

Give yourself the best chance of success

**A guide for the
Exam Preparation Course**

2007 | EPE student guidelines



CII

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The Chartered Insurance Institute (CII) Professionalism in practice



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The CII is the premier professional organisation for those working in the insurance and financial services industry. It is dedicated to promoting higher standards of competence and integrity through the provision of relevant qualifications for employees at all levels and across all sectors of the industry.

Success in CII qualifications is universally recognised as a sign of commitment and professionalism.

With 90,000 members, the CII is the world's largest professional body dedicated to the insurance, savings and financial services sector. Its broad portfolio of education and qualification services is continually expanding to meet the changing requirements of companies and individuals across the financial services community.

Further information on the CII and its wide range of products and services can be found at www.cii.co.uk

THE CHARTERED INSURANCE INSTITUTE

42 - 48 High Road, South Woodford, London E18 2JP

tel: +44 (0)20 8989 8464

fax: +44 (0)20 8530 3052

email: customer.serv@cii.co.uk

website: www.cii.co.uk

About your exam preparation course

The CII's exam preparation course is a distance learning scheme which enables you to undertake a structured learning program, working through the course material in a logical fashion, testing your knowledge and understanding along the way. It includes the provision of a study text and updates developed to assist you in understanding and learning the topics covered by the exam syllabus.

The course consists of five Exam Preparation Exercises (EPEs), each focused on a different area of the exam syllabus to support structured study. Each takes approximately 40 minutes to complete. Your assigned expert tutor will mark these to exam standards, returning them with model answers and individual feedback on how you can improve your answers and exam technique.

Additionally you will receive details on how candidates performed on specific questions and question types in past exams and in this guide you should find some practical guidance on effective exam preparation.

The course materials you have received will form the basis of your studies. The exam preparation course is designed to be as user-friendly as possible and there are a number of facilities available to you as a distance learning student:

- **Exercise marking and correction.** This is one of the most valuable components of the course for which you have enrolled. You acquire the services of a subject matter expert who will mark your work and provide feedback on your performance. Most of the guidelines in this booklet are concerned with aspects of study technique and exercise completion.
- **Updating materials.** You will receive from us any updating material relating to your course for one year from the date you purchased it. All courses are reviewed twice each year and any new material will be supplied in one of the following formats:
 - new edition of the study text;
 - set of replacement pages for insertion into your study text.
- **Enquiry service.** For difficulties with particular areas of study, there is an enquiry service, which enables you to write to your tutor to obtain guidance and information. If possible you should first try to find the answer yourself especially where a work colleague may have the necessary knowledge to assist you. If there are any questions concerning the content of your study text you simply cannot resolve, you can approach your tutor. An enquiry form can be downloaded from www.cii.co.uk/updates/distance_learning.

If you have any other queries about your distance learning course, please contact Customer Service on 020 8989 8464.

Study tip

Use the syllabus!

Each course has been developed to provide comprehensive coverage of the examination syllabus, but you should **always** refer to the syllabus to ensure that you have covered all the information required in your studies. Current syllabuses can be viewed on our website www.cii.co.uk

Completion and submission of exercises

The study course is designed to provide a personal form of instruction by linking you to a tutor for each subject you are studying. It is strongly recommended that you work independently on each Exam Preparation Exercise (EPE) and that all exercises that you submit are your own original work in order to gain maximum benefit from your tutor's feedback.

The EPEs are set to test the theoretical and practical knowledge and understanding that will be required of you in the examination. The value of distance learning is indicated by past performance of distance learning students.

When completing and submitting your exercises, you should follow the procedures below:

1. Contact our customer service department and ensure details of your email address are correct.
2. Receive an email informing you when an EPE is ready for download from www.cii.co.uk/updates/distance_learning.
3. Download the EPE from www.cii.co.uk/updates/distance_learning and print it out.
4. Download the EPE student details template and print.
5. Fill in your details on the template.
6. Work through the exercise writing your answers on A4 paper ensuring your writing is clearly legible.
7. Take a photocopy of your work in case your answer sheet goes missing in the post.
8. Securely attach your details to the front of your completed exercise.
9. Send your answer sheet and details to your allocated postal tutor for marking.
10. Receive your marked exercise back from your tutor with marks, feedback and examiners comments.
11. Carefully read all feedback and engage in extra study as recommended by your tutor.
12. Repeat steps 2–11 for the remainder of the EPEs available on your course.

