

**The London Institute
of Banking & Finance**

LIBF Level 4 Diploma for Financial Advisers (DipFA[®])

Qualification Specification



Table of Contents

PURPOSE OF THE QUALIFICATION	3
WHY STUDY LIBF LEVEL 4 DIPLOMA FOR FINANCIAL ADVISERS (DIPFA)?	3
OBJECTIVES	3
KEY CONTENT AREAS	3
QUALIFICATION LEARNING OUTCOMES	4
KEY SKILLS DEVELOPED	6
ENTRY REQUIREMENTS	6
RECOGNITION OF PRIOR LEARNING (RPL)	6
PROGRESSION AND PREPARATION FOR FURTHER STUDY	6
APPRENTICESHIPS	7
PREPARATION FOR EMPLOYMENT / PROFESSIONAL DEVELOPMENT	7
STRUCTURE	7
TOTAL QUALIFICATION TIME (TQT)	8
LEARNING RESOURCES	8
WHAT TO DO BEFORE THE FSRE ASSESSMENT	8
ASSESSMENT	9
QUALIFICATION GRADING	9
RESIT ATTEMPTS	10
APPENDICES	11
APPENDIX 1 – REGULATION DETAIL	11
APPENDIX 2 – FINANCIAL SERVICES, REGULATION AND ETHICS (FSRE)	12
APPENDIX 3 – ADVANCED FINANCIAL ADVICE (AFA)	19

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Please always review the latest document available through the website

Purpose of the qualification

Why study LIBF Level 4 Diploma for Financial Advisers (DipFA)?

The LIBF Level 4 Diploma for Financial advisors (DipFA) is an industry benchmark qualification which meets the Financial Conduct Authority's (FCA) qualification requirement for retail investment advisers. Highly relevant and practical, the programme is tailored to reflect the role of an IFA, providing you with the required knowledge and skills to apply the subject matter effectively in the workplace. The assessments comprise of case-study-based learning designed to replicate the real-life activities that advisers undertake.

Objectives

As a comprehensive course focusing on the UK financial services industry and its role in serving the consumer, the qualification develops specialist knowledge and skills by introducing you to the application of financial services regulation and the responsibilities of a regulated adviser. As part of this, it will provide you with an insight into the application and review of risk and ethics. The qualification will also equip you with the knowledge and skills required to offer financial advice as well as create, implement and maintain financial plans.

The London Institute of Banking & Finance is a leading provider of qualifications recognised by the Financial Conduct Authority as being appropriate for certain regulated functions. However it is your responsibility to be aware of and adhere to any additional regulatory requirements associated with these roles as set out in the FCA Handbook. Please refer to the Financial Conduct Authority for further information.

Key content areas

- This unit introduces knowledge and understanding of financial institutions to enable you to identify the different types of service that they provide.
- The functions and importance of the main components of the monetary and financial system.
- The concept and nature of risk and factors to the advice process for financial advice.
- The FCA's approach to ethical and unethical behaviours and develop understanding of the Code of Ethics.
- The commercial and regulatory environment, products, services and legislation that inform the financial advice process.

- The importance of consumer oriented communication and ethical behaviours through the practical application of accumulated knowledge and skills through the advice process.
- The personal approaches that individuals take towards risk and rewards and the impact of foreseen and unforeseen influences.
- The features of different types of financial services product, and how to make informed choices about these products.
- The validity of data and information as a means of assisting in the financial decision-making process.

Qualification learning outcomes

On completing this qualification you will understand:

Unit 1

Understand the UK financial services industry in its European and international context.
Identify how the retail consumer is served by the financial services industry
Apply the legal concepts and considerations relevant to financial advice
Understand the development of financial services regulation
Evaluate the FCA's and PRA's responsibilities and approach to regulation
Identify the skills required when advising clients
Apply FCA principles, requirements, and regulations to client relationships to ensure fair and ethical outcomes
Apply ethical principles to professional behaviour and judgements at work

Unit 2

The UK taxation system in relation to individuals and trusts.
Taxation of investments in relation to individuals and trusts.
The role and relevance of taxation in the financial affairs of individuals and trusts.
Personal taxation in relation to investment advice.
The macroeconomic environment and its impact on asset classes.
The main characteristics and behaviours of asset classes.

