

RE 5 Mock Exam 2019

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Completed on Wednesday, 2 October 2019, 8:32 AM

Time taken 2 mins 52 secs

Marks 18.00/50.00

Grade 36.00 out of 100.00

Feedback Unfortunately, you have not achieved the pass mark, click here to re-attempt the test in preparation for the official Regulatory Exam.

Question 1

Incorrect

Mark 0.00 out of 1.00

When telephonic advertising is done, what must be kept as proof of a client's acceptance of the transaction?

Select one:

- a. There is no proof necessary.
- b. A record of the telephone call between the client and the Representative.
- c. A contract signed before a commissioner of oaths.
- d. A record of the telephone call and the signed contract.

Your answer is incorrect.

Question 2

Correct

Mark 1.00 out of 1.00

The FAIS General Code of Conduct requires that Representatives fulfil the following responsibilities. Which statement is INCORRECT?

Select one:

- a. They have to act honestly and fairly, and with due skill, care and diligence, in the interests of clients and the integrity of the financial services industry.
- b. They must have and effectively employ the resources, procedures and appropriate technological systems for the proper performance of professional activities.
- c. They have to ensure that clients can make an informed decision by providing a client with at least 3 quotations when recommending financial products.
- d. They should obtain appropriate and available information regarding clients' financial situation, financial product experience and objectives in connection with the financial services required.

Your answer is correct.

Question 3

Correct

Mark 1.00 out of 1.00

Which of the following is an example of a document that should be maintained in terms of the FAIS Act?

Select one:

- a. A cancellation of an endowment policy 1 year before it pays out.
- b. An application for a retirement annuity.
- c. A record of premium payments towards a policy.
- d. A copy of a change of address received by a client.

Your answer is correct.

Question 4

Incorrect

Mark 0.00 out of 1.00

You are the sales manager or supervisor of a new Representative. He asks you when a Representative can be debarred, and you tell him the following:

- i. Non-compliance with any of the Fit and Proper Requirements.
- ii. Non-compliance with any provision of the FAIS Act.
- iii. Poor work performance.
- iv. Not doing a comprehensive record of advice.

Select one:

- a. iii and iv.
- b. ii, iii and iv.
- c. i, ii and iv.
- d. i and iv.

Your answer is incorrect.

Question 5

Incorrect

Mark 0.00 out of 1.00

Choose the CORRECT option:

Select one:

- a. The Authority registers Representatives, provided they meet certain criteria.
- b. The FSP authorises a Representative to represent it, provided the Representative meets the Fit and Proper criteria stipulated in the FAIS Act, including financial soundness, and then has to maintain a register with certain details as required by the Act.
- c. The FSP authorises a Representative to represent it, provided the Representative meets the Fit and Proper criteria stipulated in the FAIS Act, excluding financial soundness, and then has to maintain a register with certain details as required by the Act.
- d. The FSP authorises a Representative to represent it, provided the Representative meets the Fit and Proper criteria stipulated in the FAIS Act, excluding financial soundness, and then the Authority Registers the Representative.

Your answer is incorrect.

The correct answer is: The FSP authorises a Representative to represent it, provided the Representative meets the Fit and Proper criteria stipulated in the FAIS Act, excluding financial soundness, and then has to maintain a register with certain details as required by the Act.

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Question 6

Correct

Mark 1.00 out of 1.00

Reasons for debarment include the following:

Select one:

- a. Non-compliance with any of the relevant Fit and Proper Requirements or if the Representative has contravened or failed to comply with any other provisions of the FAIS Act.
- b. Poor work performance.
- c. Only if the Representative has contravened or failed to comply with any provisions (other than the Fit and Proper provisions) of the FAIS Act.
- d. Only non-compliance with any of the relevant Fit and Proper Requirements.

Your answer is correct.

The correct answer is Non-compliance with any of the relevant Fit and Proper Requirements or if the Representative has contravened or failed to comply with any other provisions of the FAIS Act.

Question 7

Incorrect

Mark 0.00 out of 1.00

In which year did the initial Financial Intelligence Centre Act (FICA) become effective?

