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Learning Outcome		Assessment Criteria		Indicative Content
Financial planning principles, standards and skills. **15 Questions**	**1**	Explain the financial planning principles, standards and skills, including responsibilities and obligations to consumers.	**1.1**	Obligations towards consumers and their perception of financial services.
			1.2	Client relationships and adviser responsibilities:
			1.2.1	Fiduciary relationship – duty of care, confidentiality, primacy of clients' interests.
			1.2.2	Clarity of service provision and charges, status disclosure including client agreements, execution only clients, insistent clients and restricted advice.
			1.2.3	Clients' cancellation rights.
			1.2.4	Positive customer outcomes, including vulnerable clients.
			1.2.5	Adviser charging rules.
			1.3	Regulated advice standards.
			1.4	Responsibilities that rest with those under the Senior Managers and Certification Regime (SM&CR) and the need for integrity, competence and fair outcomes for clients, including dealing with conflicts of interest.
			1.5	The statements of principle and code of Practice for Approved Persons (APER) and senior managers.
	2	Explain the main client financial circumstances, needs and objectives; how these are prioritised and potentially met.	**2.1**	Consumers' main financial needs and how they are prioritised:
			2.1.1	Managing debt.
			2.1.2	Budgeting and borrowing, including house purchase.
			2.1.3	Protection.
			2.1.4	Saving and investing.
			2.1.5	Retirement.
			2.1.6	Estate planning and tax planning.
			2.2	How these needs are met:
			2.2.1	Mortgages and loans.
			2.2.2	Life and health insurance.
			2.2.3	Savings and investments.
			2.2.4	The main types of pension provision.
			2.3	Monitoring and reviewing clients' plans and circumstances and taking account of relevant changes and legislation.
			2.4	Due diligence on products/tools.

Learning Outcome		Assessment Criteria	Indicative Content	
	3	Apply regulations and legislation, including financial crime.	**3.1**	Record keeping, reporting and notification requirements.
			3.2	Complaints procedures and responsibilities to customers.
			3.3	Anti-money laundering and proceeds of crime obligations.
			3.4	Data protection and data security.
			3.5	Financial Ombudsman Service (FOS).
			3.6	Financial Services Compensation Scheme (FSCS).
			3.7	The Pensions Ombudsman.
			3.8	The Pension Protection Fund.
			3.9	The Bribery Act.
Investment principles and risk.	**4**	Analyse the characteristics and risks of asset classes.	**4.1**	Cash and cash equivalents: Main types, costs and charges.
25 Questions			**Fixed interest securities:**	
			4.2.1	Main types.
			4.2.2	Markets and indices.
			4.2.3	Transaction costs – purchase and sale.
			Equities:	
			4.3.1	Main types.
			4.3.2	Stock markets – indices, listings.
			4.3.3	Transaction costs.
			Property:	
			4.4.1	Main types, residential and commercial, income profile and gearing.
			4.4.2	Valuation.
			4.4.3	Performance benchmarking.
			4.4.4	Transaction and on-going costs.
			4.5	Alternative investments - Pricing, liquidity and fair value.
			The main types and use of indirect investment products:	
			4.6.1	Collective investment funds – onshore and offshore.
			4.6.2	Closed ended funds/investment companies – onshore and offshore.
			4.6.3	Individual Savings Accounts (ISAs) including Junior ISAs, Help to Buy ISAs, Lifetime ISAs, Innovative Finance ISAs.
			4.6.4	National Savings & Investments current products.
			4.6.5	Life assurance based investments – onshore and offshore.
			4.6.6	Purchased life annuities.
			4.6.7	Real Estate Investment Trusts (REITs), Property Authorised Investment Funds (PAIFs) and other property based products.