The merits and limitations of the main investment theories.
The principles of the time value of money.
The nature and impact of the main types of risk on investment performance.
The characteristics and behaviours of investment products.
The principles of investment planning.
The investment advice process.
The performance of investments.
The areas of need for financial protection planning.
The consumer and retail market factors and trends relevant to financial protection.
The main sources of financial protection.
The role and limitations of state benefits for financial protection.
The range and application of life assurance policies to meet financial protection needs.
Taxation treatment of life assurance and pension-based policies.
The range and application of income protection insurance.
The range and applications of critical illness insurance.
The range and application of long-term care insurance.
The main features of other insurance based protection policies.
The needs and priorities in selecting appropriate financial protection solutions.
The political, economic and social environmental factors which provide the context for pensions planning.
How the HMRC taxation regime applies to pensions planning.
The relevant aspects of pensions law and regulation to pensions planning.
The structure, relevance and application of the state schemes to an individual's pension planning.
The structure, characteristics and application of defined-benefit (DB) schemes to an individual's pension planning.

The range of defined-contribution (DC) scheme options as they apply to an individual's pension planning.
The options and factors to consider for drawing pension benefits.
The aims and objectives of retirement planning including the investment issues.
The process of gathering client information for holistic financial planning.
How to formulate and communicate holistic financial advice.
How to create, implement and maintain financial plans.

Key skills developed

The qualification will encourage you to:

- develop an in depth understanding of the UK financial services industry and regulation;
- formulate and communicate holistic financial advice;
- create, implement and maintain financial plans.
- develop an understanding of current technical language and regulation;
- locate, extract and analyse data from different financial sources; and,
- increase your ability to work and learn independently.

Entry requirements

There are no specified entry requirements. However, you need to be satisfied of your ability to study in English.

Recognition of prior learning (RPL)

The London Institute of Banking & Finance recognises prior learning in different forms. Potentially this means that you may not be required to register for every unit. Details of how to apply for recognition of prior learning are available on the website.

Progression and preparation for further study

Upon successful completion of the DipFA and subject to eligibility criteria, you are able to apply for your [Statement of Professional Standing \(SPS\)](#). You may also consider further study with The London

Institute of Banking & Finance. You could progress on to the [Level 6 Diploma in Financial Advice \(Adv DipFA®\)](#) – an advanced qualification which leads to Chartered status* . Alternatively, the [Award in Pension Transfers \(AwPETR\)](#) enables you to qualify as a pension transfer specialist through completion of a single unit, achievable in as little as 4 months.

This qualification can also contribute to the [Professional Diploma in Banking & Finance](#).

Apprenticeships

DipFA® appears in the Financial Adviser apprenticeship standard and is designed to provide a solid foundation in financial services that underpins employment in many fields within the financial sector; this foundation is across a wider range of opportunities than would be found within a single apprenticeship standard. Further details can be found on the [Gov website](#).

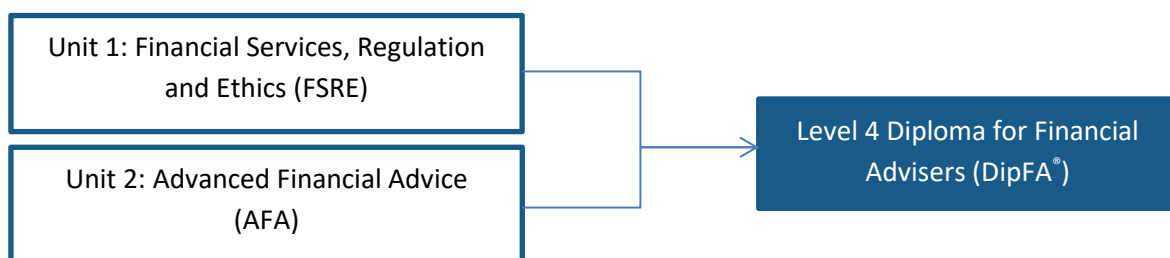
Preparation for employment / professional development

DipFA® meets the FCA’s examination requirements for financial advisers. It also develops knowledge and understanding of financial services and advice and enhances skills that are valued within that sector and others. You will be in a position to make informed choices, whether to pursue a career within the financial services sector immediately or after further study, or whether to apply the financial skills that you have developed to other careers or study options.

