

# Retail Advice and Regulation EXAMINATION PAPER

**Tuesday 6th October 2020, 14.00pm – 17.00pm**

Fill in these particulars: Centre Name

Candidate Number

There are three parts to the question paper.

**Part One** contains 2 questions **Part Two** contains 3 questions **Part Three** contains 1 question You must attempt **ALL** questions

## ALL answers must be written in the green answer booklet in pen.

It is suggested you plan your answers to be able to spend adequate time on both parts of the question paper.

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## Part 1 – The Financial Services Industry

1. Analyse the UK’s financial services industry within an international context:
   * describe the role and structure of the UK and international markets
   * explain the impact of EU law
   * define the role of Government in setting economic and industrial policy
   * explain the function of financial services within the wider economy
2. Explain how the consumer is served by the financial services industry:
   * describe the role of the providers of financial products
   * explain the relationship between product providers, advisers and consumers
   * analyse the perception of financial services
   * identify the main financial needs and how they are met

(15 marks)

(15 marks)

## Part 2 – FCA and Regulation

1. Analyse the FCA’s responsibilities and approach to regulation:
   * explain the role of legislation including the Financial Services and Markets Act (FSMA) 2000, MiFID and EU regulation and relevant Directives
   * describe the FCA’s powers and activities
   * explain financial stability, prudential regulation dealing with financial crime describe the FCA handbook and business standards, including the conduct of business, rules for dealing with client assets market conduct code, and training and competence
   * describe the FCA’s regulatory processes and risk-based supervision
   * explain oversight within firms

(20 marks)

1. Define the principles and rules as set out within the regulatory framework and describe the following:
   * regulated activities
   * controlled functions and the responsibilities of approved persons
   * record keeping requirements
   * the concept of professionalism
   * the anti money laundering and proceeds of crime requirements
   * the requirements for data protection

(20 marks)

1. Explain the complaints procedures and the Financial Services Compensation Scheme.

## Part 3 – Developments

(10 marks)

1. Outline, and analyse, recent developments in legislation and forthcoming changes that will impact on retail advice involving pension provision.

(20 marks)

## Total – 100 marks