of EU regulation and relevant Directives
- Additional oversight – senior management, trustees, auditors, external compliance support services

Outcome 5

To demonstrate an understanding of the FSA's responsibilities and approach to regulation.

Knowledge, Understanding and Skills

- Statutory objectives and how FSA is structured to achieve these:
 1. Powers and activities
 2. Financial stability and prudential regulation
 3. Powers to deal with financial crime
 4. Financial capability – National Strategy
- The FSA handbook - the main principles and rules:
 1. The High Level Standards
 2. Prudential Standards
- Business Standards:
 1. Conduct of Business (COBS)
 2. Rules for dealing with client assets
 3. Market Conduct code
 4. Training and Competence
 5. Regulatory Processes:
 - Authorisation, supervision, approved persons, significant influence functions, controlled functions, appointed representatives
- Risk based supervision, discipline and enforcement, sanctions to deal with criminal activities

Outcome 6

To demonstrate an ability to apply the principles and rules as set out in the regulatory framework.

Knowledge, Understanding and Skills

- Regulated activities and authorisation requirements
 1. Approved person and controlled function responsibilities
 2. Record keeping, reporting and notification requirements
 3. Professionalism and the training and competence requirements
 4. Anti-money laundering and proceeds of crime obligations
 5. Data protection including data security
 6. Complaints procedures and responsibilities to customers
 7. The Financial Ombudsman Service (FOS)
 8. The Financial Services Compensation Scheme (FSCS)

Outcome 7

To demonstrate an ability to apply the regulatory advice framework in practice for the consumer.

Knowledge, Understanding and Skills

- Client relationships and adviser responsibilities:
 1. Types of clients
 2. Fiduciary relationship – duty of care, confidentiality, primacy of clients' interests
 3. Clarity of service provision and charges, status disclosure including terms of business and client agreements, execution only
 4. Limitations to own authority or expertise, referrals to and relationships with relevant specialists
 5. Clients' cancellation rights
 6. Regulated advice standards
 7. Monitoring and reviewing client's plans and circumstances and taking account of relevant changes

Outcome 8

To demonstrate an understanding of the range of skills required when advising clients.

Knowledge, Understanding and Skills

- Communicating clearly, assessing and adapting to the differing capabilities of clients
- Gathering information, assessment and analysis of client's needs and circumstances, reaching conclusions and making appropriate recommendations

Outcome 9

To demonstrate an understanding of the FSA's use of principles and outcomes based regulation to promote ethical and fair outcomes.

Knowledge, Understanding and Skills

- The Principles for Businesses and the discretionary obligations these place on firms
- Corporate culture and leadership
- The responsibilities that rest with approved persons and the need for integrity, competence and fair outcomes for clients, including dealing with conflicts of interest

Outcome 10

To demonstrate an ability to apply the Code of Ethics and professional standards to business behaviours of individuals.

Knowledge, Understanding and Skills

- The over-arching Code of Ethics
- The professional principles and values on which the Code is based
- Identifying ethical dilemmas
- The steps involved in managing ethical dilemmas

Outcome 11

To demonstrate an ability to critically evaluate the outcomes that distinguish between ethical and compliance driven behaviours.

Knowledge, Understanding and Skills

- Typical behavioural indicators – positive and negative
- The outcomes which may result from behaving ethically – for the industry, the firm, individual advisers and consumers
- The outcomes which may result from limiting behaviour to compliance with the rules – for the industry, firm, individual advisers and consumers

Outcome 12

Demonstrate an ability to analyse the characteristics, inherent risks, behaviour and correlation of asset classes.

Knowledge, Understanding and Skills

- Cash and cash equivalents:
 - Main types, costs and charges
- Fixed interest securities:
 - Main types
 - Running and redemption yields, interest rates and yield curves
 - Markets and indices
 - Transaction costs – purchase and sale
- Equities:
 - Main types, private equity
 - Valuation measures – Price/Earnings (P/E) ratio, dividend yield and cover, Net Asset Value (NAV)
 - Stock markets – indices, listings
 - Transaction costs
- Property:
 - Main types, residential and commercial, income profile and gearing
 - Valuation
 - Performance benchmarking
 - Transaction and on-going costs
- Alternative investments such as commodities, and physical assets
- Pricing, liquidity and fair value
- Correlation of asset classes – relevance to asset allocation

Outcome 13

Demonstrate an understanding of the macro-economic environment and its impact on asset classes.

Knowledge, Understanding and Skills

- Main long term UK and global socio-economic trends
- Overview of world economies and globalisation of markets

- Economic and financial cycles – predictability, regional economy differences
- The key economic indicators – trends and their interpretation
- Significance of monetary and fiscal policy
- Relevance of money, inflation, deflation, interest rates and exchange rates
- Balance of payments and international capital flows
- The role of financial investment in the economy

Outcome 14

Demonstrate an understanding of the merits and limitations of the main investment theories.

Knowledge, Understanding and Skills

- Key features of the main investment theories:
 - Modern portfolio theory
 - Multi factor model
 - Efficient market hypothesis
 - Capital asset pricing model (CAPM)
- Portfolio theory, diversification and hedging
 - Correlation between asset classes
 - Total return and an awareness of beta and alpha
 - Risk adjusted returns
- Basics of behavioural finance – market and individual behaviours

Outcome 15

Demonstrate an ability to apply the principles of the time value of money.

Knowledge, Understanding and Skills

- Compound interest and discounting
- Real returns and nominal returns

Outcome 16

Demonstrate an ability to analyse and explain the nature and impact of the main types of risk on investment performance.

Knowledge, Understanding and Skills

- Liquidity and access
- Income and capital growth, including shortfall
- Short term volatility
- Long term performance
- Gearing
- Currency
- Inflation
- Interest rates
- Systematic and non-systematic, including fraud and counterparty, institutional, market timing

Outcome 17

Demonstrate the ability to analyse the characteristics, inherent risks, behaviours and relevant tax considerations of investment products.

Knowledge, Understanding and Skills

- The advantages and disadvantages of direct investment in securities and assets compared to indirect investment through collectives and other products
- The main types and use of indirect investment products:
 - Investment structures:
 1. Collective investment funds – onshore and offshore
 2. Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs)
 3. Closed ended funds/investment companies – onshore and offshore
 4. Individual Savings Accounts (ISAs) and Child Trust Funds (CTFs)
 5. National Savings and Investments
 6. Life assurance based investments – onshore and offshore
 7. Defined contribution (DC) pension arrangements
 8. Real Estate Investment Trusts (REITs) and other property based products
 9. Venture Capital Trusts (VCTs) and Enterprise Investment Schemes (EISs) – basic structures and uses
 10. Broker funds and distributor influenced funds (DIFs)
 - Derivatives:
 1. Basic structure, main types and uses
 - Investment strategy based products
 1. Hedge funds and funds of hedge funds
 2. Absolute return funds
 3. Structured products – income and capital growth, structure and analysis
 4. With profit funds – main principles

Outcome 18

Demonstrate an ability to apply the investment advice process.

Knowledge, Understanding and Skills

- Know your client requirements:
 - Explain the investment process
 - Establish client relationships, capability and circumstances including assets and debts
 - Agree and prioritise needs and wants
 - Agree investment objectives, growth, income, time horizons, debt and credit management and repayment
 - Determine and agree risk profile – objective and subjective factors

- Assess affordability and other suitability considerations, ethical, social responsibility and religious preferences
- Agree strategy and rationale to achieve the objectives
- Agree benchmark/performance measures and review process
- Asset allocation:
 - Alignment with client risk profile and requirements
 - Diversification and correlation benefits
 - Accumulation and decumulation

Outcome 19

Demonstrate an understanding of the principles of investment planning.

Knowledge, Understanding and Skills

- Asset allocation
 - Stochastic modelling
 - Strategic and tactical asset allocation
- Portfolio construction:
 - Stock and fund selection
 - Diversification by sector, geographical area and currency
 - Main fund management strategies and styles
 - Costs, charges, Total Expense Ratios (TERs), Portfolio Turnover Ratios (PTRs)
 - Selection of products, tax wrapper and services
 - Provider selection and due diligence
 - Recommendations and suitability
- Wrap and other platforms:
 - Concept and uses
 - Benefits and risks
 - Costs/charges

Outcome 20

Demonstrate an ability to analyse the performance of investments.

Knowledge, Understanding and Skills

- Portfolio performance:
 - Methods of evaluating portfolio performance
 - Selection and use of benchmarks
 - New money and timing factors
- Portfolio review and administration:
 - Changes in client circumstances
 - Changes in financial environment
 - New products and services available
 - Maintenance of products and services
 - Use of external services/benchmarking
 - Rebalancing

Outcome 21

Understanding of the UK tax system as relevant to the needs and circumstances of individuals and trusts.

Knowledge, Understanding and Skills

- Income tax – sources of income, liability, allowances, reliefs, priorities for taxing income, income of trusts and beneficiaries
- National Insurance Contributions (NICs) – liability for employers, employees, self-employed contribution levels, voluntary NICs
- Capital Gains Tax (CGT) – liability, rate, disposals, gains and losses, reliefs and exemptions, capital gains of trusts
- Inheritance Tax (IHT) – liability, transfers, nil rate band, rates, reliefs and exemptions, assets held in trusts, transfers to and from trusts
- Residence and domicile – main rules, impact on liability to income tax, CGT and IHT
- UK tax compliance – self assessment, Pay As You Earn (PAYE), tax returns, tax payments, tax evasion and avoidance issues
- Stamp duty reserve tax and stamp duty land tax – transactions subject to tax, rates of tax, main reliefs
- Outline of Value Added Tax (VAT) and Corporation Tax

Outcome 22

Ability to analyse the taxation of investments as relevant to the needs and circumstances of individuals and trusts.

Knowledge, Understanding and Skills

- Direct investments – cash and cash equivalents, fixed interest securities, equities and property
- Indirect investments:
 - pension arrangements
 - Individual Savings Accounts (ISAs) and Child Trust Funds (CTFs)
 - onshore and offshore collectives and investment companies
 - onshore and offshore life assurance policies
 - Real Estate Investment Trusts (REITs)
 - Venture Capital Trusts (VCTs) and Enterprise Investment Schemes (EISs) – basic outline

Outcome 23

Ability to analyse the role and relevance of tax in the financial affairs of individuals and trusts.

Knowledge, Understanding and Skills

- The impact of taxes on individuals, trusts and their investments
- Key principles of income tax planning – spouse, civil partners, children, pension contributions, ISA allowances, use of the main CGT exemptions and reliefs
- Main uses of lifetime gifts and trusts in basic IHT mitigation

Outcome 24

Ability to apply the knowledge of personal taxation to the provision of investment advice.

Knowledge, Understanding and Skills

- To carry out computations on the most common elements of income tax and NICs; CGT; IHT including the impact of lifetime transfers and transfers at death
- To make elementary tax planning recommendations in the context of investment advice

Outcome 25

Understanding of the political, economic and social environment factors which provide the context for pensions planning.