Upon completion our ongoing support includes [membership](#) of the London Institute of Banking & Finance, [Continuing Professional Development \(CPD\)](#) services and the issuance of [Statements of Professional Standing \(SPS\)](#).

Structure

Level 4 Diploma for Financial Advisers (DipFA®) comprises two mandatory units which need to be successfully completed to achieve the qualification:



The detailed unit specifications are available at Appendices 2 and 3 to this document and latest versions are always available through our course website.

Total qualification time (TQT)

TQT is a prediction of the total time a student with no prior knowledge might need to complete the course.

TQT consists of two elements: guided learning (GL) and all other hours:

- GL is time spent studying under the immediate guidance or supervision of a teacher.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, completing homework, exam preparation, and formal assessments.

DipFA is primarily considered a distance-learning, session-based qualification.

Guided learning hours	30 hours
Other hours	370 hours
Total qualification time	400 hours

Learning resources

You will be provided with the following learning resources:

- online access via **MyLIBF** to learning materials and to KnowledgeBank (e-library);
- specimen coursework assignment;
- unit syllabuses;
- access to online tutor forum;
- specimen paper and exemplars;
- chief examiner reports; and,
- study plan.

What to do before the FSRE assessment

You must be registered to sit an examination managed by you. Examinations are sat electronically at any one of the 150 Pearson VUE test centres across the UK or via Remote Invigilation where you can sit your assessment remotely.

It is recommended that exams are booked two months in advance of the date you wish to sit. However, subject to availability, an examination can be booked as little as two working days in advance. Examinations can be booked over the [phone](#) or via the [Pearson VUE website](#).

To prepare for the assessment, you should make use of all learning resources.

On registration, you will be automatically allocated to a specific coursework session. Coursework is submitted via the course site; once submitted, all assignments are automatically checked by TurnitinUK. TurnitinUK is the leading originality checking and plagiarism prevention service in the world. Guidance on the submission process, TurnitinUK and referencing is provided on the course site.

To prepare for all assessment elements, you should make use of all learning resources.

Assessment

Both units are mandatory and assessed. DipFA® is assessed using multiple choice and written assessments made up of the following components:

- i. Unit 1 - multiple-choice questions: 100 x 1 mark for each correct answer;
- ii. Unit 2 - coursework consisting of a Main Task and short answer questions; and,
- iii. Unit 2 - pre-release fact find requiring essay response in the examination.

The structure of the assignment ensures that all learning outcomes are subject to external assessment. A total of 350 marks are available across both units.

Qualification grading

The qualification will be graded Pass. To pass you must achieve a minimum mark of 70% for unit 1 and 50% (in both the coursework and examination) for unit 2.

The grade boundaries for unit 1 are as follows:

Grade	Percentage mark
Pass	70–79
Merit	80-89
Distinction	90–100

Feedback is provided for unit 1 via analysis sheets (available on www.MyLIBF.com), to see the relative strength of assessment performance.

For unit 2 a chief examiner’s report is provided for the coursework and for the examination. These highlight general areas of strength and weakness and provide guidance for future students.

Resit attempts

There are no restrictions on the number of times you can resit a unit in which you were unsuccessful, however, you must resit the unit in accordance with the published The London Institute of Banking & Finance policies.

Appendices

Appendix 1 – Regulation detail

This document describes the regulation detail that is applicable to the qualification.

Qualification title	LIBF Level 4 Diploma for Financial Advisers (DipFA®)
Ofqual qualification number	501 / 0114 / 6
Regulated Qualifications Framework (RQF) level	4
European Qualifications Framework (EQF) level	5
Qualification type	Occupational Qualification
Guided learning hours	30
Total qualification time	400
Total credits	40
Sector subject area (SSA)	15. Business, Administration, Finance and Law
Sub SSA	15.1 Accounting and Finance
Overall grading type	Pass
Assessment methods	Coursework, e-assessment, multiple-choice examination
Available in	England, Wales and Northern Ireland
Qualification for ages	19+
Operational start date	01 August 2010
Qualification description	Level 4 Diploma for Financial Advisers consists of two mandatory units. A total credit value of 40 must be obtained for achievement of the qualification.

Appendix 2 – Financial Services, Regulation and Ethics (FSRE)

A description of FSRE that provides detail on syllabus content, learning outcomes and assessment criteria.

