

Paraplanning

Purpose

This unit enables financial planning professionals to develop knowledge and understanding of the role of the paraplanner in providing financial services, and how to evaluate and analyse the customer's financial circumstances to provide potential solutions.

Learning Outcomes

At the end of this unit, candidates will be able to:

Summary of learning outcomes
1. Explain the regulatory, legal and ethical frameworks of paraplanning
2. Evaluate the client's personal and financial circumstances
3. Analyse the financial planning requirements of the client and provide potential solutions

Entry guidance

It is assumed that the candidate already has the knowledge and application skills gained from a study of R02 Investment principles and risk and R03 Personal taxation.

Important notes

- Method of assessment: completion of 3 coursework assignments.
- Coursework assignments should be based upon the English legislative position and tax year at the time of submission.
- Resubmissions need not be updated to a new legislative position or tax year when they are resubmitted after the original date of submission.
- 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/learning/qualifications
 2. Select the appropriate qualification
 3. Select your unit from the list provided
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1. Explain the regulatory, legal and ethical frameworks of paraplanning

- 1.1 Describe the regulatory framework within which paraplanning operates;
- 1.2 Explain the legal implications of obtaining and using client information;
- 1.3 Explain the importance of ethical standards in paraplanning.

2. Evaluate the client's personal and financial circumstances

- 2.1 Assess fact find information, including the risk profile and client specific objectives;
- 2.2 Apply and evaluate the use of financial planning tools as appropriate:
 - Cash flow analysis;
 - Net worth statements.
- 2.3 Assess the client's tax position, including performing relevant tax calculations.

3. Analyse the financial planning requirements of the client and provide potential solutions

- 3.1 Provide a document suitable for presentation to the financial adviser:
 - Assessing the appropriateness of current financial solutions;
 - Outlining the options available with relevant analysis.
- 3.2 Provide a compliant document in the form of a Suitability Report appropriate for presentation to the client:
 - Summarising the current position;
 - Analysing the benefits and drawbacks of options;
 - Making recommendations with justifications. This should include specific justifications;
 - Disclosing costs and charges.
- 3.3 Explain the importance of ongoing monitoring and review.

Available Resources

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

Note: The assignments will test the syllabus alone. However, it is important to read additional sources as 5% of the final mark is allocated for evidence of further reading and/or the use of relevant examples.

The resources found here: www.cii.co.uk/learning/ will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

Additional reading material can also be found referenced in an appendix within the study text.

Learning support

Paraplanning. London: CII. Study text J09.
Investment principles and risk. London: CII. Study text R02.
Personal taxation. London: CII. Study text R03.

Exemplar paper

An exemplar paper is available for this unit. It is available on the CII website under the unit description / purchasing page. You will be able to access this page from the Qualifications section of the CII website: www.cii.co.uk/qualifications.

The exemplar paper is also available on the RevisionMate website www.cii.co.uk/login after you have purchased the unit.

Supporting coursework documents

Additional information which is provided for coursework assignments can be found here: www.cii.co.uk/learning/qualifications/assessment-information/coursework-and-dissertations

Coursework preparation

Coursework preparation guidance and further supporting documentation are available via the CII website: www.cii.co.uk/learning/qualifications/assessment-information