



Learning Outcome

Assessment Criteria

Indicative Content

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1 2 Questions	Know the main features and uses of Individual Savings Accounts (ISAs).	1.1	Identify the basic features of ISAs.	1.1.1	Types of scheme.
				1.1.2	Tax advantages.
				1.1.3	Investment objectives.
		1.2	Describe the main uses of ISAs for saving, security for a loan and retirement.	1.2.1	Brief coverage of the benefits of ISAs in investment and retirement planning and as repayment and savings vehicles for mortgages and loans and the impact on administration.
2 8 Questions	Understand ISA investors and applications.	2.1	Describe the main requirements and issues associated with ISA applications.	2.1.1	Applications – eligibility, information requirements.
				2.1.2	Declaration and authority.
				2.1.3	Acknowledgements and incomplete applications.
				2.1.4	Incapacity to sign.
		2.1.5	Customer agreements.		
2.2	Describe the cancellation and cooling-off procedures.	2.2.1	Cancellations and cooling-off procedures.		
3 4 Questions	Know the regulation and authorisation of ISAs.	3.1	Describe the key legislative basis of ISAs.	3.1.1	ISA legislation in outline.
				3.1.2	HM Revenue and Customs (HMRC) role and responsibilities.
				3.1.3	Role and responsibilities of the account manager.
		3.2	Describe how ISAs are authorised and withdrawn, including the main parties, processes and considerations involved.	3.2.1	Application for authorisation.
				3.2.2	Withdrawals of authorisation.
				3.2.3	Reinstatement provisions on default of an ISA Manager.
3.2.4	Role and responsibilities of third party administrators.				
3.2.5	Money laundering considerations – identity, information and remedial action.				
4 7 Question	Know ISA investment rules and restrictions.	4.1	Describe the ISA investment rules and restrictions.	4.1.1	Subscription options and methods.
				4.1.2	Approved employee share schemes.
				4.1.3	Regular savings.
				4.1.4	Qualifying investments (cash and stocks/shares).
				4.1.5	Dealing.



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5 5 Questions	Understand income and tax claims.	5.1	Describe the tax treatment of various forms of ISA income.	5.1.1	Cash dividend and interest.
				5.1.2	Bonus issues.
				5.1.3	Rights issues.
		5.2	Describe the manager's responsibilities and appropriate actions concerning tax claims.	5.2.1	New issues/Public offers.
				5.2.2	Income options for ISA.
				5.2.3	Income Tax and claims.
6 2 Questions	Understand ISA holder rights.	6.1	Describe the manager's obligations to ISA holders.	5.2.4	Interest on uninvested cash on deposit in ISA stocks and shares component.
				6.1.1	Contract/advice notes.
				6.1.2	Statements and valuation.
				6.1.3	Manager's obligations to shareholder rights.
7 3 Questions	Know the charges and expenses of ISAs.	7.1	Describe charges and expenses of ISAs.	6.1.4	Manager's responsibilities for correcting errors.
				7.1.1	Which charges must be taken from within and which from without an investor's account or subscription.
				7.1.2	Initial charges.
				7.1.3	Periodic and additional management charges.
		7.2	Explain the exit and transfer charges applicable to ISAs.	7.1.4	Additional administrative charges.
				7.2.1	Exit charges.
8 11 Questions	Understand ISA withdrawals, closure, the death of an investor, transfers.	8.1	Identify the issues and actions necessary to deal with ISA withdrawals, closures and the death of an investor.	7.2.2	Transfer charges.
				8.1.1	Withdrawals, including calculation of market value on withdrawal of investment from account.
				8.1.2	ISA closure and payment of outstanding benefits.
				8.1.3	Invalid accounts.
				8.1.4	Failure to meet ISA regulations.
		8.2	Identify the issues and processes involved in transferring ISAs and ISA account managers.	8.1.5	Death of an investor – evidence, options, calculations.
				8.2.1	Reasons and procedures.
				8.2.2	Partial transfers.
				8.2.3	Transfer of account manager.
				8.2.4	Transfers out.
				8.2.5	Outstanding dividends, interest or tax credits and income tax recoverable.
8.2.6	Transfers in.				



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9 5 Questions	Know ISA returns of information and HMRC inspections.	9.1	Identify the HMRC requirements for annual ISA returns.	9.1.1	Annual returns of information.
		9.2	Describe the HMRC inspection regime and the handling of breaches.	9.2.1	Purpose and content of HMRC inspection visits.
				9.2.2	Breaches of ISA rules – reparable or irreparable.
9.2.3	Typical resolutions of breaches.				
10 3 Questions	Understand the different features and administrative requirements of junior ISAs and Child Trust Funds.	10.1	Identify the main features and administrative requirements of junior ISAs and Child Trust Funds.	10.1.1	Junior ISAs – key features and differences from ISAs.
				10.1.2	Child Trust Funds – key features and differences from junior ISAs.
				10.1.3	Administrative and /or reporting requirements.