You should follow the completion rules stated below:

- Each assignment should be completed on A4 paper.
- Ensure your details are attached to the front of each exercise.
- The completed exercise should be clearly legible.
- Write the number of each question in the margin before your answer.
- Leave at least 8 lines after each answer for your tutor's comments.

Important note

In order to benefit fully from your tutor's feedback and due to the volume of exercises that your tutor receives, you should not submit more than two exercises at any one time.

Time allowed

For each exercise, if you are taking it as though it were an actual exam, we recommend that you spend 40 minutes completing it. You will not be penalised if you spend longer than the recommended time on an exercise; however you should not become 'bogged down' and spend an unrealistic amount of time on any exercise. When working you should divide your time among the questions in order that you will be able to complete them all in the time allowed. This is an essential skill for examination preparation. Ensure you note the number of marks available for each question and allocate your time accordingly.

Grammar and punctuation

Marks will not be deducted in the exam for errors in grammar and punctuation; likewise your tutor will not deduct marks for such errors in your distance learning course. However, errors will be highlighted and it is important to remember that the EPEs and the exam itself are an exercise in communication. You should help the reader by presenting your work as clearly as possible. When completing EPEs, you can take the opportunity to improve your spelling by using a dictionary and noting the correct spelling and precise meaning.

Style

The writing style that you should adopt will be dependent on each question. In general, it is recommended that you use a simple, direct style of writing. Think about the points that you wish to cover in your answer before you begin and then write them down in plain words using short sentences grouped into paragraphs. (See Key Words on page 11.)

Studying more than one subject

If you are studying more than one subject, unless they are sequential or you are given specific advice to the contrary, plan to study each at the same pace concurrently. The course materials are written in a progressive way so that you will be moving from straightforward to more complex topics in each subject. It means too that, if you have been studying two or more subjects, you will be ready to revise them more easily because each will have been learnt in a patterned sequence right up to your planned revision time. If you don't do this, there may be areas of subjects that you have just not studied at all for a period of months which makes the revision process much more difficult.

Recommended approach to study

In approaching your exam preparation course, there is a good seven step plan which has been shown to work well.

1. Structure

Get a feel for the subject by looking carefully at the subject syllabus (provided in the front of your study text) and by flicking through the course material. Work out the structure by looking at the contents pages, headings, learning objectives and questions. Ask yourself what you already know about the subject.

2. Scope

Once you have created this learning framework, read the chapters which cover the first learning outcomes of the syllabus fairly quickly to establish the scope of the material. Relate it to any existing experience you have of the subject.

3. Analysis

Read the chapter again, this time carefully. Analyse the content.

Take in the detail. Does it make sense? Do you understand it? Does it fit in with other knowledge? Does it coincide with what happens in practice? What areas of the syllabus does it cover? Resolve any difficulties at this stage.

4. Assessment

Try the self-assessment questions at the end of the chapter.

Write your answers in the space provided. Check against the answers given in the study text. Were you right? If not, go back and revise any problem areas.

5. Achievement

Look again at the learning objectives at the beginning of the chapter and in the syllabus. Can you now do what they say you should be able to? If not, revise further.

6. Exam Preparation Exercise

Attempt the first EPE and submit it to your tutor for marking and comment. When it is returned to you, look through it carefully and refer to the model solution which will be supplied. Work progressively through the subsequent areas of the syllabus and EPEs, repeating steps 2–6.

7. Revision

To make sure that information stays in your long-term memory, revise for about ten minutes within 24 hours of your studies. Subsequently, look through the material at least once a week to ensure that your memory of it remains effective.

Revise thoroughly before the examination.

