APPLIES TO ACADEMIC YEAR 2016/2017

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 Law

Term
According to study plan

ECTS Credits
15

Language of instruction
Norwegian

Introduction
This course overlaps to some extent with BMP 3104 Financial Adviser AFR.. 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. 2016. 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

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.

Recommended workload for the students:

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