Knowledge, Understanding and Skills

- Role of Government, policy direction, challenges and proposed reforms
- Corporate responsibilities, challenges and impact on pension provision
- Demographic trends, longevity and ageing population
- Incentives, disincentives and attitudes to saving
- Main scheme types and methods of pension provision:
 - State pension benefits
 - DB schemes, funding and benefits
 - DC schemes, funding and benefits

Outcome 26

Understanding of how the HMRC tax regime applies to pensions planning.

Knowledge, Understanding and Skills

- Funding/contributions to registered pension schemes, tax relief provision
- Pension scheme investment funds
- Death benefits before and after crystallisation
- Pension scheme retirement benefits
- Outline of the annual allowance, lifetime allowance, special annual allowance, and associated charges
- Outline of relevant transitional reliefs post-Finance Act 2006
- Outline of the tax treatment of other scheme types:
 - Employer Funded Retirement Benefit Schemes (EFRBS)
 - Qualifying Recognised Overseas Pension Schemes (QROPS)

Outcome 27

Understanding of the relevant aspects of pensions law and regulation to pensions planning.

Knowledge, Understanding and Skills

- Pensions Regulator compliance requirements
- Pension protection schemes
- Trust and contract based pensions
- Role and duties of trustees and administrators

- Pensions and divorce
- Employment law relevant to pensions
- Bankruptcy law and pension assets

Outcome 28

Understanding of the structure, relevance and application of the State Schemes to an individual's pension planning.

Knowledge, Understanding and Skills

- Basic state retirement benefits
- Additional state retirement benefits, historic and current
- Contracting in/out considerations
- Pension credit framework

Outcome 29

Understanding of the structure, characteristics and application of Defined Benefit schemes to an individual's pension planning.

Knowledge, Understanding and Skills

- Main attributes and benefits of DB pension provision
- Main types, variations and hybrids
- Rules and operation of DB schemes
- Funding methods and issues
- Roles of trustees and other parties, and scheme reporting
- Factors to consider and benefits on leaving, early and normal retirement
- Benefits on ill health and death
- Eligibility criteria and top-up options
- Transfer issues and considerations
- Public sector schemes

Outcome 30

Ability to analyse the range of Defined Contribution scheme options as they apply to an individual's pension planning.

Knowledge, Understanding and Skills

- Main attributes and benefits of DC pension provision
- Legal bases for schemes and main impacts
- Main types of DC schemes and their rules and operation
- Contributions – methods and issues
- Contracting out, rebates and the contracting out decision
- Benefits on leaving and death before crystallisation
- Scheme options, limitations and restrictions
- Crystallisation options and impact of decisions
- Transfer issues and considerations
- Stakeholder pensions
- Personal Accounts

Outcome 31

Ability to analyse the options and factors to consider for drawing pension benefits.

Knowledge, Understanding and Skills

- State retirement benefits
- DB Schemes:
 - Scheme benefits, payment guarantees, survivor benefits
- DC schemes:
 - Secured pensions, types of annuities and main features
 - Unsecured pensions
 - Compliance requirements
- Phased retirement – options, benefits and risks
- Timing of decisions and implementation
- Triviality rules

Outcome 32

Ability to evaluate the aims and objectives of retirement planning including the relevant investment issues.

Knowledge, Understanding and Skills

These standards build on the content outlined in the Investment Principles and Risk core unit and assume achievement of the learning outcomes

- Assessing and quantifying retirement aims and objectives:
 - Availability and prioritisation of savings
 - Assumptions and impacts
 - Conflict with other objectives
 - Timescales and risk
- Investments available to meet this objective:
 - Suitability and risk
 - Rates of return needed
 - Accumulation and decumulation strategies, life-styling
 - Products and wrappers, advantages and constraints, critical yield
 - Other sources of non-pension income
- Asset allocation factors, relationship to overall portfolio
- Self investment
 - Main characteristics
- Alternative solutions for pension income:
 - Alternative sources of capital including non-pension investment assets, home equity, proceeds from sale of a business, inheritance
 - Advantages and drawbacks
- Factors affecting regular reviews

Outcome 33

Understanding of the consumer and retail market factors and trends relevant to financial protection.

Knowledge, Understanding and Skills

- The role of insurance in mitigating personal financial risk
- Consumer attitudes and behaviours to protection needs planning
- Trends
 - Health and morbidity
 - Longevity and mortality
 - Employment
 - Product design and development
 - Access to advice and/or insurance cover

Outcome 34

Understanding of the areas of need for protection planning and the main sources of financial protection.

Knowledge, Understanding and Skills

- Personal and family income and capital protection needs:
 - Health, incapacity, accident
 - Income, mortgage and other debt
 - Death, asset protection
- The relationship between insurance and assets and liabilities
- Business protection needs - Small & Medium Enterprises(SMEs)
- Sources of financial protection:
 - State
 - Employer – individual, group schemes
 - Life assurance and pension policies
 - Health and other insurance products

Outcome 35

Understanding of the role and limitations of State Benefits and state/local authority funded solutions for financial protection.

Knowledge, Understanding and Skills

- Range and limitations of benefits
- Mortgage repayment support
- Considerations and impact on financial planning

Outcome 36

Understanding of the range, structure and application of life assurance and pension based policies to meet financial protection needs.

Knowledge, Understanding and Skills

- Types of policies, comparative costs, benefits and disadvantages
- Cost and premium calculation factors
- Legal requirements, ownership, uses and relevance of trusts
- Underwriting
- Terminal illness benefit
- Assignments, surrenders, paid-up policies, claims

Outcome 37

Understanding of the taxation treatment of life assurance and pension based protection policies.

Knowledge, Understanding and Skills

- Qualifying and non-qualifying policies, offshore policies
- Taxation of life funds, onshore and offshore
- Capital Gains Tax (CGT) and life assurance policies
- Inheritance Tax (IHT) and life assurance

Outcome 38

Understanding of the range, structure and application of income protection insurance and options to meet financial protection needs.

Knowledge, Understanding and Skills

- Types of policies, features and uses, comparative costs, benefits and disadvantages
- Definitions, exclusions, premium calculation factors
- Underwriting
- Claims
- Taxation treatment
- Group policies

Outcome 39

Understanding of the range, structure and application of critical illness insurance to meet financial protection needs.

Knowledge, Understanding and Skills

- Types of policies, structure, comparative costs, benefits and disadvantages
- Market developments for critical illness insurance
- Definitions, conditions, exclusions
- Term and amount of cover – factors, assessment
- Premium calculation factors
- Underwriting
- Claims
- Taxation treatment, use of trusts
- Group policies

Outcome 40

Understanding of the range, structure and application of long term care insurance to meet financial protection needs.

Knowledge, Understanding and Skills

- Regulatory considerations
- Political environment, social care policy, national factors
- Main product types and features
- Long term care planning:
 - Cost and other factors, options and choices
 - Available resources, impact and consequences
 - Immediate needs provision
 - Future needs planning
 - Legal considerations, powers of attorney

Outcome 41

Understanding of the main features of other insurance based protection policies.

Knowledge, Understanding and Skills

- Personal accident and sickness insurance
- Private medical insurance, hospital plans, dental insurance
- Payment protection insurance – mortgages, credit

Outcome 42

Ability to evaluate the needs and priorities for financial protection and the relevant factors in selecting appropriate solutions.

Knowledge, Understanding and Skills

- Identifying the priorities, risks and choices
 - Consequences of inadequate protection
- Assessing and quantifying current and future capital and income needs in real terms
 - Family and personal protection
 - SME business protection needs – business loans, key person and shareholder protection
 - Existing arrangements
- Determining suitability of product types and options
 - Comparing similar types of products
 - Identifying and matching suitable product solutions to needs
 - Combinations of products
 - Current and future affordability
- Other planning considerations:
 - Co-habitation, marriage, civil partnerships, birth of child
 - Property purchase
 - Separation and divorce
 - Work, going overseas, retirement
 - The suitability of trusts
- Importance of regular reviews

Outcome 43

Obtain appropriate client information and understand clients' needs, wants, values and risk profile essential to the financial planning process.

Outcome 44

Synthesise the range of client information, subjective factors and indicators to provide the basis for financial planning assumptions and decisions.

Outcome 45

Analyse a client's situation and the advantages and disadvantages of the appropriate options.

Outcome 46

Formulate suitable financial plans for action.

Outcome 47

Explain and justify recommendations.

Outcome 48

Implement, review and maintain financial plans to achieve the clients' objectives and adapt to changes in circumstances.

APPENDIX 3 – DIPLOMA IN INVESTMENT PLANNING GAP ANALYSIS QUICK START GUIDE

Introduction

Your student support programme has been designed to provide you with the tools you need to:

- Identify your weak areas
- Improve your knowledge
- Test your understanding
- Assist you prepare for your assignments

The first stage in the programme is to undergo a **Gap Analysis** test designed to **identify your areas of Level 3 knowledge weakness**.

The second stage in the programme is your **Personal Development Programme (PDP)** that has been specifically designed to provide you with the tools you need to **improve your knowledge**, test your understanding and prepare **you to begin your Level 4 studies**.

Getting Started

The Personal Home Page (show as 'Home' on the black menu bar), is the **focal point for all your activity** within the system. It is the **first page you see every time you login**.

The Personal Homepage is made up of **three distinct parts**:



This is where you will see any Special Reading the trainer may want you to read as part of your studies.



Test Name	Assigned	Overall Pass	Section Pass	Reminder Sent
Knowledge Gap Analysis	12/08/2009	70%	50%	0

Test Assignment (colour coded yellow) is where **new tests** will appear and where these can be **accessed, completed and reviewed** (e.g. test results)

 A screenshot of a software interface showing a header bar with a book icon on the left and a question mark icon on the right. The text in the center reads "Required Reading Assignments (from completed tests)". Below the header is a paragraph of text and a table.

To complete a Required Reading assignment, you must pass a 5 question, section-specific Re-test [NB. If the Re-test is in exam format, you are permitted a maximum of 8 minutes.] To pass, you are allowed only 1 wrong answer and a maximum of 5 attempts.

Link to Learning Zone Section	Start Retest	Assigned	Pass rate	Reminders	Attempts
▶ Savings & Investments	Already started	26/05/2009	80%	0	1/5

This will show you any **Required Reading** you have been assigned as a result of **not achieving the required pass mark** in any completed assignment.

Your Gap Analysis test

Your Gap Analysis test has been designed to **quickly identify** your **areas of Level 3 knowledge weakness** and to give you the **tools required to bring this knowledge up to date**.