Unit profile

The unit introduces knowledge and understanding of financial institutions to enable you to identify the different types of service that they provide. It explains the functions and importance of the main components of the monetary and financial system, enabling you to recognise and appreciate the influences on the financial institutions and markets including financial intermediation and disintermediation. It introduces the concept and nature of risk and factors to the advice process for financial advice and enables you to demonstrate knowledge and understanding of the FCA's approach to ethical and unethical behaviours and develop understanding of the Code of Ethics.

Unit title	Financial Services Regulation and Ethics (FSRE)
Ofqual unit reference number	Y / 601 / 2801
Unit level	4
Unit credit value	11
Typical study hours	112

Unit 1 assessment method

FSRE has one component:

- i. 100 multiple-choice questions. This component of the examination is to be completed in two hours. This component of the examination is worth 100 marks.

Unit 1 learning outcomes / assessment criteria

Learning outcome (LO) The learner can:	Assessment criteria (AC) The learner should be able to:
<p>1. Understand the UK financial services industry in its European and international context.</p>	<p>1.1 Understand the purpose and structure of UK and international financial markets</p> <ul style="list-style-type: none"> • The purpose and role of money and financial markets • The structure of markets in the UK and other international financial markets • Types of main markets <p>1.2 Understand the main asset classes and their characteristics</p> <p>1.3 Understand the role of the UK government and the impact of international standards and regulation on UK regulation and the economy</p> <ul style="list-style-type: none"> • Role of the UK government – economic and industrial policy, regulation, taxation and social welfare • Role of the EU on UK Regulation <p>1.4 Interpret the function and operation of financial services within the wider economy.</p> <ul style="list-style-type: none"> • Key functions of the Bank of England and financial institutions • Main types and impacts of financial crime
<p>2. Identify how the retail consumer is served by the financial services industry</p>	<p>2.1 Interpret a firm's obligations towards consumers and their perception of financial services</p> <ul style="list-style-type: none"> • Consumer perceptions • Financial services industry obligations <p>2.2 Identify consumers' financial needs and how they are prioritized</p> <ul style="list-style-type: none"> • Customer needs and priorities • How consumer needs are met • Product types and their functions

<p>3. Apply the legal concepts and considerations relevant to financial advice</p>	<p>3.1 Understand legal concepts relevant to financial services</p> <ul style="list-style-type: none"> • Legal entities • Powers of attorney • Law of contract and agency • Property ownership • Insolvency and bankruptcy law <p>3.2 Apply the laws related to wills, intestacy, and trusts</p> <ul style="list-style-type: none"> • Wills and intestacy • Structure and purpose of trusts • Types of trusts
<p>4. Understand the development of financial services regulation</p>	<p>4.1 Understand the development of financial services regulation in the UK</p> <ul style="list-style-type: none"> • History of UK regulation from 1986 to 2021 • UK regulatory framework • Other regulators • Additional senior management oversight; auditors; trustees; external compliance support

<p>5. Evaluate the FCA's and PRA's responsibilities and approach to regulation</p>	<p>5.1 Understand how the structure of the FCA and PRA facilitates the achievement of its statutory objectives</p> <ul style="list-style-type: none"> • Statutory and operational objectives of the FCA and PRA • Principles-based regulation and its implications • Regulators' duties and powers of enforcement <p>5.2 Evaluate the main principles and rules set out in the FCA handbook</p> <ul style="list-style-type: none"> • Purpose and structure of the handbook • High-level standards • Training & Competence (T&C) regime • Prudential standards for FCA regulated firms • Conduct of Business (COBS) rules • Client assets (CASS) • Market Conduct Code (MAR) • Regulatory processes
<p>6. Identify the skills required when advising clients</p>	<p>6.1 Identify the processes and skills involved in assessing client needs and making appropriate recommendations</p> <ul style="list-style-type: none"> • Communication skills • Gathering of information • Assessment and analysis • Identifying appropriate solutions • Recommendations and conclusions • Insistent clients

