



FACULTY OF BUSINESS

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **FIN2113 FINANCIAL PLANNING & WEALTH MANAGEMENT**
Semester & Year : May - August 2022
Lecturer/Examiner : Associate Professor Dr. Akram Al-Khaled
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (25 marks) : Answer all THREE (3) short answer questions. Answers are to be written in the Answer Booklet provided.
PART B (75 marks) : Answer all THREE (3) structured questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 3 (Including the cover page)

PART A : SHORT ANSWER QUESTIONS (25 MARKS)

INSTRUCTION (S) : Answer **ALL THREE (3)** questions. Answers are to be written in the Answer Booklet (s) provided.

Question 1

Briefly discuss the following terms:

a) Risk and return (3 marks)

b) Estate planning (3 marks)

c) Mutual funds (3 marks)

(Total: 9 marks)

Question 2

a) Describe **FOUR (4)** characteristics of a bond which require to be known by each investor prior to investing their fund in the bond market.

(8 marks)

b) Explain **FOUR (4)** characteristics of a preferred stock.

(8 marks)

(Total: 16 marks)

End of Part A

PART B : STRUCTURED QUESTIONS (75 MARKS)

INSTRUCTION (S) : Answer **ALL THREE (3)** questions. Write your answers in the answer Booklet(s) provided.

Question 1

a) Investment is part of the overall financial planning. The amount of savings available could be utilised to invest different types of investment to maximise the returns. Describe **THREE (3)** types of financial instruments.

(9 marks)

b) Financial planning helps you determine your short and long-term financial goals and create a balance plan to meet those goals. Explain **FOUR (4)** components of a constructive financial plan.

(16 marks)

(Total: 25 marks)

Question 2

Investment activities played a major role in today's financial planning and wealth creation scenario.

a) Examine **FIVE (5)** key factors that influence a firm to partake in a potential investment.

(15 marks)

b) Describe **FIVE (5)** types of risk to which investors are exposed.

(10 marks)

(Total: 25 marks)

Question 3

Retirement is one of the most important life events many of us will ever experience. From both a personal and financial perspective, realizing a comfortable retirement is an extensive process that takes sensible planning and years of persistence.

a) Debate **THREE (3)** biggest mistakes people tend to make when setting up retirement planning.

(9 marks)

b) Illustrate **FOUR (4)** steps to prepare for retirement.

(16 marks)

(Total: 25 marks)

END OF EXAMINATION PAPER