Starting the Test

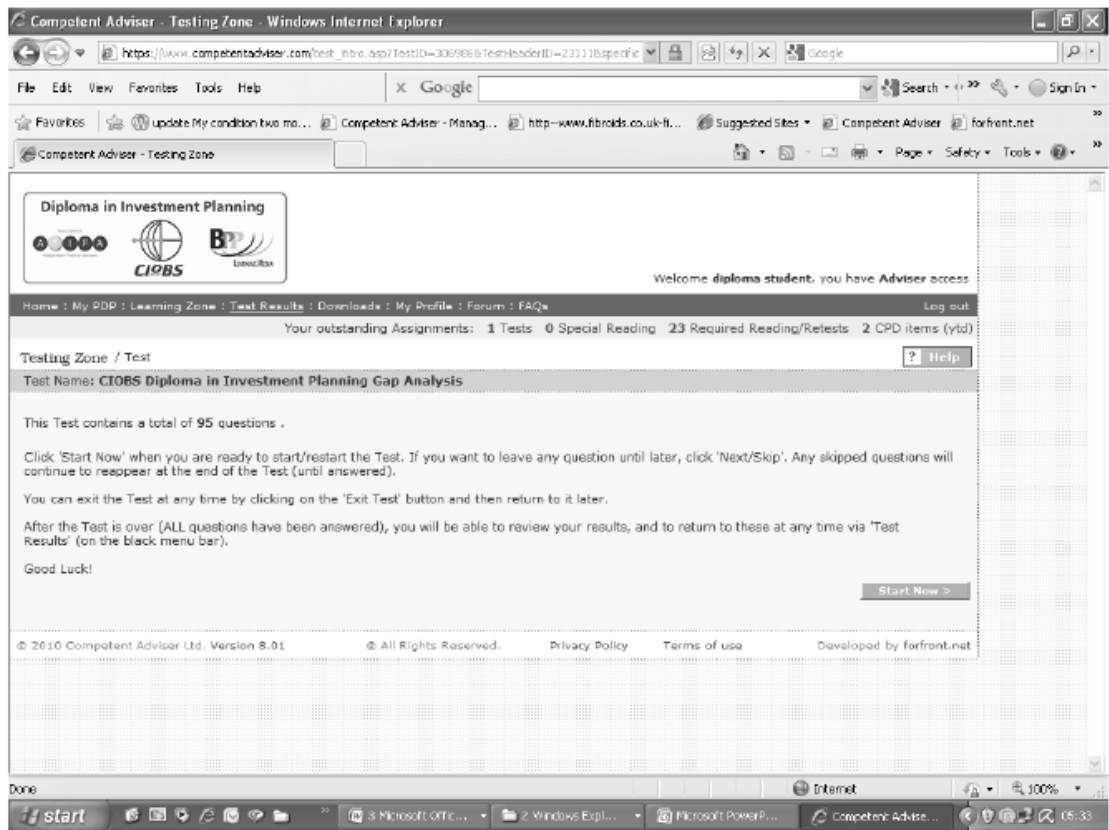
Select the **test** by clicking on the **Test Name**.

The screenshot shows the 'Competent Adviser - Personal Home Page' in a Windows Internet Explorer browser. The page features a navigation bar with links like 'Home', 'My PDP', 'Learning Zone', 'Test Results', 'Downloads', 'My Profile', and 'Forum'. A summary of assignments is shown: 'Your outstanding Assignments: 1 Tests, 0 Special Reading, 23 Required Reading/Retests, 2 CPD items (ytd)'. The main content area is divided into sections: 'Special Reading and Combined Assignments', 'Test Assignments', and 'Required Reading Assignments (from completed tests)'. The 'Test Assignments' section contains a table with the following data:

Test Name	Assigned	Overall Pass	Section Pass	Reminders Sent
CIOSB Diploma in Investment Planning Gap Analysis	08/08/2010	70%	50%	0

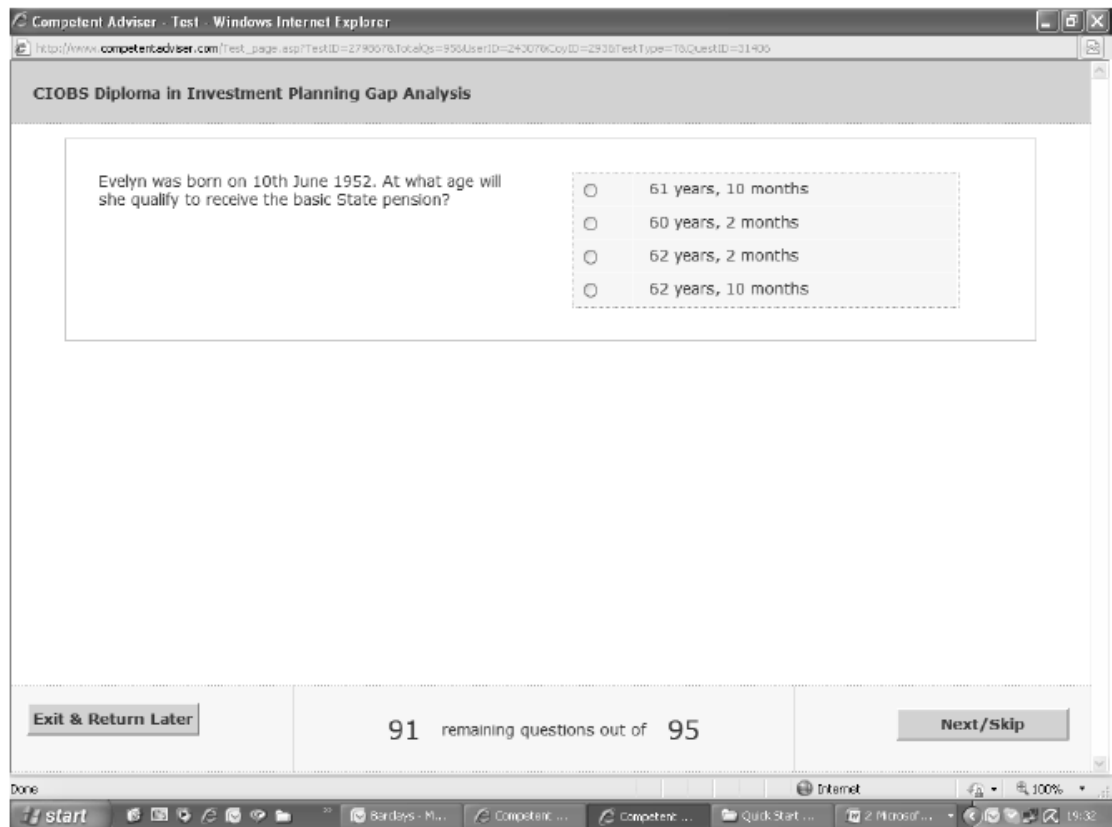
The 'Required Reading Assignments' section includes a table with columns: 'Link to Learning Zone Section', 'Start Retest', 'Assigned', 'Pass rate', 'Reminders', and 'Attempts'. The browser's taskbar at the bottom shows the start button and several open applications, including Microsoft Office and Windows Explorer.

The following screen will then appear



Clicking on the 'Start Now' button will bring you to the first question of the test.

Answering the test questions



You have the option to either **select the appropriate answer** and click **Next** to obtain the next question or **Skip** the question to come back to it later.

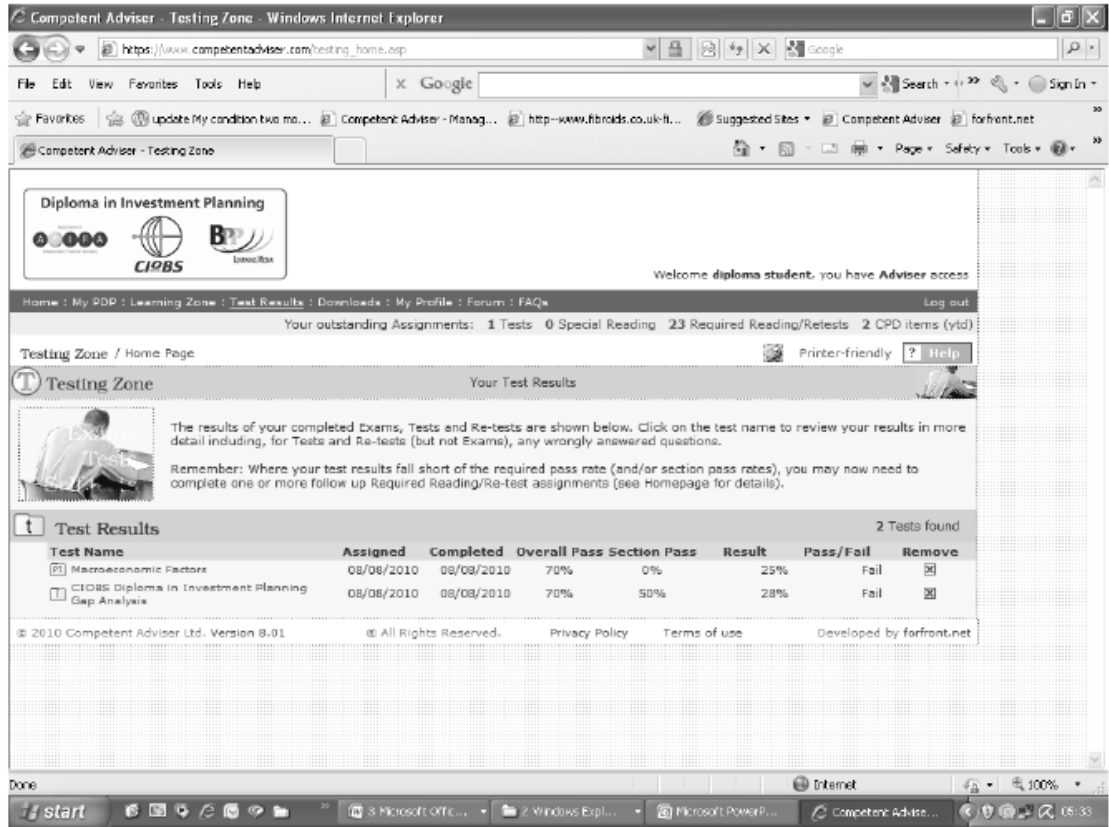
You can also decided to **Exit** the test and **return later**.

All answers to **questions** you have **already answered** with be **stored**.

Accessing your results

Once a test has been completed you can **view your test results** by clicking on 'Test Results' within the black menu bar.

The following screen will then appear.



Overview of your results

Clicking on the test name itself will bring you to this screen which provides you with an **overview of the relevant areas** within the test and gives you a **summary of your performance** in each section.