<p>7. Apply FCA principles, requirements, and regulations to client relationships to ensure fair and ethical outcomes</p>	<p>7.1 Apply FCA principles to promote fair and ethical outcomes for customers</p> <ul style="list-style-type: none"> • Principles for businesses and conduct of business rules • FCA guiding principle on the prevention or reduction of harm to consumers • Corporate culture and leadership and responsibilities of senior management <p>7.2 Understand and apply principles and rules in the regulatory framework</p> <ul style="list-style-type: none"> • Regulated activities and authorisation requirements • Senior Managers' and Certification Regime • Record keeping, reporting and notification requirements • Professionalism, training and competence • Anti-money laundering and proceeds of crime rules and obligations • Data protection and data security • Complaint handling procedures • The Financial Ombudsman Service (FOS) • The Financial Services Compensation Scheme (FSCS) • Treating customers fairly and conduct risk <p>7.3 Apply the regulatory advice framework to client situations</p> <ul style="list-style-type: none"> • Client relationships and adviser responsibilities • Types of clients • Fiduciary relationships • Types of service provision and disclosure requirements • Adviser charging rules • Limitations to adviser's authority or expertise • Clients' cancellation rights • Vulnerable clients
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	<ul style="list-style-type: none">• Regulated advice standards• Monitoring and reviewing of client circumstances• Due diligence on products and services
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8. Apply ethical principles to professional behaviour and judgements at work

8.1 Understand and apply the ethical principles, codes of conduct and regulatory standards to professional behaviour

- Core ethical theories, principles and values
- Impact of ethical principles and professional codes of conduct

8.2 Apply a professional code of ethics to resolve ethical dilemmas

- Code of ethics and professional standards in financial services
- Values, morals and ethics in a business context.
- The relevance and benefits of business ethics
- Impact of ethics on consumer outcomes
- Impact of ethical principles, regulatory standards and professional codes of conduct on professional behaviour

8.3 Distinguish between ethical and compliance driven behaviours, and understand the impact of ethics on a firm's culture, the industry, individual advisers and customers

- Applied ethics – personal and business ethics
- Ethics in practice - Common characteristics of ethical behaviour in business
- Firm ethics – Regulator initiatives on firm ethics - FCA Principles for Businesses, Individual and Senior manager Conduct rules
- Developing ethical behaviour – whistleblowing
- Professionalism and Competence - Continuing professional development (CPD)

Appendix 3 – Advanced Financial Advice (AFA)

A description of AFA that provides detail on syllabus content, learning outcomes and assessment criteria.

Unit profile

The unit introduces knowledge and understanding of financial institutions to enable you to identify the different types of service that they provide. It explains the functions and importance of the main components of the monetary and financial system, enabling you to recognise and appreciate the influences on the financial institutions and markets including financial intermediation and disintermediation. It introduces the concept and nature of risk and factors to the advice process for financial advice and enables you to demonstrate knowledge and understanding of the FCA's approach to ethical and unethical behaviours and develop understanding of the Code of Ethics.

- i. This unit concentrates on the commercial and regulatory environment, products, services and legislation that inform the financial advice process.
- ii. You will consider the importance of consumer oriented communication and ethical behaviours through the practical application of accumulated knowledge and skills through the advice process.
- iii. You will gain an understanding of the personal approaches that individuals take towards risk and rewards and the impact of foreseen and unforeseen influences.
- iv. You will understand the features of different types of financial services product, and how to make informed choices about these products.

You will consider the validity of data and information as a means of assisting in the financial decision-making process.

Unit title	Advanced Financial Advice (AFA)
Ofqual unit reference number	F / 601 / 2808
Unit level	4
Unit credit value	29
Typical study hours	290

Unit 2 assessment method

AFA has two components:

- i. Coursework with a Main Task of 4,000 words and short answer questions.
- ii. A three hour written examination based on a pre-released fact find.

Unit 2 learning outcomes / assessment criteria

Learning outcome (LO) The learner can:	Assessment criteria (AC) The learner should be able to:
1. Understand the UK taxation system in relation to individuals and trusts.	1.1 Explain the features and impact of income tax. 1.2 Explain the features and impact of National Insurance Contributions (NICs). 1.3 Explain the features and impact of capital gains tax (CGT). 1.4 Explain the features and impact of inheritance tax (IHT). 1.5 Differentiate the tax status of residence and domicile. 1.6 Explain the main tax compliance criteria. 1.7 Explain the features and impact of stamp duty. 1.8 Explain the features of value added tax (VAT) and corporation tax.
2. Understand taxation of investments in relation to individuals and trusts.	2.1 Explain the features of direct investment. 2.2 Explain the features of indirect investment.
3. Understand the role and relevance of taxation in the financial affairs of individuals and trusts.	3.1 Assess the impact of taxes on individuals, trusts and their investments. 3.2 Identify the key principles of income tax planning. 3.3 Evaluate the main uses of lifetime gifts and trusts in IHT mitigation. 3.4 Explain wills, will trusts and intestacy.
4. Understand personal taxation in relation to investment advice.	4.1 Perform ordinary tax computation. 4.2 Explain essential tax planning recommendation.