Select one:

- a. 2001.
- b. 2004.
- c. 2007.
- d. 2018.

Your answer is incorrect.

Question 8

Incorrect

Mark 0.00 out of 1.00

Representatives working in Category II, IIA and III must have the following to qualify for the exemption:

Select one:

- a. A degree which meets the qualification requirements when appointed by the FSP.
- b. A degree and similar professional qualification which meets the qualification requirements when appointed by the FSP.
- c. A degree or similar professional qualification which meets the qualification requirements when appointed by the FSP.
- d. Those Representatives will have to comply, in respect of the experience requirements set for the Representative at the date of appointment.

Your answer is incorrect.

The correct answer is A degree or similar professional qualification which meets the qualification requirements when appointed by the FSP.

Question 9

Incorrect

Mark 0.00 out of 1.00

The period a client has in which the missed premium must be paid is known as the:

Select one:

- a. Extended period.
- b. Grace period.
- c. Premium extension.
- d. Grace days.

Your answer is incorrect.

Question 10

Incorrect

Mark 0.00 out of 1.00

Which one of the following actions does NOT constitute advice under FAIS?

Select one:

- a. Recommending a funeral policy to a client.
- b. Helping a client to obtain a loan or cession on a policy.
- c. Helping a client with a re-purchase from a unit trust.
- d. Processing the claims of a client against a product supplier.

Your answer is incorrect.

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Question 11

Incorrect

Mark 0.00 out of 1.00

With regard to the general Competence requirements, Representatives must have adequate, appropriate and relevant skills, knowledge and expertise in respect of the financial services, financial products and functions they perform AND:

Select one:

- a. must comply with the minimum experience, minimum qualification, Regulatory Examinations, Class of Business and Product Specific Training
- b. maintain their competence.
- c. must be financially sound.
- d. a and b.

Your answer is incorrect.

Question 12

Correct

Mark 1.00 out of 1.00

As a Representative of ABC Finance, you need to understand the requirements to comply with the FICA requirements embedded in the FAIS legislation. Consider the following statements carefully and then choose the statement that is TRUE.

Select one:

- a. One of the objectives of FICA is to introduce control measures to assist the detection and investigation of credit granting activities.
- b. In terms of FICA, accountable institutions are required to obtain statements from customers suspected to be laundering money.
- c. The FAIS compliance report requires information relating to an FSP's adherence to the FAIS General Code with regard to "the necessary policies, procedures and systems to ensure full compliance with FICA and other applicable anti-money laundering or terrorist financing legislation".
- d. FICA empowers the Financial Intelligence Centre to supervise the accountable institutions.

Your answer is correct.

The correct answer is: The FAIS compliance report requires information relating to an FSP's adherence to the FAIS General Code with regard to "the necessary policies, procedures and systems to ensure full compliance with FICA and other applicable anti-money laundering or terrorist financing legislation".

Question 13

Correct

Mark 1.00 out of 1.00

Section 24 (3) stipulates that if the accountable institution appoints a third party to keep records on its behalf, then particulars of the third party keeping records on behalf of the accountable institution must be provided to which body or bodies?

Select one:

- a. Financial Ombud Centre.
- b. Financial Intelligence Centre and supervisory body.
- c. Supervisory body.
- d. Financial Intelligence Centre.

Your answer is correct.

Question 14

Incorrect

Mark 0.00 out of 1.00

To give the client a fair advantage in making an informed decision, how should FSPs format and work their terms and conditions within a contract?

Select one:

- a. All terms and conditions have to be clearly set out in the form of marketing material.
- b. All terms and conditions have to contain legal language applicable to the specific code.
- c. All terms and conditions have to be set out in plain language and avoid technical terminology.
- d. All terms and conditions have to be set out clearly; however, they must never include the rights of the client.

Your answer is incorrect.

Your correct answer is: All terms and conditions have to be set out in plain language and avoid technical terminology.