Test Name: **Cross Diploma in Investment Planning Gap Analysis**

Your Test result: 28%

Total no. of questions: **95**
 Correct answers: **27** (28.42%)
 Incorrect answers: **68** (71.58%)
 Unanswered questions: **0** (0%)

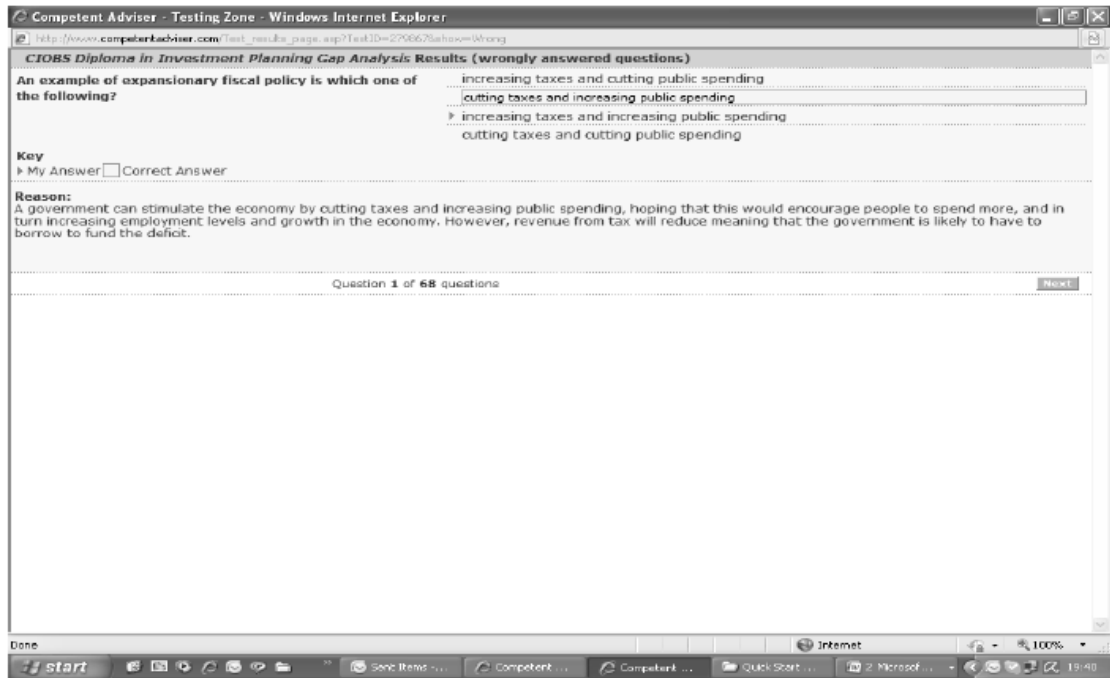
Required Overall Pass Rate: **70%**
 Required Section Pass Rate: **50%**

These sections are marked as required reading:

Section	Total Questions	Wrong Answers	Correct Answers
1. FSRE 1 - The UK Financial Services Industry	4	2	2
2. FSRE 2 - The Law, Regulation and the Financial Services Sector	4	2	2
3. FSRE 3 - Meeting Consumers' Financial Needs	4	3	1
4. FSRE 4 - The FSA, High Level and Prudential Standards	4	3	1
5. FSRE 5 - FSA Authorisation, Supervision and Enforcement	4	3	1
6. FSRE 6 - The FSA's Business Standards	4	3	1
7. IPR 1 - Macroeconomic Factors	4	3	1
8. IPR 2 - The Financial Planning Process	4	3	1
9. IPR 3 - Cash and Fixed Interest Securities	4	2	2
10. IPR 5 - Equity-based Investments	4	4	0
11. IPR 6 - Property and Other Investments	4	3	1
12. IPR 7 - Investment Returns and Risk	4	4	0
13. IPR 8 - Portfolio Planning and Asset Allocation	4	3	1
14. PRPFP 1 - Retirement Planning Background and State Pension Provision	4	2	2
15. PRPFP 2 - Pensions Law and Regulation	4	2	2
16. PRPFP 3 - Pension Schemes	4	4	0
17. PRPFP 4 - Retirement Planning	4	4	0
18. PRPFP 5 - Insurance Market Overview, Regulation, Insurance Principles	4	3	1

Viewing your wrongly answered questions

To do this, click on the **Wrongly Answered Only** button and this will take you directly to the first of your wrongly answered questions.



As you can see, you are then shown your answer, the correct answer and, even more importantly, the reason why it is the correct answer.

All of which can be **printed out** to become part of your **bespoke learning programme**.

Required Reading

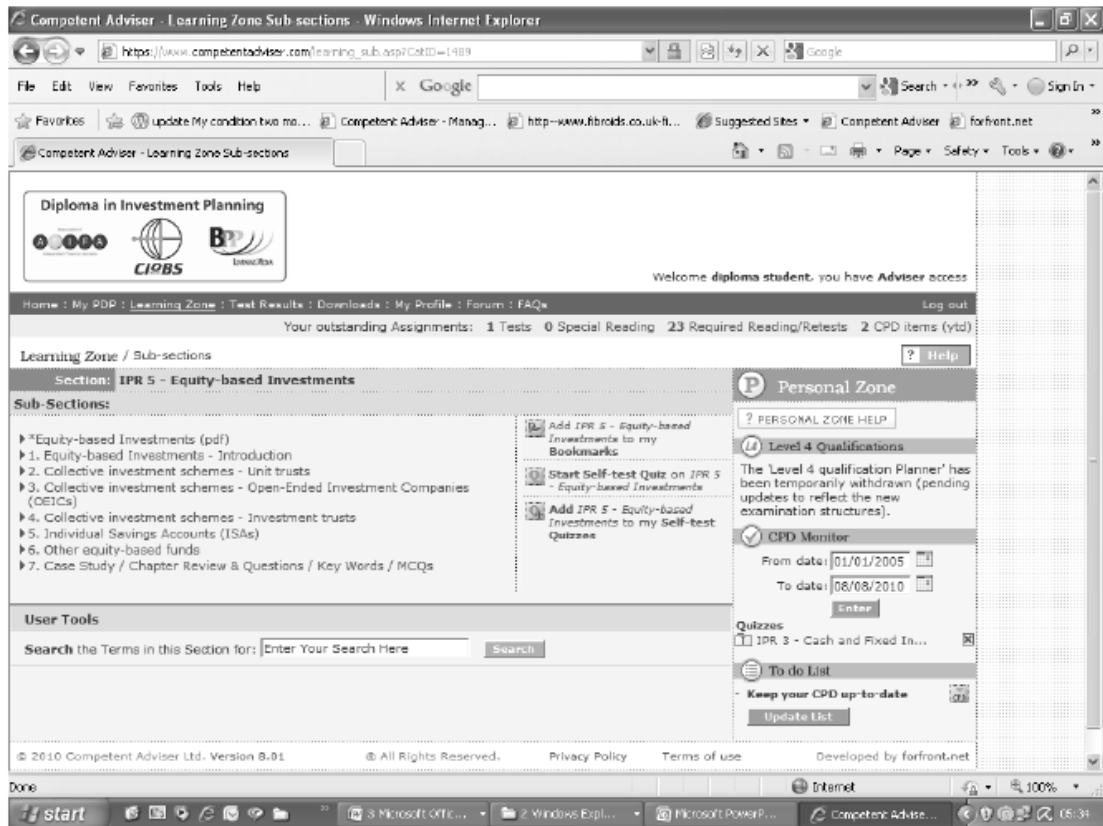
Should you **fail to obtain the relevant pass mark** in any section, this will create a **Required Reading requirement** which will be displayed in your Home Page as shown below.

The screenshot shows a web browser window titled 'Competent Adviser - Personal Home Page'. The main content area displays 'Required Reading Assignments (from completed tests)'. A message at the top states: 'You have no outstanding Tests or Exams. For Retests, see Required Reading'. Below this, a table lists various sections with their start dates, assigned dates, pass rates, reminders, and attempts. All sections listed have a pass rate of 80% and 0 reminders or attempts. To the right, a 'Personal Zone' sidebar contains a 'Level 4 Qualifications' section with a note about a withdrawn qualification and a 'To do List' section with a 'Keep your CPD up-to-date' item.

Link to Learning Zone Section	Start Retest	Assigned	Pass rate	Reminders	Attempts
FSRE 1 - The UK Financial Services Industry	21/07/2010	21/07/2010	80%	0	0
FSRE 2 - The Law, Regulation and the Financial Services Sector	21/07/2010	21/07/2010	80%	0	0
FSRE 3 - Meeting Consumers' Financial Needs	21/07/2010	21/07/2010	80%	0	0
FSRE 4 - The FSA, High Level and Prudential Standards	21/07/2010	21/07/2010	80%	0	0
FSRE 5 - FSA Authorisation, Supervision and Enforcement	21/07/2010	21/07/2010	80%	0	0
FSRE 6 - The FSA's Business Standards	21/07/2010	21/07/2010	80%	0	0
IPR 1 - Macroeconomic Factors	21/07/2010	21/07/2010	80%	0	0
IPR 2 - The Financial Planning Process	21/07/2010	21/07/2010	80%	0	0
IPR 3 - Cash and Fixed Interest Securities	21/07/2010	21/07/2010	80%	0	0
IPR 5 - Equity-based Investments	21/07/2010	21/07/2010	80%	0	0
IPR 6 - Property and Other Investments	21/07/2010	21/07/2010	80%	0	0
IPR 7 - Investment Returns and Risk	21/07/2010	21/07/2010	80%	0	0
IPR 8 - Portfolio Planning and Asset Allocation	21/07/2010	21/07/2010	80%	0	0
PRPFP 1 - Retirement Planning Background and State Pension Provision	21/07/2010	21/07/2010	80%	0	0
PRPFP 2 - Pensions Law and Regulation	21/07/2010	21/07/2010	80%	0	0

