

# Award in Bancassurance

## Objective

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

- the main elements of the financial services and insurance industry;
- the main insurance products;
- savings and investment products;
- retirement planning products;
- what constitutes good and ethical client practice.

Summary of learning outcomes	Number of questions in the examination*
1. Know the main elements of the financial services and insurance industry as it relates to the bancassurance sector.	3
2. Understand the main insurance products.	15
3. Understand savings and investment products.	15
4. Understand retirement planning products.	10
5. Understand the importance of the client fact find and how to identify client needs.	15
6. Understand what constitutes good and ethical client practice.	17

\* 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. 2 hours are allowed for this examination.
- This syllabus will be examined from 1 May 2022 to 30 April 2023.
- 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](http://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
  5. 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 a free extension that is available from <https://speechify.com/>. If for accessibility reasons you require this document in an alternative format, please contact us on [ukcentreadministration@cii.co.uk](mailto:ukcentreadministration@cii.co.uk) to discuss your needs.

**1. Know the main elements of the financial services and insurance industry as it relates to the bancassurance sector.**

- 1.1 Describe the basic purpose of financial services and its role in the bancassurance industry.
- 1.2 Describe the basic structure of the financial services market and the main types of relevant organisations.
- 1.3 Describe the distribution channels used for financial and insurance services.
- 1.4 Describe the role of bancassurers and insurance companies and their respective responsibilities.

**2. Understand the main insurance products.**

- 2.1 Describe the client's main personal and financial details which impacts their protection needs and product suitability.
- 2.2 Describe the main features and benefits of life assurance and health protection products.
- 2.3 Describe the main features and benefits of personal accident and travel insurance.
- 2.4 Describe the main features of mortgages and debt protection policies.
- 2.5 Describe the main features of household insurance.
- 2.6 Describe the main features of motor insurance.
- 2.7 Describe the main features of *Takaful* insurance.

**3. Understand savings and investment products.**

- 3.1 Describe the main types of savings, investment and products.
- 3.2 Describe the main features of the main asset classes.
- 3.3 Describe the main features of savings and investment products which affect their suitability for a client.
- 3.4 Explain how the tax treatment of savings and investment products affect their suitability for a client.
- 3.5 Describe the suitability factors on which a client's savings and investment needs depend.
- 3.6 Describe the impact of risk on a client's choice of savings and investment products.
- 3.7 Explain how economic factors affect savings and investment products.
- 3.8 Explain how changes in interest rates affect the future performance of savings and investment products.
- 3.9 Explain the importance of an emergency fund and sensible debt management.

**4. Understand retirement planning products.**

- 4.1 Describe the relevant factors on which a client's retirement needs may depend.
- 4.2 Describe the main features and benefits of pension products and annuities which affect their suitability for a client.
- 4.3 Describe the circumstances for retirement planning.
- 4.4 Explain how economic factors affect retirement planning.

- 4.5 Explain how interest rates affect retirement planning.

**5. Understand the importance of the client fact find and how to identify client needs.**

- 5.1 Describe the typical content of a fact find and how to use one;
- 5.2 Describe how to make suitable financial planning recommendations.
- 5.3 Describe the seven typical life-stages of a client and understand the requirements and constraints at each of the life stages.
- 5.4 Explain how factors can affect life stages for individuals.
- 5.5 Describe and apply the main steps in identifying a client's financial needs.
- 5.6 Explain the role of the bancassurer in recommending suitable products to achieve the client's financial objectives.

**6. Understand what constitutes good and ethical client practice.**

- 6.1 Explain the need to achieve a positive outcome for the client.
- 6.2 Explain the ethical implications of advising a client to switch between the financial products of different providers.
- 6.3 Explain the implications of cancellation provisions.
- 6.4 Explain effective complaints handling.
- 6.5 Explain alternative methods of resolving disputes.
- 6.6 Explain the outcomes of ethical and unethical conduct.
- 6.7 Explain the objectives of regulation and supervision of the bancassurance sector.

## 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**

Award in Bancassurance. London: CII. Study text. AWB

### **Books (and ebooks)**

Insurance theory and practice. Rob Thoyts. Routledge, 2010.\*

The basics of finance: an introduction to financial markets, business finance, and portfolio management. Frank Fabozzi. London, Wiley, 2010.\*

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

Winning client trust : the retail distribution review and the UK financial services industry's battle for their clients' hearts and minds. Chris Davies. London: Ecademy Press, 2011.

### **Periodicals**

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

Post magazine. London: Incisive Financial Publishing. Monthly. Contents searchable online at [www.postonline.co.uk](http://www.postonline.co.uk).

The Journal. London: CII. Six issues a year.

### **Reference materials**

Concise encyclopedia of insurance terms. Laurence S. Silver, et al. New York: Routledge, 2010.\*

International dictionary of banking and finance. John Clark. Hoboken, New Jersey: Routledge, 2013.\*

Harriman's financial dictionary: over 2,600 essential financial terms. Edited by Simon Briscoe and Jane Fuller. Petersfield: Harriman House, 2007.\*

Lamont's financial glossary: the definitive plain English money and investment

dictionary. Barclay W Lamont. 10th ed. London: Taxbriefs, 2009.

## Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate ([www.revisionmate.com](http://www.revisionmate.com)). 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.

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\* Also available as an ebook through eLibrary via [www.cii.co.uk/elibrary](http://www.cii.co.uk/elibrary) (CII/PFS members only).