



Australian Government

**Assessment Requirements for
FNSASICU503 Provide advice in
superannuation**

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Performance Evidence

Evidence of the ability to:

- interpret and comply with industry regulations and codes of practice
- analyse client's needs, financial situation and risk profile, and prepare appropriate strategies or solutions relating to superannuation
- provide accurate and ethical advice on superannuation products and services
- implement the plan, policy or transaction once agreed by the client and complete documentation accurately.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must satisfy generic and specialist knowledge requirements relevant to the products and activities in which advice is given.

Generic knowledge

- analyse and provide an overview of the economic environment including:
 - characteristics and impact of economic and business cycles
 - interest rates and exchange rates
 - inflation
 - government monetary and fiscal policy
- analyse and provide a detailed explanation of the operation of financial markets including:
 - roles played by intermediaries and issuers
 - structure and interrelationships within the financial markets
 - interrelationship between industry sectors
- outline financial products, including:

- concept of a financial product – general definition, and specific inclusions and exclusions
- types of financial investment products
- types of financial risk products.

Specialist knowledge

- outline the operation and management of the superannuation industry including:
 - characteristics and structure of a superannuation product
 - roles played by intermediaries and issuers
 - types of superannuation products
 - fee structures including administration and management costs
 - types of contribution
 - annuities and pensions, allocated pensions and income stream products
 - associated risks
 - trustees appointment, duties and responsibilities
 - structure of superannuation plans management and administration of superannuation products
 - preservation rules
 - investment strategies within superannuation funds including investment concepts and strategies
 - restrictions on investment strategies
- outline taxation issues in relation to superannuation financial products and markets in which they operate covering:
 - impact on investment earnings
 - employer and employee contributions
 - benefit payments and expenses
 - tax deductions
 - capital gains tax treatment
 - roll-overs
 - reasonable benefit limits
 - superannuation surcharge
 - social security pension eligibility
 - retirement planning
 - death benefits
 - franking credits
- discuss the legal environment including disclosure and compliance covering:
 - role of the representative or adviser

- relevant legal principles relating to the Corporations Act, Australian Securities and Investments Commission (ASIC) Act, Superannuation Industry (Supervision) Act, Privacy Amendment (Private Sector) Act, Financial Services Reform Act (FSRA) and Competition and Consumer Act
- relationship between ethics and regulatory requirements including good faith, utmost good faith, full disclosure of remuneration and fees and any other conflicts of interest which may influence the adviser's recommendation
- relevant industry standards and codes of conduct
- regulators' guidelines including ASIC Regulatory Guide (RG)146 requirements
- complaints resolution procedures (external and internal)
- trustee rules
- explain theories of investment, portfolio management and management of investment and risk:
 - investment concepts
 - investment strategies
 - identification of types of risk
 - client risk profile
- outline key requirements of the following:
 - Retirement Savings Account Act (RSA)
 - Superannuation Industry (Supervision) Act (SIS)
 - Superannuation Guarantee Act and other relevant legislation
 - Superannuation Contribution Tax (Assessment and Collection) Act.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the financial services and products advice field of work and include access to:

- office equipment, technology, software and consumables
- superannuation product information.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>