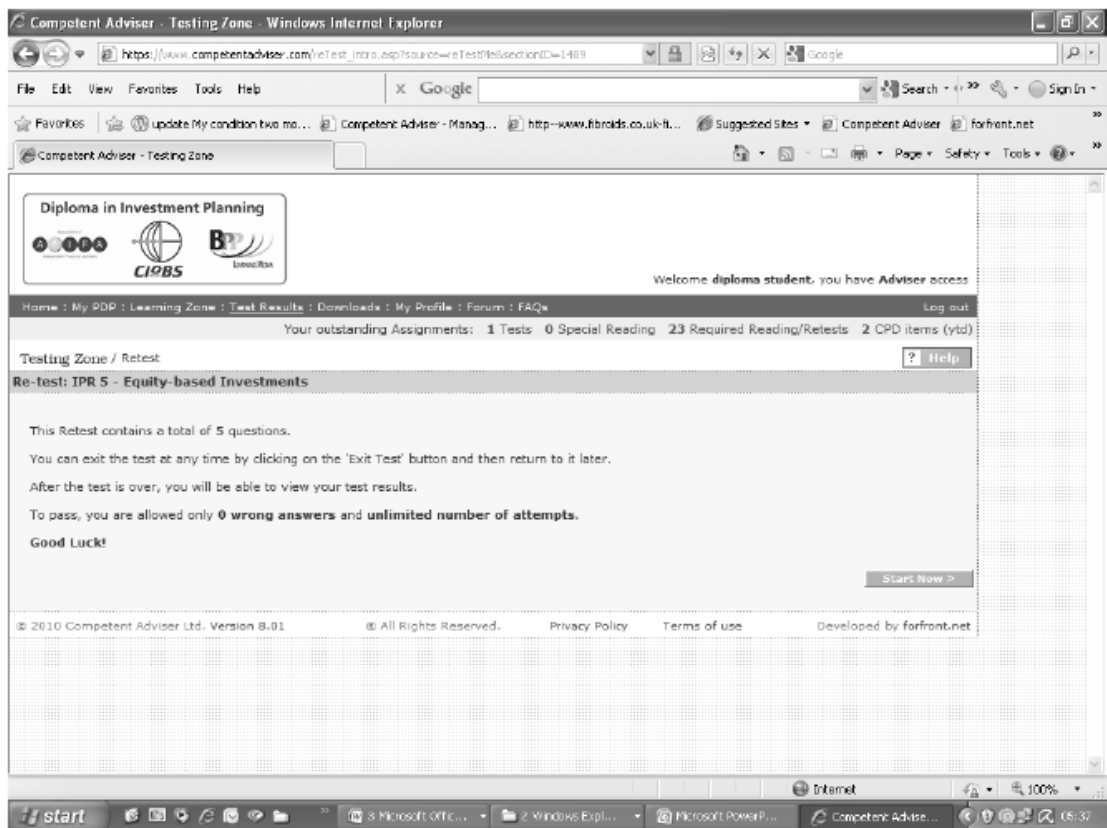
Accessing the Required Reading learning material

To access the **appropriate Required Reading learning material**, click on the **relevant Learning Zone link** and the appropriate screen will appear.



Once you have completed the reading, return to the **Home Page** to sit the required **Retest**

To complete the **Re-test assignment** click on the **Start Retest icon**  and the following screen will appear.




Click on **Start Now** to access the five question **Re-Test Assignment**.

Once completed, **view your results** and **review your answers** as before.

If you have **failed to achieve the required pass mark (80%) repeat the process**.

You are now ready to begin your Personal Development Programme (PDP)

How to print

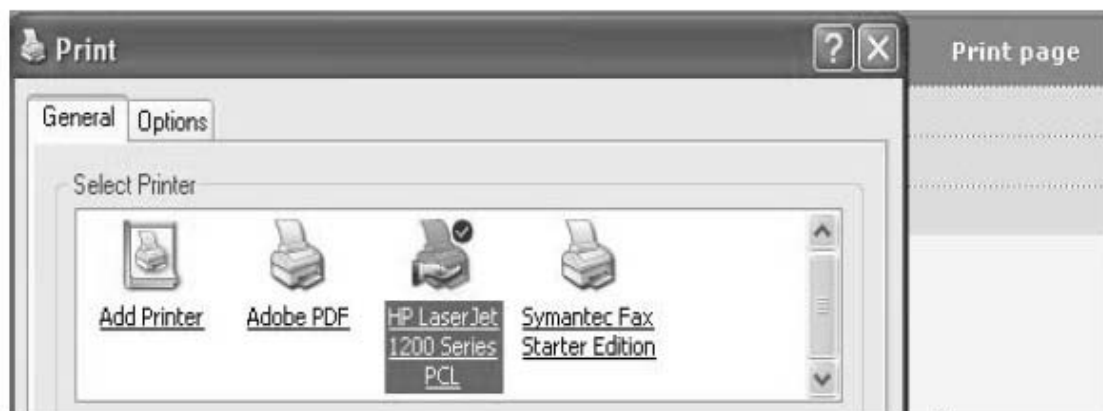
The 'Printer-friendly' symbol  is available throughout the Learning Zone and elsewhere...

After clicking on this symbol, the print output will be displayed in a separate window.



Confirm the requirement to print this by clicking on 'Print Page'...

This will bring up your local printer selection box...



Select the page range etc and then press Print as normal.

APPENDIX 4 – DIPLOMA IN INVESTMENT PLANNING PERSONAL DEVELOPMENT PROGRAMME (PDP) QUICK START GUIDE

Introduction

Your student support programme has been designed to provide you with the tools you need to:

- A. Identify your weak areas
- B. Improve your knowledge
- C. Test your understanding
- D. Assist you prepare for your assignments

The first stage in the programme is to undergo a **Gap Analysis** test designed to **identify your areas of Level 3 knowledge weakness**.

The second stage in the programme is your **Personal Development Programme (PDP)** that has been specifically designed to provide you with the tools you need to **improve your knowledge, test your understanding and prepare you to begin your Level 4 studies**.

Overview

Your **Personal Development Programme (PDP)** has been specifically designed to provide you with the tools you need to **improve your knowledge, test your understanding and achieve that all important exam success**.

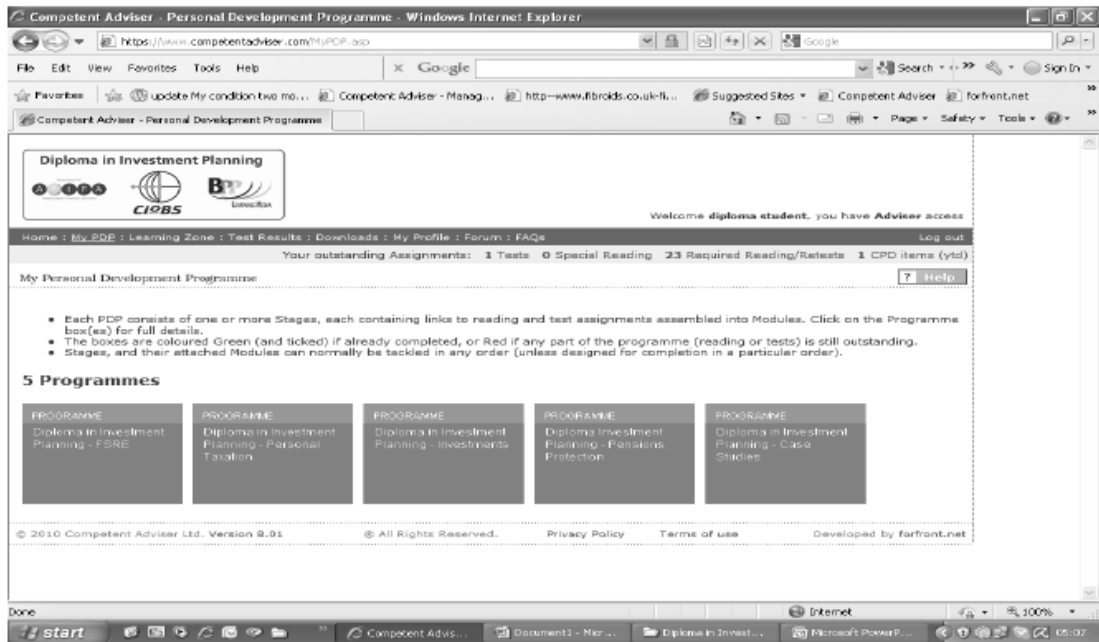
Each **module** contains **one or more reading assignments** (to improve your knowledge) and a **randomised Test assignment** to test your understanding on the areas covered.

At the end of each stage is a **final Stage Exam** – giving you the opportunity to **test your understanding in exam conditions**.

Progress through each stage is under your **direct control**, so you can **move** throughout the programme at **your own pace**.

How to access your Personal Development Programme (PDP)

To access your Personal Development Programme, click on **My PDP** in the **black menu bar** and the following screen will appear.



Getting started

Modules can be **completed in any order**.

To access the **first module click on the first stage** of the programme (**displayed in red**)

In the example shown below, we have used an Investment Principles and Risk PDP programme, however, the functionality explained is common to all PDP programmes.

Competent Adviser - Personal Development Programme - Windows Internet Explorer

http://www.competentadviser.com/MyPDP.asp?action=ShowOutstanding&PDFID=1162&PageID=5182

Home : My PDP : Learning Zone : Test Results : Downloads : My Profile : FAQs

Your outstanding Assignments: 1 Tests 2 Special Reading 0 Required Reading/Retests 2 CPD items (ytd)

My Personal Development Programme

Programme: **Diploma in Investment Planning - Investments** [Outstanding]

Stage 1: **Investment Principles & Risk** [Outstanding] Stage Exam **not** passed yet; Passed 0 Module tests out of 8; Completed 0 Reading assignments out of 9

Module (9)	Reading assignments				Test assignments			
	Title	Type	Status	Confirm Completed	Test	Pass rate	%	Result
Macroeconomic Factors	IPR 1 - Macroeconomic Factors	Section	Outstanding	30 Completed	Macroeconomic Factors	70%	-	-
The Financial Planning Process	IPR 2 - The Financial Planning Process	Section	Outstanding	30 Completed	The Financial Planning Process	70%	-	-
Cash and Fixed Interest Securities	IPR 3 - Cash and Fixed Interest Securities	Section	Outstanding	30 Completed	Cash and Fixed Interest Securities	70%	-	-
Equities	IPR 4 - Equities	Section	Outstanding	30 Completed	Equities	70%	-	-

As can be seen modules are divided into different study areas.

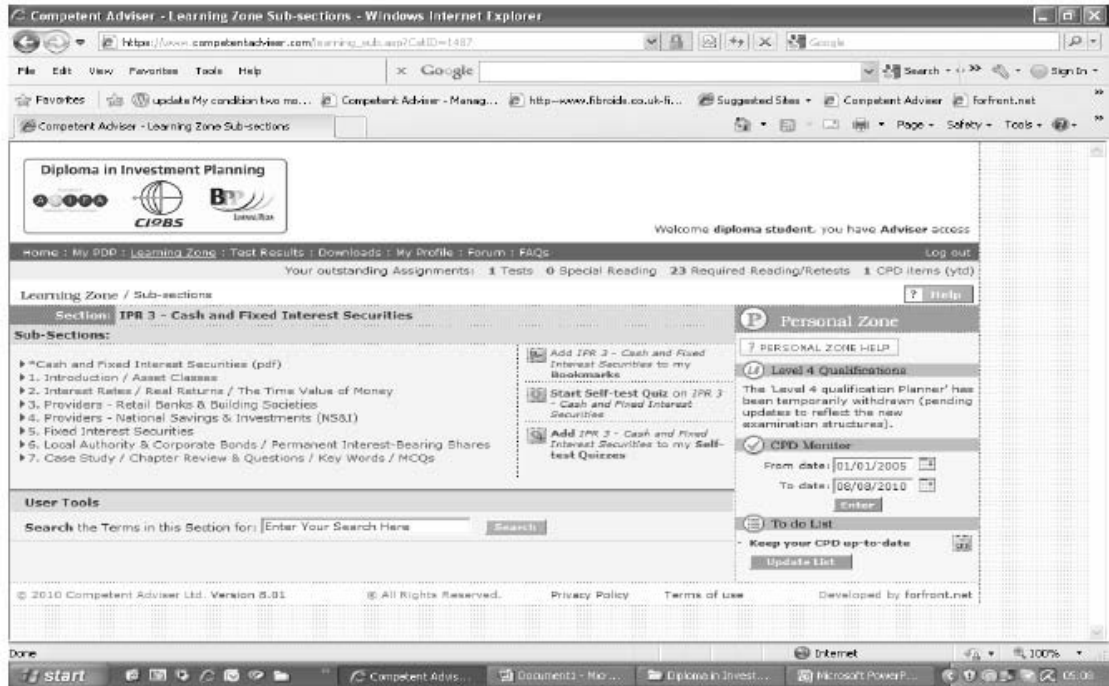
Each module contains **Reading Assignments & Test Assignments** For each of the **Reading Assignments** we have given an **indication of the minimum time you should spend reading the relevant material**.