Study tip

Plan to study regularly

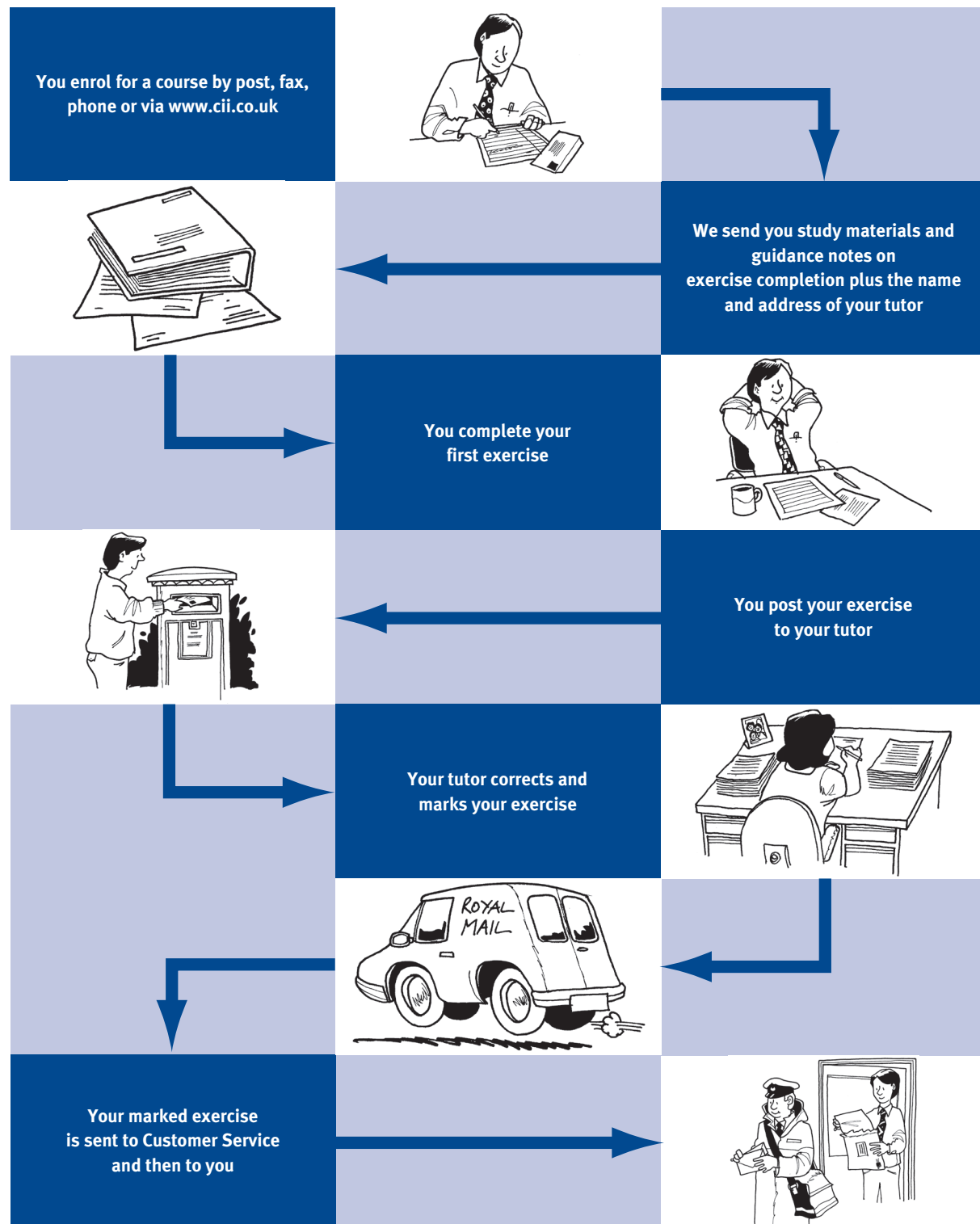
The key to examination success is a properly planned study programme. If you do not plan your studies, you run the risk of having large areas of the knowledge base which you simply cannot cover.

Try to set aside as much time as you can for studying, but be realistic.

- Make a timetable and stick to it – build it into your plan. If you have to miss some study time, re-order your schedule.
- Study under conditions that suit you best.
- Study for short sessions and take frequent breaks.
- It is better to revise on a regular basis than to leave the major revision period until immediately before the examination. If you study for two hours, try to revise the work the following day for ten minutes. Revise again one month later. If you use this pattern you will find a far greater proportion of the material is stored in your long-term memory.
- Do not send all your EPEs in one batch just before the exam date.

The postal tuition system

The system works in the following way:



Despatch of exercises

Download the student details template from www.cii.co.uk/updates/distance_learning and use this as a cover sheet to accompany your completed exercises. You will need to write your name, CII PIN, subject and the number of the EPE. The information required on the template is used to return your exercise; missing or incomplete fields can cause problems in marking and processing and could delay the return of your work.

Students need to make sure that:

- Each EPE submitted has all relevant information completed on the front sheet.
- The course number is entered accurately.
- You have photocopied your work.
- The packet is adequately stamped. You should note that in many cases a 1st class stamp may not be adequate.
- The EPE is posted to your tutor.
- Under **no** circumstances should you hand deliver your exercises to your tutor's private address.