Learning Outcome		Assessment Criteria		Indicative Content
			4.6.8	Venture Capital Trusts (VCTs), Enterprise Investment Schemes (EISs) and Seed Enterprise Investment Schemes (SEISs) – basic structures and uses.
			4.6.9	Undertakings for Collective Investments in Transferable Securities (UCITS) and Qualified Investor Schemes (QIS).
			4.7	With profit funds – main principles only.
	5	Explain the main types of risk and their impact on clients.	5.1	Liquidity and access.
			5.2	Income and capital growth, including shortfall.
			5.3	Short term volatility.
			5.4	Currency.
			5.5	Inflation.
			5.6	Interest rates, including gearing.
			5.7	Systematic and non-systematic risk, including, institutional risk including fraud, counterparty venture, default and bail-in.
			5.8	Credit, including default.
	6	Explain the investment advice process, portfolio construction and review.	6.1	Correlation of asset classes – including non-correlation and the use of correlation in asset allocation.
			Know Your Client requirements:	
			6.2	Explain the investment process.
			6.3	Establish client relationships, capability and circumstances including assets and debts clients with additional needs and vulnerable clients.
			6.4	Agree and prioritise needs and wants.
			6.5	Agree investment objectives, growth, income, time horizons, debt and credit management and repayment.
			6.6	Determine and agree risk profile – objective and subjective factors, including capacity for loss.
			6.7	Assess affordability and other suitability considerations, including ethical, social responsibility, social impact investing, charitable giving and religious preferences.
			6.8	Agree strategy and rationale to achieve the objectives.
			6.9	Agree benchmark/performance measures and review process.

Learning Outcome		Assessment Criteria		
			Asset allocation:	
			6.10	Alignment with client risk profile and requirements.
			6.11	Diversification and correlation benefits.
			6.12	Accumulation and decumulation.
			6.13	Stochastic modelling.
			6.14	Strategic and tactical asset allocation.
			6.15	Passive and active management.
			Portfolio construction:	
			6.16	Stock and fund selection, including environmental, social and governance (ESG) considerations.
			6.17	Diversification by sector, geographical area and currency.
			6.18	Main fund management strategies and styles.
			6.19	Costs, charges, Total Expense Ratios (TERs), Total Cost of Ownership (TCO), Ongoing Charges Figure (OCF), Portfolio Turnover Ratios (PTRs).
			6.20	Selection of products, tax wrappers and services.
			6.21	Provider selection and due diligence.
			6.22	Recommendations and suitability.
			6.23	Main styles of ethical investment, including screening, socially responsible investing (SRI) and environmental social & corporate governance (ESG).
			Portfolio review and administration:	
			6.24	Changes in client circumstances and financial environment.
			6.25	New products and services available.
			6.26	Maintenance of products and services including the availability of new products.
			6.27	Use of external services/benchmarking.
			6.28	Rebalancing.
			6.29	Determine sustainable withdrawal levels, including the impact of sequencing risk.

Learning Outcome		Assessment Criteria		Indicative Content
Personal taxation.	**7**	Explain the taxation of investments, income, gains and inheritance.	**7.1**	Income Tax – sources of income, liability, allowances, reliefs, priorities for taxing income, income of trusts and beneficiaries, trustees and settlors.
25 Questions			**7.2**	Capital Gains Tax (CGT) – liability, rate, disposals, gains and losses, reliefs and exemptions, capital gains of trusts.
			7.3	Inheritance Tax (IHT) – liability, transfers, nil rate bands, rates, reliefs and exemptions including gifts to charities and political parties, assets held in trusts, transfers to and from trusts.
			7.4	Direct investments – cash and cash equivalents, gilts, corporate bonds, equities and property.
			Indirect investments:	
			7.5	Pension arrangements.
			7.6	Individual Savings Accounts (ISAs) all types to which contributions can be made.
			7.7	Onshore and offshore collectives and investment companies.
			7.8	Onshore and offshore life assurance policies, qualifying and non-qualifying, including effect of adviser fees on tax-deferred withdrawals.
			7.9	Venture Capital Trusts (VCTs) and Enterprise Investment Schemes (EISs) and Seed Enterprise Investment Schemes (SEISs) – basic outline.
	8	Analyse the impact of taxation on client scenarios.	**8.1**	The impact of taxes on individuals, trusts and their investments.
	9	Analyse the tax planning process and tax efficiency.	**9.1**	Key principles of Income Tax and Capital Gains Tax (CGT) planning – spouses, civil partners, children, pension contributions, ISA allowances, use of the main CGT exemptions and reliefs.
			9.2	Main uses of lifetime gifts, business relief, wills and trusts in basic IHT mitigation and use of joint tenancies, tenancies in common and deeds of variation.
			9.3	Taxation consequences when direct and indirect investments are gifted or sold to family members, third parties including gifts to charities.