Clicking on the **Completed** icon below the amount of reading time shown will automatically update your CPD record to reflect the work you have done.

Accessing Reading Assignments

To access the Reading Assignments, click on the relevant reading area (highlighted in red) and this will take you to the appropriate screen in the Learning Zone.

There you have the ability to read syllabus material, self test your knowledge and bookmark areas of reading you wish to return to at a later date.



Testing your knowledge

Throughout your studies you have the **ability to test your understanding in a number of ways:**

Via **Self Tests** where you have the ability to test your understanding in an informal environment via our 5 questions 'self tests'

The screenshot shows a web browser window displaying the 'Competent Adviser - Learning Zone Sub-sections' page. The page is titled 'Diploma in Investment Planning' and features logos for CIPFA, CIPBS, and BPP. A navigation bar includes links for Home, My PDP, Learning Zone, Test Results, Downloads, My Profile, Forum, and FAQs. A status bar indicates 'Your outstanding Assignments: 1 Tests 0 Special Reading 23 Required Reading/Retests 1 CPD items (ytd)'. The main content area is for 'Section: IPR 5 - Equity-based Investments' and lists sub-sections such as 'Equity-based Investments (pdf)', 'Equity-based Investments - Introduction', 'Collective investment schemes - Unit trusts', 'Collective investment schemes - Open-Ended Investment Companies (OEICs)', 'Collective investment schemes - Investment trusts', 'Individual Savings Accounts (ISAs)', and 'Other equity-based funds'. A 'User Tools' section contains a search bar with the text 'gilts'. A 'Personal Zone' sidebar on the right offers options to 'Add IPR 5 - Equity-based Investments to my Bookmarks', 'Start Self-test Quiz on IPR 5 - Equity-based Investments', and 'Add IPR 5 - Equity-based Investments to my Self-test Quizzes'. It also includes a 'CPD Monitor' section with date pickers for 'From date: 01/01/2005' and 'To date: 08/08/2010', and a 'To do List' section with an 'Update List' button. The footer contains copyright information for 2010 Competent Adviser Ltd. and links for Privacy Policy and Terms of use.

Or Via Module Test Assignments where you have access to a **randomly selected test** designed to assess your **understanding of the syllabus material within that particular module.**

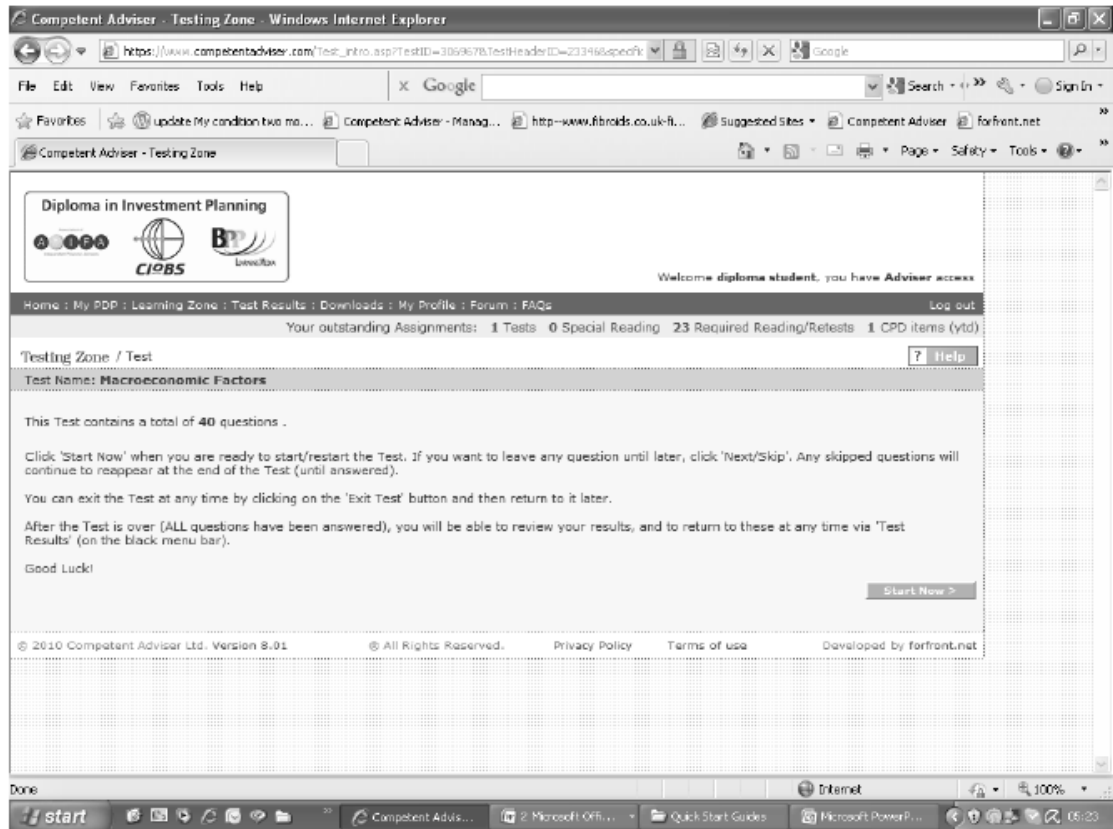
Or Via **End of Stage exams**, which are **designed to test you in exam conditions** (against the clock) to give you an **accurate understanding of your current abilities.**

Accessing module test assignments

Once you are **confident that you have fully understood the syllabus** material within a particular module and your self test results reflect this (ideally you should be constantly achieving at least 80% in each self test before you move to this stage) then you are **ready to sit your module test assignment**.

The **pass rate** for module tests is **70%**. **If you fail to achieve 70% the system will automatically assign you a new module test.**

To **access your module test**, **click on the test name** (highlighted in red) and the **assignment will then be displayed** on your screen.

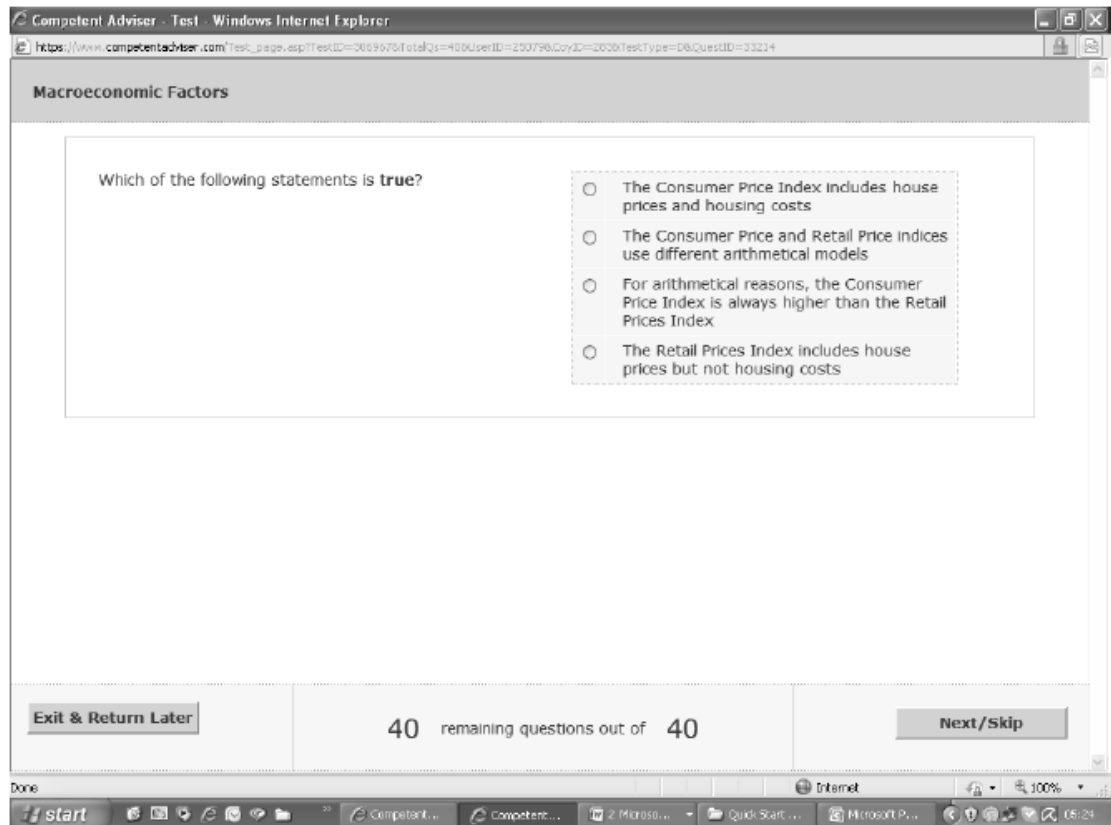


Clicking on **Start Now** will bring you to the **test questions themselves**.

You have the option to either **select the appropriate answer** and click on **Next** to obtain the next question or **Skip** the question to come back to it later.