UK students should not use recorded delivery as this can lead to delays if your tutor is not available to sign for delivery.

Marking and feedback

Your EPEs will be marked by your tutor and returned to you via Customer Service. We aim to have your exercises returned within two weeks; however, please note that in the run up to the examinations tutors are always inundated with submissions and delays are therefore likely. A model solution will be returned with your EPE for your reference. You should study your returned exercise with care and see how your own answer could have been improved.

All of our tutors are issued with a marking guide to ensure that marking is consistent and fair to all students. A grade will be given on the cover slip as well as a summary comment.

The grades correspond to the percentage marks:

'D' (distinction)	75% or over
'P' (pass)	55–74%
'X' (narrow fail)	45–54%
'Y' (fail)	44% and below

Tutors will tick parts of the assignment to indicate that they have read the material. Written feedback is provided on your assignment which highlights weak areas, and this should be used in conjunction with our model solutions.

Your feedback

We do hope that you enjoy the course and would value any comments you may wish to make. If you wish to provide feedback, a form can be downloaded from the CII website; www.cii.co.uk/updates/distance_learning and sent to the address on the form.

Exam technique – helpful hints and tips

The syllabus

It is crucial that you study the syllabus, which can be found at the front of your study text, obtained online at www.cii.co.uk or from Customer Service. All of the questions in the examination will be based directly on the syllabus. You will be tested on the syllabus alone, so it is vital that you are familiar with it.

A reading list is provided with each syllabus. You are advised to read as widely as possible when preparing for the examination and to keep up to date by reading the financial periodicals suggested.

Tax guide

At the back of each examination paper there is a tax guide. It will help if you familiarise yourself with this. This will enable you to concentrate on answering the questions without having to worry about remembering general tax information. **Please note that you are not allowed to take your own tax guide into the examination.**

Assessment

Assessment is by means of a two hour written paper. The paper comprises fifteen compulsory short answer questions.

In the examination

Assuming you have prepared adequately you will only do justice to yourself in the examination if you adopt the following crucial rules:

1. Spend your time in accordance with the marks allocated to each question

Always remember that if you do not complete the paper, your chances of success may be reduced drastically. The maximum marks allocated to each question and its constituent parts are given on the question paper. The number of marks is the best indication of how much time you should spend on each question part. If part of a question has just two marks allocated, there are likely to be only one or two points for which the examiner is looking. Conversely, if part of a question has 14 marks allocated a couple of lines will not be an adequate answer.

2. Do not spend too much time on any question

If you have used up your time allocation for a particular question, leave some space, go on to the next question and only return to the other question after you have completed the rest of the paper.

3. Take great care to answer the precise question set

You will see by looking at any of the model answers provided by the CII that they are focused and specific; answers will only be acceptable if they answer the question. However brilliantly you write on a particular topic, if it does not satisfactorily answer the specific question set you will not score the allocated marks.

Candidates with several years' experience should bear this in mind when answering questions; very experienced candidates have a tendency to read more into questions than is intended, or fail to note down creditworthy points because they feel these points are too obvious. Providing excessive background detail, which is not asked for by the question or commenting on peripheral matters, will not gain extra marks and will lose candidates valuable time in the examination.

Many candidates leave the examination room confident that they have written a good paper only to be mystified when they receive a fail result. Often the explanation for this lies in a failure to think carefully about what the question is asking for before putting pen to paper.

4. Understand what the key instruction words mean.

Each question part contains an instruction for you to carry out some sort of task, e.g. state, list, explain. These words are used very carefully and marks are allocated on the basis that you have understood the instruction and followed it precisely. For example, if you are only asked to list but ignore the instruction and provide a detailed explanation, you will not gain any extra marks and will have wasted time which might have been used to gain marks elsewhere in the paper. Some guidance on interpreting the meaning of key words is given on page 11.

5. Read all parts of a question before attempting to answer

Some questions in your exam may involve reading an introductory paragraph and answering a series of questions based on it. You are advised first to skim read the text, then read carefully all the question parts before reading the text a second time; this time highlighting the points which are relevant to your answers. Only after this, should you begin to answer each question part.

This approach means that your second reading of the text will be more productive and that you have read all the question parts before you put pen to paper. It stops you including in your answer to part (a), material that would have been more appropriate in part (b). You will therefore avoid having to duplicate much of what you have already written. Examiners will only give credit for an answer if it is contained within the correct question part.

The examiners allow time for you to read the paper when they plan the examinations so do not think that you are wasting your time.