<p>5. Understand the macroeconomic environment and its impact on asset classes.</p>	<p>5.1 Discuss the main long-term UK and global socio-economic trends.</p> <p>5.2 Discuss world economics and globalisation of markets.</p> <p>5.3 Identify economic and financial cycles – predictability, regional economy differences.</p> <p>5.4 Explain the significance of monetary and fiscal policy.</p> <p>5.5 Discuss the relevance of money, inflation, deflation, interest rates and exchange rates.</p> <p>5.6 Discuss the balance of payments and international capital flows.</p> <p>5.7 Explain the role of financial investment in the economy.</p>
<p>6. Understand the main characteristics and behaviours of asset classes.</p>	<p>6.1 Explain the main types and features of cash and cash equivalents.</p> <p>6.2 Explain the main types and features of fixed interest securities.</p> <p>6.3 Explain the main types and features of equities.</p> <p>6.4 Explain the main types and features of property.</p> <p>6.5 Explain the main types and features of alternative investments.</p> <p>6.6 Explain the concepts of pricing, liquidity and fair value.</p> <p>6.7 Analyse the correlation of asset classes and their relevance to asset allocation.</p>
<p>7. Understand the merits and limitations of the main investment theories.</p>	<p>7.1 Discuss the key features of the main investment theories.</p> <p>7.2 Explain the basics of behavioural finance.</p> <p>7.3 Explain the portfolio theory, diversification and hedging.</p> <p>7.4 Explain the multi factor model for equity and fixed income.</p>
<p>8. Understand the principles of the time value of money.</p>	<p>8.1 Explain compound interest and discounting.</p> <p>8.2 Define real returns and nominal returns.</p>

<p>9. Understand the nature and impact of the main types of risk on investment performance.</p>	<p>9.1 Analyse the risks relating to liquidity and access. 9.2 Evaluate the risks relating to income and capital growth. 9.3 Explain short-term investment volatility. 9.4 Analyse long-term investment performance. 9.5 Analyse the risks relating to gearing. 9.6 Explain currency risks. 9.7 Explain inflation and interest rates risks. 9.8 Explain systematic and non-systematic risks.</p>
<p>10. Understand the characteristics and behaviours of investment products.</p>	<p>10.1 Discuss the main types and uses of indirect investment products. 10.2 Describe the main types, uses and structure of derivatives. 10.3 Describe the main types, uses and structure of investment-strategy-based products. 10.4 Analyse the advantages and disadvantages of direct investment compared with indirect investment.</p>
<p>11. Understand the principles of investment planning.</p>	<p>11.1 Interpret stochastic modelling. 11.2 Explain tactical and strategic asset allocation. 11.3 Apply the principles of portfolio construction. 11.4 Analyse the use of wraps and other platforms.</p>
<p>12. Understand the investment advice process.</p>	<p>12.1 Apply the principles of 'know your client' requirements. 12.2 Perform client-specific asset allocation.</p>
<p>13. Understand the performance of investments.</p>	<p>13.1 Analyse portfolio performance. 13.2 Perform portfolio reviews and administration.</p>
<p>14. Understand the areas of need for financial protection planning.</p>	<p>14.1 Identify personal and family income and capital protection needs. 14.2 Describe the relationships between insurance and assets and liabilities. 14.3 Identify business protection needs.</p>