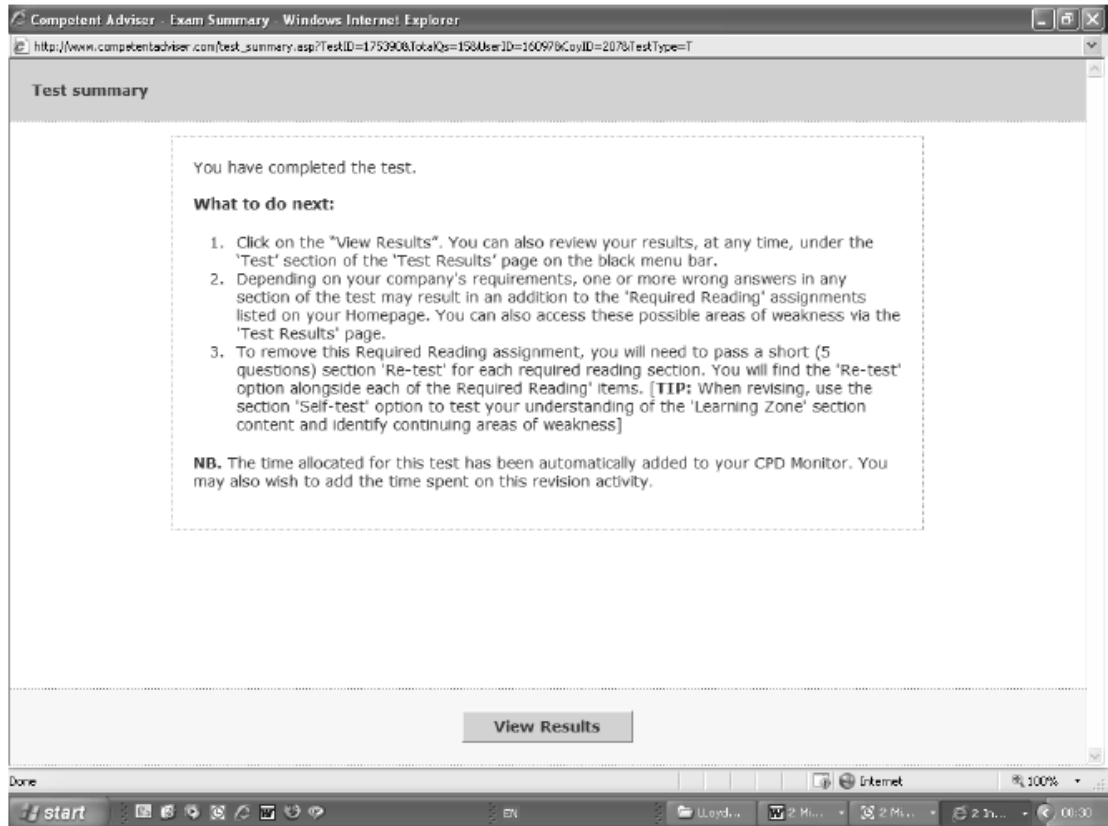
You can also decide to **Exit** the test and **return later**.

All answers to **questions** you have **already answered** will be **stored**.



Viewing your results

Once you have **completed all questions** the following screen will appear:



Clicking on **View Results** will give you a **summary of your Results**

The screenshot shows a web browser window titled 'Competent Adviser - Exam Summary - Windows Internet Explorer'. The address bar contains the URL: http://www.competentadviser.com/Test_summary.asp?action=showResults&TestID=297000&UserID=242758&CoyID=2919&TestType=D. The main content area is titled 'Test Results' and displays the following information:

The Financial Planning Process

Your Test result: 25%

Total no. of questions: **40**

Correct answers: **10** (25%)

Incorrect answers: **30** (75%)

Breakdown of Incorrect Answers:

Wrong answers: **30** (75.00%)

Flagged questions: **0**

Unanswered questions: **0**

Required Overall Pass Rate: **70%**

Required Section Pass Rate: **0%**

At the bottom of the results area, there is a button labeled 'Finish'.

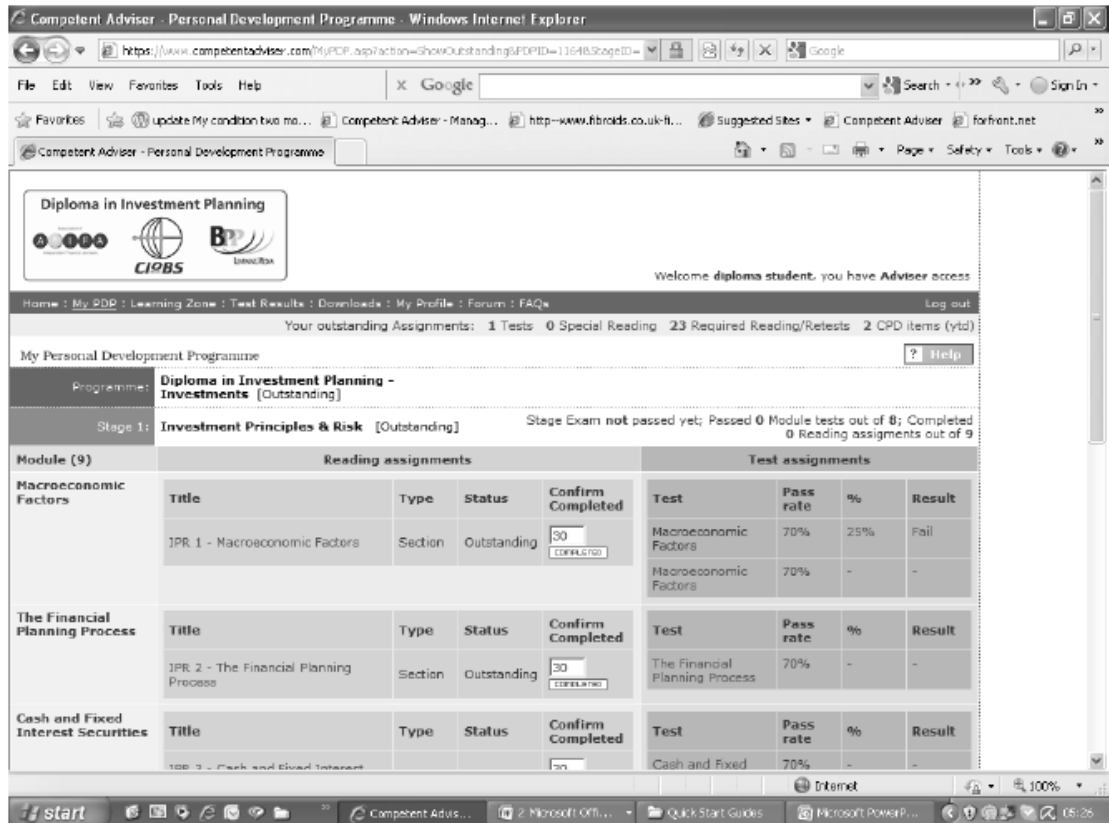
The browser's taskbar at the bottom shows the 'start' button, several open applications including '2 Windows Explorer', 'Your Personal Dev...', 'Document2 - Micro...', and 'Competent Adviser...', and the system clock showing '01:26'.

Accessing specific details of the questions answered

Returning to your **PDP programme main screen** will give you the ability to **access specific details of the questions you answered**.

To do that, simply **click on the wording appearing under the Result icon** (in the example below that would mean clicking on the word 'Fail').

Note – as the individual in question has failed the first attempt at their module test the system has automatically assigned them a second module test. The system will continue to do this until a minimum 70% pass rate has been achieved.



Having clicked on the decision shown under the **Results** option the following screen will appear:

The screenshot shows a web browser window displaying the results of a test. The page header includes the Competent Adviser logo and navigation links. The main content area shows the test name 'Macroeconomic Factors' and the user's score of 25%. A table provides a breakdown of the test results, including the total number of questions, correct and incorrect answers, and unanswered questions. The required pass rates are also displayed. At the bottom, there are links to review questions and a footer with copyright information.

Diploma in Investment Planning

Welcome diploma student, you have Adviser access

Home : My PDP : Learning Zone : Test Results : Downloads : My Profile : Forum : FAQs [Log out](#)

Your outstanding Assignments: 1 Tests 0 Special Reading 23 Required Reading/Retests 2 CPD items (ytd)

Testing Zone / Test Results [? Help](#)

Test Name: **Macroeconomic Factors**

Your Test result: 25% [Keep your CPD Monitor up-to-date](#)

Total no. of questions:	40	
Correct answers:	10	(25.00%)
Incorrect answers:	30	(75.00%)
Unanswered questions:	0	(0%)

Required Overall Pass Rate: **70%**
Required Section Pass Rate: **0%**

Please select one of the options below to review the correct answers :

[All Questions](#) [Wrongly Answered Only](#)

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From here you can select whether you wish to **view All Questions or Wrongly Answered Only**

Dependent on the button selected, you will then **have access to the test questions, your answer, the correct answer (if this differs from your answer) and the reason for the correct answer**



End of Stage Exam

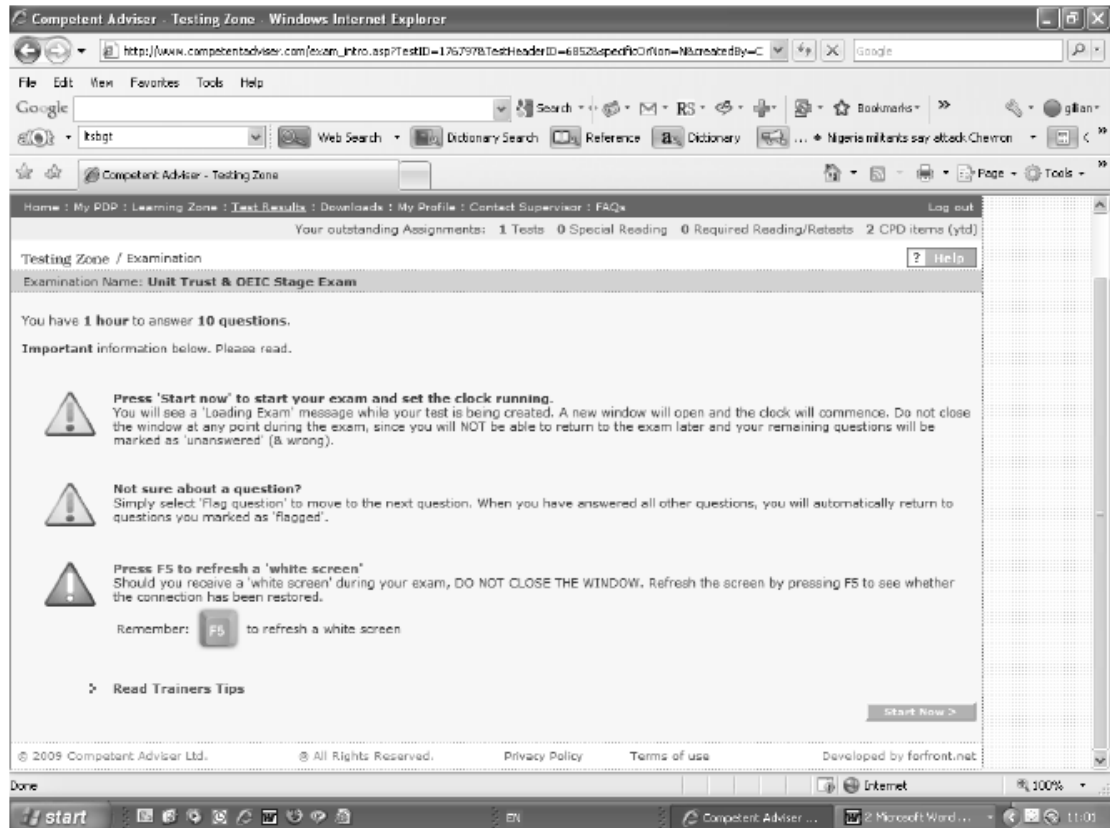
Once you have successfully **achieved 70% (or above) in all your module tests** you are then ready to **sit your end of stage exam**.

