



APPLIES TO ACADEMIC YEAR 2014/2015

SFU 0690 Personal Financial Planning and Legal Consequences I

Programme

Bachelor of Management, Banking and Insurance

Responsible for the course

Dag Jørgen Hveem

Department

Department of Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

15

Language of instruction

Norwegian

Introduction

This course overlaps to some extent with SFU 1001 Supplementary Course for AFR-authorized advisers. For students planning to take a bachelor's degree it is important to be aware that overlapping courses cannot be included in the degree, cf. UHL § 3-5.

Learning outcome

Acquired knowledge

After having completed the course the students shall have

- Acquired knowledge about relevant personal finance issues related to savings and credit appraisals in banks.
- Gained an insight into relevant legal problems in personal finance counselling
- Learnt what distinguishes traditional financial theory from behavioural economics
- Gained an insight into essential behavioural economics concepts such as limited rationality, relativity, risk and insecurity, emotions and the cost of social norms
- Acquired basic knowledge of the regulations governing loans and credit agreements as well as debt collection

Acquired skills

After having completed the course the students shall be able to:

- Calculate and analyse profitability in personal finance issues related to various stages in life
- Perform credit appraisals of a customer on a legal and financial basis
- Be able to give customers advice on legal issues related to inheritance, tax, guarantees, marriage and cohabitation
- Be able to identify legal problems related to loans and credit agreements
- Advise customers on questions relating to loss of income, retirement and disability benefits.
- Apply theories from behavioural economics in customer service

Reflection

- Create awareness around the role of personal finance counsellor in terms of customers and own organization
- Create a will for openness around issues that are important for the customer's choice of solutions in private finance questions
- Reflection around ethical and legal aspects of loan and credit agreements

Prerequisites

No formal prerequisites are required.

Compulsory reading

Books:

Ariely, Dan. 2009. Predictably irrational : the hidden forces that shape our decisions. Rev. and exp. ed. Harper
Hveem, Dag Jørgen ... [et al.]. 2013. Personlig økonomi 2013/2014. Cappelen akademisk

Other:

Annet: Fagerstrøm, Asle. 2013. Introduksjon til adferdsøkonomi, kompendium Handelshøyskolen BI. Hele kompendiet er pensum.

Hveem, Dag Jørgen. 2014/2015. Privatøkonomi med jus del I: studieguide. Handelshøyskolen BI
Hveem, Dag Jørgen. red. Siste utgave. Kompendium i økonomi og jus. Handelshøyskolen BI

Recommended reading

Course outline

- Family budget
- Relevant personal finance issues in various stages of life
- Briefly on financing of studies
- Various financial investments: bank deposits, shares, primary capital certificates, bonds, securities' funds, pension saving and pension saving with tax deduction
- Introduction to basic aspects of purchasing and financing a house, including credit appraisals, serial loans, annuity loans, simple interest calculation
- Introduction to financial mathematics, terminal value and present value of annuities, calculation of annuity sums in loans
- Significance of risk and insecurity, preferences and irrational behaviour in personal financial planning

In connection with the above issues the following legal areas are discussed:

- Rules for personal taxation
- Minors, legal guardians, county governor (fylkesmannen) and the bank
- Financial and legal effects of marriage and cohabitation
- Right of inheritance, advance of inheritance and tax, relevant adaptations
- Benefits by loss of income, retirement and disability
- Guarantee law – a review
- Introduction to law of property and law of mortgages and pledges

Computer-based tools

Itslearning.

Learning process and workload

The course consists of lectures, hand-in assignments on the learning platform its learning and self-tuition of the syllabus

5 compulsory written papers must be passed in order to pass the course and to get a final grade. The Banner codes for these papers are SFU 06902, SFU 06903, SFU 06904, SFU 06905 and SU 06906.

workload for the students:

Recommended

Activity	Workload
Attendance at lectures	28
Preparations for/work on hand-ins (5 compulsory)	52
Work on syllabus, exam preparations	260
Exam preparations	60
Total recommended workload	400

Examination

A five-hour written individual exam concludes the course.

Examination code(s)

SFU 06901 written exam which accounts for 100% of the grade in the course SFU 0690, 15 ECTS

Examination support materials

BI-defined calculator (TEXAS INSTRUMENTS BA II Plus™), interest table and code of laws. Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator. <http://www.bi.edu/studenthandbook/examaids>

Re-sit examination

A re-sit exam is held in connection with the next regular exam in the course.

Additional information