Question 15

Incorrect

Mark 0.00 out of 1.00

When an accountable institution outsources its recordkeeping duty to a third party, it has to notify the FIC and relevant supervisory body of:

Select one:

- a. The date on which the outsourcing commences.
- b. The particulars of the third party.
- c. The time period for which this function will be outsourced.
- d. The reasons for the outsourcing of this function.

Your answer is incorrect.

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Question 16

Incorrect

Mark 0.00 out of 1.00

To give advice means to:

Select one:

- a. give factual information about products.
- b. make a recommendation of a financial nature to a client.
- c. provide guidance of a financial nature to a client.
- d. b and c.

Your answer is incorrect.

Question 17

Incorrect

Mark 0.00 out of 1.00

CPD activity means an activity that is:

- i. Accredited by a professional body.
- ii. Allocated an hour value or a part thereof by a professional body.
- iii. Verifiable.
- iv. Includes an activity performed towards a qualification.
- v. Includes Product Specific Training.

Select one:

- a. i, ii, and iii only.
- b. i, ii and v only.
- c. i, ii, iii and iv only.
- d. All of the above.

Your answer is incorrect.

Question 18

Correct

Mark 1.00 out of 1.00

FICA requires accountable institutions to keep records of:

Select one:

- a. Suspicious transactions.
- b. Cash transactions above a prescribed limit.
- c. Documents used to conduct customer due diligence and transactional records.
- d. Annual reports.

Your answer is correct.

Question 19

Correct

Mark 1.00 out of 1.00

The FAIS Ombud can deal with complaints regarding:

Select one:

- a. Mis-selling of long-term insurance products.
- b. Mis-selling of unit trust and investment products.
- c. Conduct of Representatives who sold products after 01/10/2004.
- d. Conduct of Representatives who sold products after 01/11/2004.

Your answer is correct.

Question 20

Correct

Mark 1.00 out of 1.00

ABC Finance is in the process of debaring Samantha. Before they may remove her name from their register they have to inform Samantha:

Select one:

- a. of the conditions for lifting the debarment only.
- b. in writing of the debarment only.
- c. in writing of the debarment, informing her of the reasons for the debarment as well as the conditions for lifting it.
- d. of the reasons for the debarment only.

Your answer is correct.

The correct answer is: in writing of the debarment, informing her of the reasons for the debarment as well as the conditions for lifting it.

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Question 21

Incorrect

Mark 0.00 out of 1.00

Ayanda, a Representative for an insurance company, wants to attend some courses and workshops in his personal capacity and as part of his training plan at work.

To establish with the providers which of these would contribute towards his CPD hours, he must establish that the courses and workshops:

Select one:

- a. Are verifiable and related to his work.
- b. Result in a number of NQF credits.
- c. Contribute to a qualification.
- d. Have been formally assessed.

Your answer is incorrect.

The correct answer is: Are verifiable and related to his work.

Question 22

Correct

Mark 1.00 out of 1.00

When an FSP wants to appoint a Representative, it may do the following to establish if a Representative indeed meets the requirements for Honesty and Integrity:

Select one:

- a. The FSP may only rely on declarations made by the Representative.
- b. The FSP can use whatever means to establish if a Representative meets the requirements for Honesty and Integrity.
- c. The FSP may only rely on declarations made by the Representative and contact previous employers.
- d. The FSP is limited with regard to means it may use to establish if a Representative meets the requirements for Honesty and Integrity.

Your answer is correct.

The correct answer is: The FSP can use whatever means to establish if a Representative meets the requirements for Honesty and Integrity.

Question 23

Correct

Mark 1.00 out of 1.00

Bankwithus Ltd is a registered bank and an accountable institution in terms of FICA. A new client, a registered close corporation, wants to make a deposit and open a current account. Which documentation must be obtained from the client?

- i. The registration documents of the close corporation.
- ii. A copy of the most recent financial statements of the close corporation.
- iii. Customer due diligence records of the members of the close corporation.
- iv. Documents confirming the authority of those acting on behalf of the close corporation.

Select one:

- a. ii, iii and iv only.
- b. i, iii and iv only.
- c. i, ii and iv only.
- d. i, ii and iii only.