Accessing a Stage Exam

To **access the stage exam** simply **click on its title**.

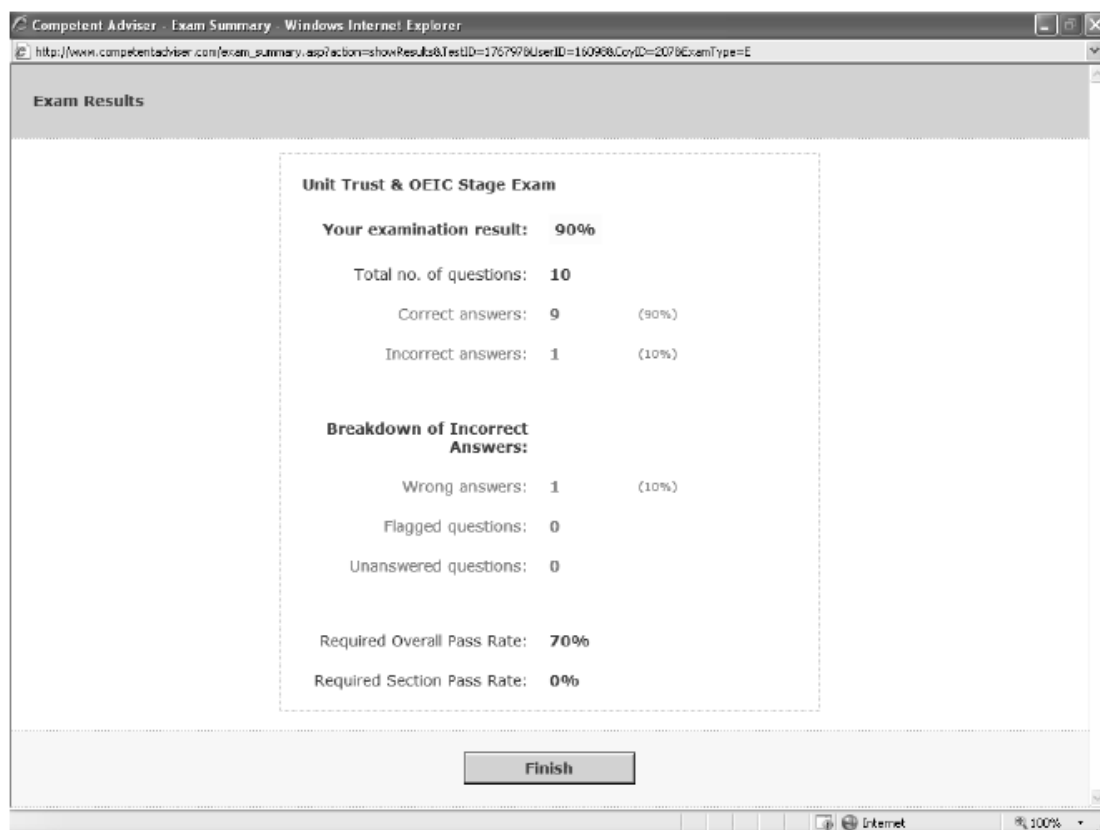
Completing a Stage Exam

The front page of the Stage Exam will look like this:



Click on **Start Now** to begin the exam.

On completion of the exam, your results will be displayed as follows:



And your **PDP** screen will reflect that you have **successfully completed the first module** and are all **ready to start the second module**.

Competent Adviser - Personal Home Page - Windows Internet Explorer

http://www.competentadviser.com/MyPDP2.asp

File Edit View Favorites Tools Help

Google

ksbgt Web Search Dictionary Search Reference Dictionary Suspected North Korea weapons ship...

Competent Adviser - Personal Home Page

Home: My PDP - Learning Zone - Test Results - Downloads - My Profile - Contact Supervisor - PDP

Your outstanding Assignments: 1 Tests 0 Special Reading 0 Required Reading/Retaits 3 CPD items (ytd)

My Personal Development Programme [? Help](#)

PDP Overview: Your Personal Development Programme (PDP) is broken down into a number of key Stages, each consisting of one or more study Modules. Each module contains one or more reading assignments (from the Learning Zone) and a randomised Test assignment on the areas covered. At the end of each stage is a final Stage Exam - a randomised selection of questions from all the modules covered. Progress through each stage is under your direct control, so you can progress at your own pace.

To commence your PDP Programme, click on your current stage (the red box). Reading assignments are accessed by clicking on its Title - linking you directly to that item in the Learning Zone. [Hint: the Self-Test Quizzes provide excellent practice for the Module tests and the final Stage Exam]. After each Reading assignment click 'Completed' to add the minutes shown to your CPD Monitor (accessed via your Homepage) and to the company's PDP record system.

You should only attempt the Module test (click test name) after completing all the attached Reading assignments. Your CPD will be automatically updated each time a test is completed, and you can review your answers by clicking % or Result. Should you fail any tests, further tests will be automatically provided.

Once all the modules have been completed (Reading assignments showing as Status:Completed, and Test assignments as Result:Pass), you can attempt the end-of-stage exam (click 'Request end of stage exam' if not already showing), and if passed, this stage will then display 'Stage Completed on (date)'. All stages (completed, current and future) of your Personal Development Programme can be reviewed at any time, although you can only formally commence a stage once it has been assigned to you.

Savings & Investments (example) [1 Stages]


Stage One
[Current Stage]
Completed on
06/07/2009

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Done Internet 100%

start EN Competent Adviser ... Microsoft Word ... 11:07

How to print

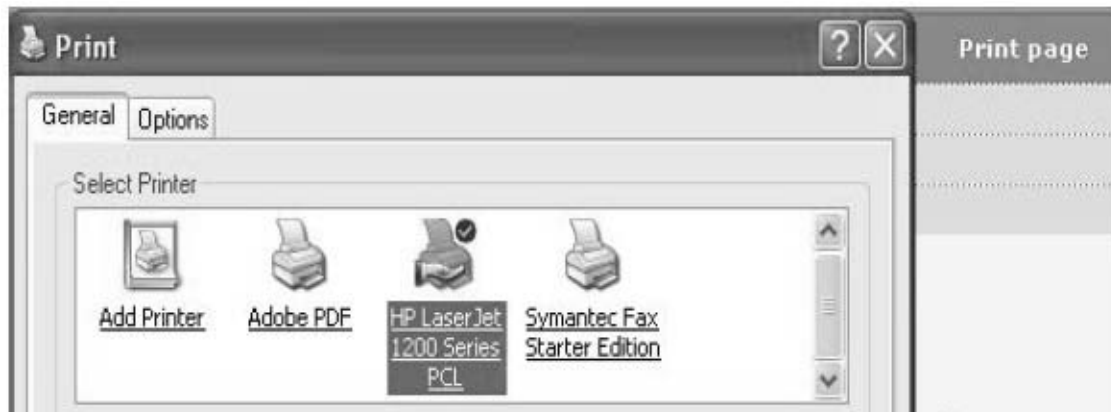
The 'Printer-friendly' symbol  is available throughout the Learning Zone and elsewhere...

After clicking on this symbol, the print output will be displayed in a separate window.



Confirm the requirement to print this by clicking on 'Print Page'...

This will bring up your local printer selection box...



Select the page range etc and then press Print as normal.

APPENDIX 5 – LOCATION OF DIIP EXAM CENTRES

CIOBS use Pitman exam centres across the UK and has over 39,500 spaces at these centres for RDR qualifications over the next two years. The institute welcomes client feedback on its centres and their locations and have additional centres on standby should they be needed.

Scotland

- | | |
|-------------|-------------|
| ▪ Aberdeen | ▪ Glasgow |
| ▪ Dumfries | ▪ Inverness |
| ▪ Edinburgh | ▪ Perth |
| ▪ Forres | |

North West England

- | | |
|--------------|--------------|
| ▪ Chester | ▪ Preston |
| ▪ Liverpool | ▪ Stockport |
| ▪ Manchester | ▪ Warrington |

North East England

- | | |
|-------------|------------|
| ▪ Newcastle | ▪ Wetherby |
| ▪ Sheffield | ▪ York |

Midlands

- | | |
|----------------|--------------|
| ▪ Boston | ▪ Shrewsbury |
| ▪ Chesterfield | ▪ Solihull |
| ▪ Derby | ▪ Telford |
| ▪ Lincoln | ▪ Worcester |
| ▪ Nottingham | |

East Anglia

- | | |
|----------------------|----------------|
| ▪ Bishop's Stortford | ▪ Colchester |
| ▪ Cambridge | ▪ Norwich |
| ▪ Chelmsford | ▪ Peterborough |

South East

- | | |
|---------------|-----------------|
| ▪ Ashford | ▪ Hemel |
| ▪ Basingstoke | ▪ Luton |
| ▪ Brighton | ▪ Maidstone |
| ▪ Canterbury | ▪ Milton Keynes |
| ▪ Crawley | ▪ Southampton |
| ▪ Dover | ▪ Stevenage |
| ▪ Eastleigh | ▪ Winchester |
| ▪ Guildford | |

South West

- Bath
- Bristol
- Exeter
- Gloucester
- Plymouth
- Swindon
- Taunton

London

- City (EC2)
- Croydon
- Harrow
- Hendon
- High Holborn
- Kingston-upon-Thames
- Nottinghill
- Oxford Circus
- Southall

Wales

- Cardiff

Ireland

- Belfast
- Carlow
- Clondalkin
- Cork
- Dublin
- Dundalk
- Galway
- Gorey
- Kilkenny
- Limerick
- Mullingar
- Naas
- Sligo
- Swords
- Tralee
- Wexford

Outside UK and Ireland

- Isle of Man
- Jersey
- Kuwait
- Lagos
- Malawi
- Mauritius
- Saudi

APPENDIX 6 –DIIP EXAMINATION BOOKING FORM



Name:

Membership Number:

	Preferred examination venue	Date	Time (a.m. or p.m.)
Choice 1			
Choice 2			
Choice 3			

Please note:

- 1 The examination must be booked at least 10 working days in advance of your first choice date.
- 2 Cancellations made within 10 working days of the examination will be counted as an attempt.
- 3 CIOBS will confirm to you by email the date/time and venue of your examination.
- 4 Re-sit candidates are required to pay the appropriate re-sit examination fee.

By using this form to book your examinations you are agreeing to abide by the rules and regulations of the Diploma in Investment Advice. You further agree to allow data provided by your examination to be shared with BPP Learning Media and AIFA.

This form should be submitted to CIOBS

by email (info@charteredbanker.com)

or by fax to 0131 473 7788

or by post to CIOBS, 38b Drumsheugh Gardens, Edinburgh, EH3 7SW

If email please use the subject heading – AIFA PIA Exam Booking

