

# Life and pensions principles and practices

## Objective

At the end of this unit, candidates should be able to demonstrate a knowledge and understanding of

- the role of the life and pensions sector;
- the sector's operational functions and activities and;
- the sector's regulatory and legislative environment, including individual professional responsibilities.

Summary of learning outcomes	Number of questions in the examination*
1. Understand the role and value of the financial services sector	5
2. Understand the importance of life and pensions products and services for society, the economy and individuals	9
3. Understand the structures and main activities of the life and pensions sector	10
4. Understand the key principles of risk, contracts and insurance law	11
5. Understand ethical, legal and regulatory duties and how these relate to organisational and individual responsibilities	15

\* 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: 50 multiple choice questions (MCQs). 90 minutes are allowed for this examination.
- This syllabus will be examined from 1 September 2026 to 31 August 2027.
- Candidates will be examined on the basis of English law and practice in the tax year 2026/2027 unless otherwise stated.
- This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us on [online.exams@cii.co.uk](mailto:online.exams@cii.co.uk) to discuss your needs.

## 1. Understand the role and value of the financial services sector

- 1.1 Describe the functions of the financial services sector, including life and pensions.
- 1.2 Describe the key institutions and organisations within financial services, including the UK government, and their roles.

## 2. Understand the importance of life and pensions products and services for society, the economy and individuals

- 2.1 Explain the social value of insurance and how protection needs are met by State and private provision.
- 2.2 Explain the importance of sufficient retirement income and how this is supported by State and private provision.
- 2.3 Explain the role of investments in life and pensions products and services.

## 3. Understand the structures and main activities of the life and pensions sector

- 3.1 Describe the main organisation types and operating models within the life and pensions sector.
- 3.2 Describe the key functional areas within life and pensions organisations.

## 4. Understand the key principles of risk, contracts and insurance law

- 4.1 Explain how risk is defined and addressed by consumers and providers.
- 4.2 Explain the key principles of contracts and insurance law.
- 4.3 Explain duties relating to clear information and disclosure and their importance.

## 5. Understand ethical, legal and regulatory duties and how these relate to organisational and individual responsibilities

- 5.1 Explain the objectives and roles of financial regulators and the Ombudsman.
- 5.2 Explain the features and importance of professional standards and ethical and inclusive practice.
- 5.3 Explain conduct risk and the regulatory measures in place to ensure good conduct.
- 5.4 Explain legislation and legislative duties relating to – data protection; financial crime; equality.
- 5.5 Describe the consequences of ethical and unethical conduct.

## Additional resources

The following resources may assist you with your studies.

**Note: The examination will test the syllabus alone.**

Supporting information for the syllabus can be found on the unit page via the CII website. The resources found here: [www.cii.co.uk/learning](http://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

Life and pensions principles and practices. London: CII. Study text LP3.

## Assessment information

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

## Examination guide

The examination guide is available on the unit page via the CII website.

If you have a current study text enrolment, the current examination guide is included and is accessible via **RevisionMate** ([www.cii.co.uk/login](http://www.cii.co.uk/login)). Details of how to access RevisionMate are on the first page of your study text.

It is recommended that you study from the most recent versions of the examination guide.

## Exam preparation

Exam preparation guidance and supporting exam documentation are available via the CII website: <https://www.cii.co.uk/learning/qualifications/assessment-information>.