Your answer is correct.

The correct answer is i, ii and iv only.

Question 24

Correct

Mark 1.00 out of 1.00

Compliance Officers are appointed:

Select one:

- a. By the FSP and approved by the FSCA.
- b. And approved by the FSCA.
- c. And approved by the FSP.
- d. None of the above.

Your answer is correct.

The correct answer is: By the FSP and approved by the FSCA.

Question 25

Incorrect

Mark 0.00 out of
1.00

The Financial Intelligence Centre Act requires that a Risk Management and Compliance Programme needs to be developed, documented, maintained and implemented. The Risk Management and Compliance Programme would NOT govern which option?

Select one:

- a. The process to monitor the financial application of clients' funds.
- b. A process for the recording of the required information, as well as the manner in which, and place at which the records must be kept.
- c. The steps to be taken to determine when a transaction is reportable.
- d. The training of employees of the FSP to recognise and handle suspected money laundering activities.

Your answer is incorrect.

The correct answer is: The process to monitor the financial application of clients' funds.

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Question 26

Incorrect

Mark 0.00 out of 1.00

Which of the following is NOT a control measure introduced by FICA?

Select one:

- a. Institutions have a duty to perform customer due diligence using a risk-based approach.
- b. Institutions are not allowed to keep any records whatsoever.
- c. Institutions must report certain information.
- d. Institutions must implement measures that will assist them in complying with the FIC Act.

Your answer is incorrect.

The correct answer is: Institutions are not allowed to keep any records whatsoever.

Question 27

Incorrect

Mark 0.00 out of 1.00

The Authority may publish Codes of Conduct, which contain the detail of the requirements when FSPs and Representatives render financial services to clients. There are a number of Codes, of which the most important is the General Code of Conduct.

Which of the following is NOT covered in the General Code of Conduct?

Select one:

- a. Disclosure requirements.
- b. Furnishing of advice.
- c. Advertising and direct marketing.
- d. Debarment of Representatives

Your answer is incorrect.

The correct answer is: Debarment of Representatives

Question 28

Incorrect

Mark 0.00 out of 1.00

Which of the following information does NOT have to be disclosed in respect of product suppliers by a provider?

Select one:

- a. The types of products available from the product supplier, including the FAIS licence category of these products.
- b. Names and contact details of the relevant compliance and complaints departments of the product supplier.
- c. Whether the provider holds more than a 10% share in the relevant product supplier's shares, or has any equivalent substantial financial interest in the product supplier.
- d. The contractual relationship with the product supplier (if any), and whether the provider has contractual relationships with other product suppliers.

Your answer is incorrect.

The correct answer is: The types of products available from the product supplier, including the FAIS licence category of these products.

Question 29

Incorrect

Mark 0.00 out of 1.00

If a client has a complaint against the provider, the provider:

Select one:

- a. has 3 months before they have to respond.
- b. must maintain a record of such complaints for a period of 10 years.
- c. must request the client to lodge such a complaint in writing.
- d. must maintain a record of such complaints for a period of 3 years.

Your answer is incorrect.

The correct answer is: must request the client to lodge such a complaint in writing.

Question 30

Incorrect

Mark 0.00 out of 1.00

Once a suspicious transaction has been reported and the authorities have investigated, The FIC must obtain information on the unlawful activities. How would they go about obtaining such information? Choose the INCORRECT statement.

Select one:

- a. They can only apply for a warrant to access records of a bank.
- b. They can apply for a warrant to access records.
- c. They can apply for a warrant to access records provided that there are reasonable grounds to believe that the records will assist in identifying the proceeds of unlawful activities.
- d. a and c.

Your answer is incorrect.

The correct answer is: They can only apply for a warrant to access records of a bank.

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Question 31

Incorrect

Mark 0.00 out of 1.00

Inez was debarred 9 months ago due to incompetence, and has applied for reappointment. You advise her that her debarment can be lifted, if:

Select one:

- a. Full competence has been achieved and all other requirements have been met.
- b. Full competence has been achieved and all Fit and Proper requirements have been met.
- c. 12 months have lapsed since the debarment date and she meets all the Fit and Proper Requirements.
- d. 12 months have lapsed since the debarment date and all unconcluded business has been properly concluded.

