

**FLMI 351—*Financial Services Environment***  
**LOMA**  
**January – December 2003**

LOMA is one of the world's most recognized and reputable professional education institutions. Last year, financial services professionals in 72 countries enrolled for more than 117,000 LOMA examinations. Hundreds of thousands of LOMA students, including more than 142,000 designees, are found in financial services organizations around the world.

**Contact Information:**

LOMA's Office of the Registrar  
8:30 a.m. to 5:30 p.m. EST Monday-Friday  
1-800-ASK-LOMA (option 1) or 770-984-3761  
[education@loma.org](mailto:education@loma.org)  
[www.loma.org](http://www.loma.org)

**Course Scope and Objectives:**

FLMI 351 provides an understanding of the financial services environment and a foundation in the economic principles of supply, demand, and market competition.

FLMI 351, which can be completed as a self-study course or in a classroom environment (where available), is accredited by NPOANSI (the National Program on Noncollegiate Sponsored Instruction—[www.nationalponsi.org](http://www.nationalponsi.org)). Many organizations, including state licensing agencies, colleges and universities, and industry associations accept FLMI 351 as credit in their academic or continuing education programs.

**Texts and Materials:**

*Financial Markets and Institutions* (1998): (Addison Wesley, Inc.; ISBN 0-201-30084-2) [PBD Order # FLMI-351-10-98].

*Intro to Economics* (1998): (LOMA; ISBN 0-57974-020-0) [PBD Order #ECN 10-98]

*Prep Pak for FLMI 351* (1998): (LOMA; ISBN 1-57974-050-2) [PBD Order # FLMI 351-90-98]. Included in this study guide are review exercises, practice questions, a full-scale sample examination both in paper form and on an enclosed diskette, and appendices containing answers to all sample examination questions.

All texts may be ordered online from PBD Worldwide Fulfillment at [www.pbd.com](http://www.pbd.com), or contact the Office of the Registrar for ordering details. An *Instructor's Kit* is also available for professors wishing to teach this course in a classroom environment.

**Course Outline:**

Economic Constraints and Production Possibilities  
Market Characteristics, Structures and Institutions  
Supply, Demand and Equilibrium

Maximizing Profit  
Understanding Interest Rates  
The Theory of Portfolio Choice  
The Theory of Efficient Capital Markets  
Financial Innovation  
The Foreign Exchange Market  
Money, Capital, and Mortgage Markets  
The Theory of Financial Structure  
Commercial Banks  
Savings and Loans and Credit Unions  
Banking Regulation  
Insurance Companies and Pension Funds  
Finance Companies and Financial Conglomerates  
Securities Markets and Firms  
Risk Management in Financial Institutions  
Financial Derivatives  
Introduction to the Money Supply Process  
Central Banks and the Conduct of Monetary Policy

### **Grade Determination/Examinations:**

Course grade for FLMI 351 is determined by one comprehensive 75-item, pass/fail examination. This multiple choice exam is available to any student through Prometric Testing Centers in the United States and Canada. Cost information and scheduling for exams is available through LOMA's Office of the Registrar or online at [www.loma.org](http://www.loma.org).

If the student is an employee of a LOMA member company, alternative onsite testing options (paper or online exams) may be available. If you are a LOMA member company employee, contact your company's Educational Representative for details.

### **Further Study:**

If further study is desired, this course is one of 10 leading to the professional designation Fellow, Life Management Institute (FLMI). To date, over 73,000 industry professionals have achieved this prestigious designation, which indicates professionalism and high competency in life insurance and financial services operations. Other courses needed to achieve this designation include:

- ◆ FLMI 280—*Principles of Insurance: Life, Health, and Annuities*
- ◆ FLMI 290—*Insurance Company Operations*
- ◆ FLMI 301—*Insurance Administration*
- ◆ FLMI 310—*Legal Aspects of Life and Health Insurance—U.S.* **or** FLMI 315— *Legal Aspects of Life and Health Insurance—Canada*
- ◆ FLMI 320—*Life and Health Insurance Marketing*
- ◆ FLMI 330—*Management Principles and Practices*
- ◆ FLMI 340—*Information Management in Insurance Companies*
- ◆ FLMI 361—*Accounting and Financial Reporting in Life Insurance Companies*
- ◆ FLMI 371—*Managing for Solvency and Profitability in Life Insurance Companies*