Learning Outcome		Assessment Criteria		Indicative Content
Pensions and retirement planning.	**10**	Evaluate the aims of retirement planning and how they may be achieved.	**10.1**	Assessing and quantifying retirement aims and objectives:
25 Questions			**10.1.1**	Availability and prioritisation of savings.
			10.1.2	Assumptions and impacts.
			10.1.3	Conflict with other objectives.
			10.1.4	Timescales and risk.
			10.1.5	IHT / generational planning.
			10.1.6	Cash flow/ stress testing.
			10.2	Investments available to meet this objective:
			10.2.1	Suitability and risk.
			10.2.2	Rates of return needed.
			10.2.3	Accumulation and decumulation strategies, life-styling.
			10.2.4	Products and wrappers, advantages and constraints, critical yield.
			10.2.5	Other sources of non-pension income.
			10.3	Asset allocation factors, relationship to overall portfolio.
			10.4	Self investment - main characteristics.
			10.5	Alternative solutions for pension income:
			10.5.1	Alternative sources of capital including non-pension investment assets, home equity, proceeds from sale of a business, inheritance.
			10.5.2	Advantages and drawbacks.
			10.6	Factors affecting regular reviews.
	11	Analyse retirement options from different types of pension scheme, and how and when schemes will pay out in specific client circumstances.	**11.1**	State retirement benefits.
			11.2	Timing of decisions and implementation.
			11.3	DB scheme benefits, payment guarantees, survivor benefits.
			11.4	DC Schemes:
			11.4.1	Secured pensions, types of annuities and main features.
			11.4.2	Drawdown pensions – capped and flexi access, short term annuities.
			11.4.3	Compliance requirements.
			11.4.4	UFPLS.
			11.5	Phased retirement – options, benefits and risks of using annuitisation, flexi-access or UFPLS to produce income.
			11.6	Small pots, trivial commutation rules.

Learning Outcome		Assessment Criteria		Indicative Content
	12	Explain the impact of taxation and legislation.	12.1	Funding/contributions to registered pension schemes, tax relief provision.
			12.2	Pension scheme investment funds.
			12.3	Death benefits before and after age 75.
			12.4	Pension scheme retirement benefits.
			12.5	Outline of relevant transitional reliefs.
Financial protection planning.	13	Explain the protection planning principles, process (including reviews) and key considerations.	13.1	Co-habitation, marriage, civil partnerships and transgender matters.
10 Questions			13.2	Birth of child and caring duties.
			13.3	Property purchase.
			13.4	Separation and divorce.
			13.5	Work, going overseas, retirement.
			13.6	Health, wellbeing and vulnerability.
			13.7	The suitability of trusts.
			13.8	Importance of regular reviews.
	14	Explain the product types and options, how these are taxed and their suitability for client scenarios.	14.1	Qualifying and non-qualifying policies, onshore and offshore policies.
			14.2	Taxation of life funds, onshore and offshore, including policies when traded.
			14.3	Personal Income Tax and Capital Gains Tax liabilities arising.
			14.4	Inheritance Tax and life assurance.
			14.5	Comparing similar types of products.
			14.6	Identifying and matching suitable product solutions to needs.
			14.7	Combinations of products.
			14.8	Current and future affordability.
			14.9	Relevant regulatory requirements, including scope for commission and/or fees.