Your answer is incorrect.

The correct answer is: Full competence has been achieved and all other requirements have been met.

Question 32

Incorrect

Mark 0.00 out of 1.00

Henry is a Representative and has been advising his client Kyle with regard to a solution to provide funeral cover for his family. During the interaction, Henry has made the relevant contact stage disclosures verbally to Kyle. The General Code of Conduct further requires that the disclosures must be confirmed in writing within:

Select one:

- a. 30 days.
- b. 60 days.
- c. 15 to 31 days.
- d. 20 to 31 days.

Your answer is incorrect.

The correct answer is: 30 days.

Question 33

Incorrect

Mark 0.00 out of 1.00

The role of the Ombudsman for long-term insurance is to settle disagreements between clients and financial services providers regarding:

Select one:

- a. Unit trust and other investment contracts.
- b. Short-term insurance contracts.
- c. Long-term insurance contracts.
- d. The cancelling of long-term insurance contracts.

Your answer is incorrect.

The correct answer is: Long-term insurance contracts.

Question 34

Incorrect

Mark 0.00 out of 1.00

Which of the following persons are NOT included in the FAIS definition of a 'client'?

Select one:

- a. A specific person or group of persons to whom a financial service is rendered.
- b. The beneficiary of a financial service.
- c. The successor in title of a person to whom a financial service is rendered.
- d. Members of the general public.

Your answer is incorrect.

The correct answer is: Members of the general public.

Question 35

Correct

Mark 1.00 out of 1.00

Yaseen applied for a position as Representative with Excel Life. An investigation of his background revealed that he had been found to act in breach of a fiduciary duty 6 years ago. Yaseen was also found guilty by an English court of law of having acted fraudulently 3 years ago. Yaseen meets all the competency Fit and Proper Requirements. Which one of the following statements indicates how Yaseen's application should be handled?

Select one:

- a. He may not be appointed because he does not meet the Fit and Proper Requirements of Honesty, Integrity and Good Standing.
- b. He may be licensed because he meets all the competency Fit and Proper Requirements.
- c. He may not be appointed because he was found guilty of acting in breach of a fiduciary duty.
- d. He may be appointed because he can work under supervision in order to become compliant.

Your answer is correct.

The correct answer is: He may not be appointed because he does not meet the Fit and Proper Requirements of Honesty, Integrity and Good Standing.

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Question 36

Correct

Mark 1.00 out of 1.00

You are an employee of a reporting institution. During the course of your work, you have just become aware of the fact that one of your clients deposited two cash amounts of R20 000 into your company account. In terms of your duties, a report will have to be made to the FIC regarding these transactions. Identify the correct option in terms of the report to be made.

Select one:

- a. A suspicious transaction report needs to be sent within 5 days.
- b. A suspicious transaction report needs to be sent within 15 days.
- c. A cash threshold report needs to be sent within 15 days.
- d. Both a cash threshold report and a suspicious transaction report need to be sent within the relevant periods for reporting.

Your answer is correct.

The correct answer is: Both a cash threshold report and a suspicious transaction report need to be sent within the relevant periods for reporting.

Question 37

Incorrect

Mark 0.00 out of 1.00

Lea has a funeral policy and has not been able to pay the premium of the policy within the stipulated period. This policy will:

Select one:

- a. Continue for a further 6 months and then lapse.
- b. Provide cover that will pay out if Susan dies in an accident.
- c. Provide cover that will pay out no matter how Lea dies.
- d. Lapse or be cancelled.

Your answer is incorrect.

The correct answer is: Lapse or be cancelled.

Question 38

Correct

Mark 1.00 out of 1.00

Which statement reflects all the actions with regard to complaints that are within the power of the Ombud for Financial Services Providers (FAIS Ombud)?

