

Financial services products and solutions

Objective

At the end of this unit, candidates should be able to demonstrate a knowledge and understanding of:

- key customer needs and the factors that affect these;
- how customers and financial services professionals identify needs and solutions;
- the main protection, mortgage repayment and savings and investment products;
- the main tax wrappers.

Summary of learning outcomes	Number of questions in the examination*
1. Understand protection, investment and pensions needs and the factors that affect them	5
2. Understand the process of identifying appropriate financial solutions	6
3. Explain the main features of protection products	17
4. State the main features of mortgage repayment vehicles and mortgage protection products	5
5. Explain the range of savings and investment products available to customers	22
6. Explain the main tax wrappers available to customers	20

* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

Important notes

- Method of assessment: 75 multiple choice questions (MCQs). 2 hours are allowed for this examination.
- This syllabus will be examined from 1 September 2023 to 31 August 2024.
- Candidates will be examined on the basis of English law and practice in the tax year 2023/2024 unless otherwise stated.
- It should be assumed that all individuals are domiciled and resident in the UK unless otherwise stated.
- This PDF document is accessible through screen reader attachments to your web browser and has been designed to be read via the speechify extension available on Chrome. Speechify is an extension that is available from <https://speechify.com/>. If for accessibility reasons you require this document in an alternative format, please contact us on online.exams@cii.co.uk to discuss your needs.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
 1. Visit www.cii.co.uk/qualifications
 2. Select the appropriate qualification
 3. Select your unit from the list provided
 4. Select qualification update on the right hand side of the page

- 1. Understand protection, investment and pensions needs and the factors that affect them**
 - 1.1 Explain how the personal financial lifecycle, individual circumstances and external factors affect financial needs.
 - 1.2 Describe the purpose and the main categories of taxation and their relevance to the life and pensions sector.
- 2. Understand the process of identifying appropriate financial solutions**
 - 2.1 Describe sources of information, advice and guidance.
 - 2.2 Explain how customer needs and solutions are identified.
- 3. Explain the main features of protection products**
 - 3.1 Explain the main types and features of life assurance.
 - 3.2 Explain the main types and features of health protection products.
- 4. State the main features of mortgage repayment vehicles and mortgage protection products**
 - 4.1 State the use of protection products and repayment vehicles in the context of mortgages.
- 5. Explain the range of savings and investment products available to customers**
 - 5.1 Explain the main features of investing in cash, bonds, property and equities.
 - 5.2 Explain the main features of collective investments.
- 6. Explain the main tax wrappers available to customers**
 - 6.1 Explain the main features of defined contribution and defined benefit pension schemes.
 - 6.2 Explain the main retirement options available.
 - 6.3 Explain the main features of Individual Savings Accounts.
 - 6.4 Describe other tax planning vehicles available.

Reading list

The following list provides details of further reading which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII study texts

Financial services products and solutions.
London: CII. Study text LP2.

Books (and eBooks)

Investments: principles and concepts. 12th ed. Charles P Jones. Wiley, 2016.

The Financial Times guide to investing. 4th edition. Glen Arnold. FT Prentice Hall, 2020.

Pension tax guide: a tax guide 2023-2024. Katharine Lindley. Chester: Claritax Books, 2023.

eBooks

The following eBooks are available via www.cii.co.uk/elibrary (CII/PFS members only):

Behavioural finance and investor type: managing behaviour to make better investment decisions. Michael M Pompian. Hoboken: Wiley, 2012.

Investor behaviour: the psychology of financial planning and investing. H. Kent Baker. Hoboken, New Jersey: Wiley, 2014.

Factfiles and other online resources

Consumer vulnerability. FCA Occasional Paper No. 8. February 2015. Available online via www.fca.org.uk.

Guaranteed Guidance for retirement. What consumers want. CII Policy and Public Affairs, Nick Hurman. 2014. Available online at www.cii.co.uk/32081.

The Government's retirement freedoms, Pension Wise, and views on preparedness. CII Policy and Public Affairs. Available online at www.cii.co.uk/32998.

Additional articles and technical bulletins are available under the Life and Pensions section of the website at www.cii.co.uk/knowledge/life-pensions.

Journals and magazines

Financial adviser. London: FT Business.

Weekly. Available online at

www.ftadviser.com.

Personal finance professional (previously Financial solutions). London: CII. Six issues a year.

Money management. London: FT Business.

Monthly. Available online www.ftadviser.com/brand/money-management.

Money marketing. London: EMAP Publishing

Limited. Weekly. Available online at

www.moneymarketing.co.uk.

Pensions age. London: Perspective.

Monthly. Available at www.pensionsage.com.

Pensions insight. Newsquest Specialist

Media. Monthly. Available at www.pensions-insight.co.uk.

Reference materials

Concise encyclopedia of insurance terms.

Laurence S. Silver, et al. New York:

Routledge, 2010.*

Harriman's financial dictionary: over 2,600

essential financial terms. Edited by Simon

Briscoe and Jane Fuller. Petersfield:

Harriman House, 2007.*

Financial Conduct Authority (FCA)

Handbook. Available at

www.handbook.fca.org.uk/handbook.

Prudential Regulation Authority (PRA)

Rulebook Online. Available at

www.prarulebook.co.uk

Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate (ciigroup.org/login). Details of how to access Revisionmate are on the first page of your study text. It is recommended that you only study from the most recent version of the examination guide.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.