<p>15. Understand the consumer and retail market factors and trends relevant to financial protection.</p>	<p>15.1 Explain the role of insurance in mitigating personal financial risk.</p> <p>15.2 Discuss consumer attitudes and behaviours to protection.</p> <p>15.3 Discuss health, employment and product trends.</p> <p>15.4 Access to advice or insurance cover.</p>
<p>16. Understand the main sources of financial protection.</p>	<p>16.1 Explain the main sources of financial protection.</p>
<p>17. Understand the role and limitations of state benefits for financial protection.</p>	<p>17.1 Explain the range and limitations of state benefits.</p> <p>17.2 Describe the mortgage repayment support.</p> <p>17.3 Analyse the impact of state benefits on financial planning.</p>
<p>18. Understand the range and application of life assurance policies to meet financial protection needs.</p>	<p>18.1 Compare the advantage and disadvantages of the different types of protection policy.</p> <p>18.2 Describe the cost and premium calculation factors.</p> <p>18.3 Explain the legal requirements, ownership and use of trusts.</p> <p>18.4. Explain underwriting and the claim process.</p> <p>18.5 Explain the main policy options.</p>
<p>19. Understand taxation treatment of life assurance and pension-based policies.</p>	<p>19.1 Describe the treatment of qualifying policies, non-qualifying policies and offshore policies.</p> <p>19.2 Analyse the impact of income tax on life assurance and pension-based policies.</p> <p>19.3 Analyse the impact of capital gains tax (CGT) on life assurance and pension-based policies.</p> <p>19.4 Analyse the impact of inheritance tax (IHT) on life assurance and pension-based policies.</p>
<p>20. Understand the range and application of income protection insurance.</p>	<p>20.1 Evaluate the advantages and disadvantages of the different types of policy.</p> <p>20.2 Describe policy definitions, exclusions and premium calculation factors.</p> <p>20.3 Explain underwriting and the claims process.</p> <p>20.4 Explain the taxation treatment.</p> <p>20.5 Describe the structure and nature of group policies.</p>

<p>21. Understand the range and applications of critical illness insurance.</p>	<p>21.1 Evaluate the advantages and disadvantages of the different types of policy.</p> <p>21.2 Summarise the market developments for critical illness insurance.</p> <p>21.3 Describe policy definitions, exclusions and premium calculation factors.</p> <p>21.4 Explain underwriting and the claims process.</p> <p>21.5 Explain the taxation treatment and use of trusts for critical illness policies.</p> <p>21.6 Describe the structure and nature of group policies.</p>
<p>22. Understand the range and application of long-term care insurance.</p>	<p>22.1 Discuss the political environment, social care policy and national factors.</p> <p>22.2 Explain the regulatory environment.</p> <p>22.3 Explain the main product types and features.</p> <p>22.4 Evaluate the factors involved in long-term care planning.</p>
<p>23. Understand the main features of other insurance based protection policies.</p>	<p>23.1 Discuss the features and benefits of personal accident and sickness insurance.</p> <p>23.2 Discuss the features and benefits of private and medical insurance, hospital plans and dental insurance.</p> <p>23.3 Discuss the features and benefits of payment protection insurance.</p>
<p>24. Understand the needs and priorities in selecting appropriate financial protection solutions.</p>	<p>24.1 Assess priorities, risks and choices in selecting financial protection.</p> <p>24.2 Assess the current and future capital and income needs.</p> <p>24.3 Evaluate the suitability of product types and options.</p> <p>24.4 Identify other planning considerations.</p> <p>24.5 Explain the importance of regular reviews.</p>
<p>25. Understand the political, economic and social environmental factors which provide the context for pensions planning.</p>	<p>25.1 Discuss the role of government in the context of pension planning.</p> <p>25.2 Identify corporate responsibilities, challenges and impact on pension provision.</p> <p>25.3 Explain demographic trends.</p> <p>25.4 Explain the incentives, disincentives and attitudes to saving.</p> <p>25.5 Describe the main scheme types and methods on pension provision.</p>

