



Australian Government

Department of Education, Employment and Workplace Relations

FNSFMK509A Apply knowledge of transaction documentation and processing

Revision Number: 1

FNSFMK509A Apply knowledge of transaction documentation and processing

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to process transactions and complete appropriate documentation.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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Application of the Unit

Application of the unit	<p>This unit applies to job roles involving financial markets dealing room activities.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Complete pre deal documentation and authorisations	1.1. Master agreements are confirmed and in place 1.2. Required Know Your Customer (KYC) and Anti-Money Laundering (AML) checks are completed for the client 1.3. Client representative is confirmed as authorised to deal on behalf of their organisation 1.4. Client authorisation to trade in the specified financial product is confirmed 1.5. The process for approving a client to deal in a new product is outlined to the client
2. Execute a transaction for a client	2.1. That the transaction is within the client's authorised trading limits is checked and verified 2.2. Details of the trade are confirmed and the client's acknowledgement obtained after receiving the order 2.3. Accurate details of the transaction are captured in the organisation's systems, including risk management requirements in the required timeframe
3. Complete processes for confirming and settling a transaction	3.1. Organisational confirmation documentation is produced and forwarded to client for approval and authorisation 3.2. Authorised confirmation documentation is received by organisation 3.3. Appropriate technology is utilised in transaction and confirmation processing 3.4. Confirmation documentation is forwarded to client outlining settlement exchange details 3.5. Financial transaction is completed according to confirmed settlement procedures and organisational and industry requirements 3.6. Exceptions and fails are investigated promptly

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- well-developed communication skills to:
 - determine and confirm client requirements and authorisation, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- risk assessment and management skills
- literacy skills for competing documentation accurately and comprehensively to the organisation
- well-developed numeracy and IT skills to:
 - analyse complex financial data
 - use spreadsheets and databases
 - use internet information
 - use information systems
- problem solving skills to identify any issues that have the potential to impact on clients and the organisation and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work

Required knowledge

- Australian Standard 4360 Risk Management
- Anti-Money Laundering and Counter-Terrorism Financing Act
- financial risk management processes and techniques
- organisational and industry transaction procedures
- organisational policies and procedures
- trading requirements and checking systems

Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • effectively apply knowledge of financial product transaction requirements • identify and manage financial risk • deal effectively with clients and accurately interpret their trading requirements in a timely manner.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to Australian Standard 4360 Risk Management.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • verbal or written questioning on underpinning knowledge and skills • setting and reviewing business simulations or scenarios • evaluating samples of work • accessing and validating third party reports.
Guidance information for assessment	

Range Statement

RANGE STATEMENT	
<p>The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.</p>	
<p><i>Master Agreements</i> may be based on:</p>	<ul style="list-style-type: none"> • International Swaps and Derivatives Association (ISDA) agreements <p>may include:</p> <ul style="list-style-type: none"> • a Credit Support Annex (CSA).
<p><i>Clients</i> may include:</p>	<ul style="list-style-type: none"> • companies and organisations • members of the public • shareholders.
<p><i>Details of the trade</i> may include:</p>	<ul style="list-style-type: none"> • considerations • counterparty • face value • maturity date • price • start date • trade date.
<p><i>Accurate details of the transaction</i> must be compliant with:</p>	<ul style="list-style-type: none"> • Australian Securities Exchange (ASX) market rules • Australian Clearing House (ACH) clearing rules • Australian Settlement and Transfer Corporation (ASTC) settlement rules <p>(collectively referred to as the ASX Rules).</p>
<p><i>Settlement exchange details</i> may include:</p>	<ul style="list-style-type: none"> • counterparty detailer • deal number • exchange amounts and currencies • exchange rates • floating rate • how settlement is taking place • transaction date • value date.
<p><i>Exceptions and fails</i> may involve implementing:</p>	<ul style="list-style-type: none"> • Business Continuity Planning (DCP) • Disaster Recovery Procedures (DRPs).

Unit Sector(s)

Unit sector	Financial markets
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		