



Chartered
Insurance
Institute

J07

Diploma in Financial Planning

Unit J07 – Supervision in a regulated environment

February 2024 examination

SPECIAL NOTICE

Candidates are expected to be aware of the FCA rules and guidance regarding training and competence, conduct of business and complaints handling as contained within the relevant sourcebooks.

Unit J07 – Supervision in a regulated environment

Instructions to candidates

Read the instructions below before answering any questions

- **Two hours** are allowed for this paper which consists of 15 short answer questions and carries a total of 130 marks.
- You are strongly advised to attempt all questions to gain maximum possible marks. The number of marks allocated to each question part is given next to the question and you should spend your time in accordance with that allocation.
- Read carefully all questions and information provided before starting to answer. Your answer will be marked strictly in accordance with the question set.

Subject to providing sufficient detail you are advised to be as brief and concise as possible, using note format and short sentences on separate lines wherever possible.

Attempt ALL questions**Time: 2 hours****ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX**

1. Henrietta works for a financial services firm and is subject to the certification regime.
 - (a) Identify **four** relevant examples of roles in scope of the certification regime. (4)
 - (b) State the **two** principal regulatory requirements Henrietta must adhere to in her role. (2)

2. State and explain briefly the competencies a manager must demonstrate in their role. (8)

3. State **three** assets and **three** liabilities from Belbin's leadership model for **each** of the following team roles:
 - (a) Resource Investigator. (6)
 - (b) Shaper. (6)

4. Anita is a supervisor and is considering the best forms of two-way communication to utilise with her team members.
 - (a) Identify **three** advantages of Anita using face-to-face meetings. (3)
 - (b) Identify **three** disadvantages of Anita using video calls. (3)

5. State **five** elements that could be included in a person specification and provide an example for **each** of these elements. *Exclude physical make up and interests from your answer.* (10)

ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX

6. Alan is a financial adviser, specialising in pensions transfers and is currently applying for a Statement of Professional Standing (SPS).
- (a) Identify the **four** requirements Alan must meet to obtain an SPS. (4)
- (b) Outline the additional Continuous Professional Development that Alan must complete on an annual basis as a pension transfer specialist. (3)
7. Jaden attended a course to develop his counselling skills, to better support his team.
- (a) State **five** examples of skills required to lead a counselling session. (5)
- (b) State and explain briefly the **three** stages of counselling, in accordance with the Michael Reddy model. (6)
8. List the **twelve** Principles for Businesses. (12)
9. (a) Identify the mandatory information that must be included in a suitability report provided to a retail investor. (3)
- (b) Identify **six** additional items that should be included in a suitability report to demonstrate the advice given. (6)
10. State **three** elements of the annual appraisal process and provide **two** examples of the benefits of each. (9)
11. Identify and explain briefly the **three** key elements of corporate objectives. (6)
12. (a) Explain briefly the purpose of ISO 9000 for a financial services firm. (3)
- (b) List the **five** key areas covered by ISO 9000. (5)

ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX

13. Outline the benefits of using exception reports when managing a team. (5)
14. (a) List the relevant COCON rules an employee of a financial services firm performing a certified role is expected to adhere to. (5)
- (b) State and explain briefly the **three** main objectives of disciplinary action for an employer. (6)
15. John was dismissed due to unsatisfactory performance and is taking his employer to an employment tribunal on the basis of unfair dismissal.
- (a) Identify **four** examples of evidence his employer could provide to an employment tribunal to demonstrate they acted reasonably. (4)
- (b) State and explain briefly the **two** most commonly used remedies that may be available if the tribunal rules in John's favour. (6)