Select one:

- a. The Ombud may dismiss a complaint or uphold it.
- b. The Ombud may dismiss a complaint, uphold it or refer it to a court, if it is more suitable to be heard by the court.
- c. The Ombud may dismiss a complaint, uphold it, decline it, if it is received 3 years after the date of the issue of the complaint, or refer it to a court of law, if more suitable to be heard by the court.
- d. The Ombud may uphold a complaint or decline it, if it is received 3 years after the date of the issue of the complaint.

Your answer is correct.

The correct answer is: The Ombud may dismiss a complaint, uphold it, decline it, if it is received 3 years after the date of the issue of the complaint, or refer it to a court of law, if more suitable to be heard by the court.

Question 39

Correct

Mark 1.00 out of 1.00

When a Representative acts under supervision, it means that they do not yet meet the Fit and Proper Requirements of:

Select one:

- a. experience and qualifications.
- b. qualifications and/or Regulatory Examinations.
- c. experience, qualifications, Class of Business, applicable CPD and/or Regulatory Examinations.
- d. experience and Regulatory Examinations.

Your answer is correct.

The correct answer is: experience, qualifications, Class of Business, applicable CPD and/or Regulatory Examinations.

Question 40

Incorrect

Mark 0.00 out of 1.00

Alice took out a funeral policy a few years ago in which she insured her family. Alice's husband recently died and Alice must submit a claim for the payment of her husband's funeral benefit. Alice should contact:

Select one:

- a. the branch admin assistant.
- b. The admin manager of the relevant branch.
- c. The branch manager of the relevant branch.
- d. The client servicing centre.

Your answer is incorrect.

The correct answer is: The client servicing centre.

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Question 41

Correct

Mark 1.00 out of 1.00

The purpose of POCA is to introduce measures to combat:

Select one:

- a. Organised crime and money laundering.
- b. Money laundering and criminal gang activities.
- c. Organised crime, money laundering and criminal gang activities.
- d. Organised crime and criminal gang activities.

Your answer is correct.

The correct answer is Organised crime, money laundering and criminal gang activities.

Question 42

Incorrect

Mark 0.00 out of 1.00

How long after establishment should an accountable or reporting institution be registered with the FIC?

Select one:

- a. Within 2 days.
- b. Within 1 year.
- c. Within 15 days.
- d. Within 90 days.

Your answer is incorrect.

The correct answer is Within 30 days.

Question 43

Correct

Mark 1.00 out of 1.00

Which of the following is NOT required in terms of FAIS? Representations made and information provided to a client by the provider:

Select one:

- a. must be factually correct.
- b. may, subject to the provisions of the General Code of Conduct, be provided orally and must be confirmed in writing within 30 days.
- c. must, where provided in writing or by means of standard forms or format, be in a clear and readable print size, spacing and format.
- d. must be provided in plain language, avoid uncertainty or confusion and not be misleading.

Your answer is correct.

The correct answer is may, subject to the provisions of the General Code of Conduct, be provided orally and must be confirmed in writing within 30 days.

Question 44

Incorrect

Mark 0.00 out of 1.00

Consider the following statements carefully and then choose the statement that is FALSE.

Select one:

- a. The FAIS Act was introduced to regulate the business of all Financial Services Providers who give advice or provide intermediary services to clients, regarding a wide range of financial products.
- b. Administration of the FAIS Act is done by the Financial Sector Conduct Authority. The Authority has defined functions, powers and obligations.
- c. The FAIS Act only applies to Financial Services Providers who give advice in relation to financial products.
- d. The enforcement part of the FAIS Act deals with the FAIS Ombud and related matters. It also deals with civil remedies, undesirable practices, offences and penalties, voluntary sequestration, windingup and closure.

Your answer is incorrect.

The correct answer is: The FAIS Act only applies to Financial Services Providers who give advice in relation to financial products.

Question 45

Incorrect

Mark 0.00 out of 1.00

Pauline (a Representative) is faced with a difficult choice: the FAIS Code of Conduct requires her to act in the interests of the customer and the integrity of the financial services industry. If she tells her customer about a certain feature of Product A, she may lose the sale, but her company needs to boost sales of Product A in order to achieve their strategic objectives.