6. Consider the format in which you need to present your answers

You can reduce the amount of time it takes you to write the answers in the examination by following a bullet point or similar note format. However, there are some instances where your answers should be written in full sentences because of the way the question has been phrased.

When you are asked to calculate you should show all of your workings. Marks will be awarded for showing the correct method and not just for the correct answer. This ensures that, if you make a mistake in calculating the answer, you will not lose all the marks if you have shown the examiner that you know the correct method.

7. Ensure your handwriting is legible

Provided your handwriting is legible you will not lose marks if it is untidy. You are strongly recommended not to write in block capitals because it will slow you down and block capitals can become more difficult to read when written quickly.

8. Do not panic

The examination has not been designed to catch you out. There are no trick questions. Being calm and thoughtful during the examination will help you get the most from your preparation.

If you bear in mind all of the above points when preparing for the examination, you should stand the best chance of success in the examination. Good luck.

Key words and their meanings

Here are some of the key instruction words and phrases used most frequently in examinations, with explanations of their meaning.

Note down	<p>This means write down briefly the information required, usually a series of points with a common theme.</p> <p>From the information provided note down the relevant points under the following headings:</p> <p>(i) Pension details</p> <ul style="list-style-type: none"> Felix and Angela are currently not making any pension provision. Felix is eligible to join his company scheme, which requires 6% members' contribution. Etc. <p>You should state the relevant facts about pensions and financial objectives without explanation.</p>
Identify and explain	<p>This means pick out, state and give reasons for your choice.</p> <p>Identify and explain any errors and inconsistencies in the information provided.</p> <ul style="list-style-type: none"> Felix states he is not a member of the company pension scheme but Angela believes that he has life assurance under this scheme. Etc. <p>You should state all the errors and inconsistencies you can find and for each one give at least one reason why you have selected it.</p>
Describe	<p>This means state all the relevant characteristics of something.</p> <p>Describe three types of protection policy which Clare could consider.</p> <ul style="list-style-type: none"> Long-term care cover. Meet costs of private home nursing or nursing home care. Etc. <p>You should separately state all the relevant features of three types of suitable cover.</p>
Outline	<p>This means give a framework description, omitting the minor characteristics.</p> <p>Outline the advantages of each contract as you would to Mike.</p> <p>Critical illness</p> <ul style="list-style-type: none"> Pays out lump sum on diagnosis of specified illness. Etc. <p>You should state the key advantages to Mike of each contract in turn.</p>
List	<p>This means write down a series of items in concise form, without explanation.</p> <p>List the different costs associated with arranging the mortgage.</p> <ul style="list-style-type: none"> Valuation fee or survey. Arrangement fee (if applicable). Etc. <p>You should write just enough to identify each item, without further comment.</p>

Calculate	<p>This means use numerical data to work out the required result. Always write down your workings because the majority of marks are usually allotted for demonstrating that you understand the method, rather than your mathematical proficiency.</p> <p>Calculate the income that your portfolio will produce.</p> <p>You should set out clearly for each product your calculation of how much income it will produce and provide a total. This type of question will usually also ask you to explain the tax treatment of the income, so you will need to show the gross and net figures, as appropriate, and describe how tax is paid, e.g. deducted at source.</p>
State	<p>This means give the relevant points without elaboration and preferably in logical sequence.</p> <p>State the advantages and disadvantages of such a term assurance policy for Nicola.</p> <p>Advantages</p> <ul style="list-style-type: none"> • Cheaper form of life cover. • Etc. <p>Disadvantages</p> <ul style="list-style-type: none"> • No surrender value is available. • Etc. <p>You should set out as separate points each advantage and then each disadvantage. Discussion or comparison of relative merits is not required here.</p>
Briefly	<p>This means give a short, concise answer, having regard to the marks available. 'Briefly' is used by examiners to warn candidates that they do not require an in-depth treatment of the topic, but just the key points. See also 'outline'.</p> <p>Explain briefly how investment trusts are taxed.</p> <ul style="list-style-type: none"> • Capital gains may be charged when the gain is realised. • Net gains may be reduced by the indexation allowance/taper relief. • Etc. <p>You should state the main facts; seven marks were allocated here, so it is likely that a good answer will contain six to eight points.</p>

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42 - 48 High Road, South Woodford, London E18 2JP

tel: **+44 (02)0 8989 8464**

fax: **+44 (02)0 8530 3052**

email: **customer.serv@cii.co.uk**

website: **www.cii.co.uk**

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