<p>26. Understand how the HMRC taxation regime applies to pensions planning.</p>	<p>26.1 Explain the tax treatment of contributions to registered pension schemes.</p> <p>26.2 Describe the tax treatment of pension scheme investment funds.</p> <p>26.3 Explain death benefits before and after crystallisation.</p> <p>26.4 Describe pension scheme retirement benefits.</p> <p>26.5 Explain the annual allowance, lifetime allowance, special annual allowance and associated charges.</p> <p>26.6 Describe the tax treatment of other scheme types.</p>
<p>27. Understand the relevant aspects of pensions law and regulation to pensions planning.</p>	<p>27.1 Explain the role of the Pensions Regulator and the compliance requirements.</p> <p>27.2 Describe the pension protection schemes.</p> <p>27.3 Explain trust and contract-based pensions.</p> <p>27.4 Explain the role and duties of trustees and administrators.</p> <p>27.5 Discuss the impact of divorce on pensions.</p> <p>27.6 Explain employment and bankruptcy law in relation to pensions planning.</p> <p>27.7 Scams and mis-selling issues.</p>
<p>28. Understand the structure, relevance and application of the state schemes to an individual's pension planning.</p>	<p>28.1 Describe basic state retirement benefits.</p> <p>28.2 Describe additional state retirement benefits, historic and current.</p> <p>28.3 Discuss contracting in / out considerations.</p> <p>28.4 Explain the Pension Credit framework.</p>

<p>29. Understand the structure, characteristics and application of defined-benefit (DB) schemes to an individual's pension planning.</p>	<p>29.1 Describe the main attributes and benefits of DB pension provision.</p> <p>29.2 Define the main types, variations and hybrids.</p> <p>29.3 Explain the rules and operations of DB schemes.</p> <p>29.4 Describe funding methods and issues.</p> <p>29.5 Describe the impact of employer covenants.</p> <p>29.6 Explain the roles of trustees and other parties, and scheme reporting.</p> <p>29.7 Explain the factors and benefits on leaving the scheme and on early and normal retirement.</p> <p>29.8 Explain transfer issues and considerations.</p> <p>29.9 Describe the benefits on ill health and death.</p> <p>29.10 Explain eligibility criteria and top-up options.</p> <p>29.11 Explain the scheme options, limitations and restrictions.</p> <p>29.12 Describe public sector schemes.</p>
<p>30. Understand the range of defined-contribution (DC) scheme options as they apply to an individual's pension planning.</p>	<p>30.1 Explain the main attributes and benefits of DC pension provision.</p> <p>30.2 Explain the legal bases for schemes and the main impacts.</p> <p>30.3 Define the main types of DC schemes and their rules and operation.</p> <p>30.4 Explain contributions – methods and issues.</p> <p>30.5 Evaluate contracting out, rebates and the contracting-out decision.</p> <p>30.6 Explain the benefits on leaving and death before crystallisation.</p> <p>30.7 Explain the death and sickness benefits – options and procedures.</p> <p>30.8 Explain the scheme options, limitations and restrictions.</p> <p>30.9 Analyse crystallisation options and transfer issues.</p> <p>30.10 Describe stakeholder pensions and personal accounts.</p>

<p>31. Understand the options and factors to consider for drawing pension benefits.</p>	<p>31.1 Evaluate state retirement benefits. 31.2 Analyse DB schemes. 31.3 Explain DC schemes and their main features. 31.4 Analyse phased retirement. 31.5 Evaluate timing of decisions and implementation. 31.6 Explain triviality rules.</p>
<p>32. Understand the aims and objectives of retirement planning including the investment issues.</p>	<p>32.1 Assess and quantify retirement aims and objectives. 32.2 Evaluate the investment available. 32.3 Analyse asset allocation factors and their relationship to the overall portfolio. 32.4 Describe the main characteristics of self investment. 32.5 Compare alternative solutions for pension income. 32.6 Analyse factors affecting regular reviews.</p>
<p>33 Understand the process of gathering client information for holistic financial planning.</p>	<p>33.1 Analyse clients' situations and identify gaps in information. 33.2 Synthesise the range of client information. 33.3 Identify subjective and objective factors. 33.4 Evaluate clients' needs, wants and values. 33.5 Analyse and utilise risk-profiling tools. 33.6 Identify any ethical dilemmas and discuss the steps involved in managing these.</p>
<p>34 Formulate and communicate holistic financial advice.</p>	<p>34.1 Analyse clients' situations and provide financial planning to achieve objectives. 34.2 Explain and justify recommendations. 34.3 Communicate financial planning effectively to the target audience. 34.4 Communicate any ethical considerations effectively to the target audience.</p>
<p>35 Create, implement and maintain financial plans.</p>	<p>35.1 Create and implement financial plans. 35.2 Review and revise the effectiveness of plans and adapt to changes. 35.3 Evaluate ethical considerations within the review process.</p>