



**Australian Government**

**Assessment Requirements for  
FNSASICN513 Provide advice in general  
insurance**

**Release: 1**

# Assessment Requirements for FNSASICN513 Provide advice in general insurance

## Modification History

Release	Comments
Release 1	<p>This version first released with the FNS Financial Services Training Package Version 8.0.</p> <p>Supersedes and is not equivalent to FNSASICN503 Provide Tier 1 personal advice in general insurance.</p>

## Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- provide advice in general insurance to at least two different clients.

In the course of the above, the candidate must:

- identify and analyse each client's objectives, needs and financial details
- comply with industry-specific legislative and regulatory requirements for general insurance
- develop a potential strategy or solution that meets client needs
- advise clients accurately and ethically about specific general insurance products and services and relevant tax implications
- consult with client throughout risk-assessment process and obtain further clarification and information where required
- finalise plan, policy and/or transaction, ensuring required documentation is completed accurately following organisational procedures.

## Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

### General knowledge

- organisational policies and procedures relating to providing advice in general insurance
- characteristics of the economic environment, including:
  - impact of economic and business cycles
  - interest rates and exchange rates

- inflation
- government monetary and fiscal policy
- operation of financial markets, including:
  - roles played by intermediaries and issuers
  - structure and interrelationships within the financial markets
  - interrelationship between industry sectors
- 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

### **Core insurance knowledge**

- operation of insurance markets, including:
  - definition of insurance product
  - characteristics of and participants in the Australian insurance market
  - roles played by intermediaries
- types of insurance products, including:
  - risk insurance products
  - investment life insurance products
  - general insurance products
- different aspects of insurance products, including:
  - conditions, exclusions and levels of coverage of risk transfer products
  - pricing
  - fee structures and charging methodologies
- taxation issues in relation to tax implications regarding insurance products and markets
- advisory functions for general insurance, including:
  - role of insurance adviser, broker or agent
  - participants in the insurance advisory services market
  - range of services provided
  - profile and financial information of the client
  - appropriateness of a risk assessment
  - ethical considerations relevant to advisory functions
- legal environment, including disclosure and compliance covering:
  - role of representative and adviser
  - legal principles relating to key Acts relevant to performance evidence
  - relationship between ethics and regulatory requirements, including good faith, faith, utmost good faith, full disclosure of remuneration and fees and any other conflicts of interest that may influence adviser's recommendation
  - relevant industry standards and codes of conduct
  - regulators' guidelines relevant to the provision of advice in general insurance

- resolution procedures for internal and external complaints

### **Specialist knowledge**

- key aspects of general insurance:
  - types and classes of insurance products and policies
  - standard cover and relevant deviations
  - product development
  - policy wordings
  - underwriting
  - insurance claims
  - premium rating and risk assessment
  - reporting
- terms and conditions of general retail insurance products used by the organisation
- relevant legislative and organisational compliance requirements, including:
  - legislation and regulatory guidelines affecting the provision of general advice
  - role of different advisers in the organisation
  - organisational policy and guidelines related to the provision of general or wholesale advice
  - details of relevant marketing and disclosure documents, including product disclosure statements and marketing brochures on the relevant products.

## **Assessment Conditions**

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology, software and consumables
- clients requiring advice in general insurance
- organisational records
- organisational policies and procedures.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

## **Links**

Companion Volume Implementation Guide is found on VETNet -

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