Which one of the following options presents the most appropriate course of action?

Select one:

- a. Pauline tells the customer about the feature and, if he does not purchase Product A, she must work harder to attract suitable buyers.
- b. Pauline must first conclude the sale and then tell the customer about the features to make sure that there are no undisclosed relevant facts.
- c. Pauline must encourage the customer to purchase the product that suits his needs, even if her sales do not reflect the targets provided.
- d. Pauline must continue to promote the product, together with a service or other innovative solution that overcomes the negative feature.

Your answer is incorrect.

The correct answer is: Pauline must encourage the customer to purchase the product that suits his needs, even if her sales do not reflect the targets provided.

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Question 46

Incorrect

Mark 0.00 out of 1.00

A conflict of interest can arise where a Representative:

Select one:

- a. represents more than one product supplier.
- b. has business interests with the client.
- c. has conflicting business and personal interests.
- d. has personal interests as far as the client is concerned.

Your answer is incorrect.

The correct answer is: represents more than one product supplier.

Question 47

Incorrect

Mark 0.00 out of 1.00

A Representative must, at the date of appointment by an FSP, have:

Select one:

- a. the minimum experience requirements, unless working under supervision.
- b. all the required qualifications, unless working under supervision.
- c. completed all regulatory examinations, unless working under supervision.
- d. All of the above.

Your answer is incorrect.

The correct answer is: All of the above.

Question 48

Incorrect

Mark 0.00 out of 1.00

When a client lodges a complaint to the Ombudsman of Long-Term Insurance, it must be done by:

Select one:

- a. writing a letter and sending a copy of the insurer's final response.
- b. writing a letter in English only.
- c. completing a complaint registration form and sending a copy of the insurer's final response.
- d. sending a copy of the insurer's final response only.

Your answer is incorrect.

The correct answer is: writing a letter and sending a copy of the insurer's final response.

Question 49

Correct

Mark 1.00 out of 1.00

Ayiesha is a Representative working for BigTime Brokers. The Key Individual was informed by Ayiesha that while she was a director of her previous company that company was placed under liquidation.

Choose the CORRECT statement.

Select one:

- a. Ayiesha cannot act as a Representative, because she does not meet the Fit and Proper requirements in terms of Good Standing.
- b. Ayiesha's Fit and Proper will be assessed by the Authority, having regard to the seriousness of the conduct, and whether the behaviour could potentially have a negative impact on her Honesty, Integrity and Good Standing in future, and the relevance of the conduct.
- c. Ayiesha's Fit and Proper will be assessed by the FSP, having regard to the seriousness of the conduct, and whether the behaviour could potentially have a negative impact on her Honesty, Integrity and Good Standing in future.
- d. Ayiesha must wait 12 months before she can be appointed as a Representative for BigTime Brokers.

Your answer is correct.

The correct answer is: Ayiesha's Fit and Proper will be assessed by the Authority, having regard to the seriousness of the conduct, and whether the behaviour could potentially have a negative impact on her Honesty, Integrity and Good Standing in future, and the relevance of the conduct.

Question 50

Incorrect

Mark 0.00 out of 1.00

Select the INCORRECT statement. A provider, other than a direct marketer, must, prior to providing a client with advice:

Select one:

- a. take reasonable steps to seek appropriate and available information from the client regarding their financial situation, financial product experience and objectives to enable the provider to provide the client with appropriate advice.
- b. conduct a comprehensive financial needs analysis for purposes of the advice based on the information provided.
- c. identify the financial product or products that will be appropriate to the client's risk profile and financial needs, subject to the limitations imposed on the provider under the Act or any contractual arrangement.
- d. take reasonable steps to establish whether the financial product identified is wholly or partially a replacement for an existing financial product of the client and, if it is such a replacement, the provider must comply with sub-paragraph (d).

Your answer is incorrect.

The correct answer is: conduct a comprehensive financial needs analysis for purposes of the advice based on the information provided.