



Australian Government

FNSFPL607 Prepare advice in margin lending

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 5.0.

Application

This unit describes the skills and knowledge required to analyse client needs in regard to margin lending; and prepare advice ethically, professionally and in compliance with industry regulations and codes of practice.

The unit applies to those who use well-developed interpersonal, communication and self-management skills when performing a specialist advisory role in margin lending. The requirement to prepare advice may come from authorised representatives, including financial advisers, shareholders, financial organisations, stockbrokers, trustees, agents and intermediaries.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

Unit Sector

Financial planning

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Analyse client needs and risk profile	1.1 Analyse client needs using all information gathered and considering client's product expectations 1.2 Consult with authorised representative throughout analysis for further clarification where necessary according to organisational procedures 1.3 Identify need for specialist advice and ensure client is referred to appropriate adviser if required 1.4 Assess and confirm client's product risk profile according to

ELEMENT	PERFORMANCE CRITERIA
	expectations of cashflow and relevant taxation obligations
2. Develop margin lending strategies and solutions that meet client needs and risk profile	2.1 Identify legislative, regulatory and code of practice requirements relevant to products being offered 2.2 Determine required margin lending strategy based on analysis of margin lending products, client risk profile, and analysis of client needs 2.3 Conduct required research, analysis and product modelling and apply stress tests for changes in market conditions
3. Provide strategies and solutions to authorised representative	3.1 Draft required solution, plan, policy or transaction and provide to authorised representative 3.2 Explain proposed solution, plan, policy or transaction to authorised representative 3.3 Confirm required details, terms and conditions of product or service 3.4 Disclose impacts and possible risks of proposed solution, plan, policy or transaction and offer alternative solutions to authorised representative 3.5 Provide supporting written documentation and guide authorised representative through key aspects of documentation 3.6 Discuss and clarify concerns and issues regarding proposed solution, plan, policy or transaction with authorised representative 3.7 Confirm with authorised representative client's understanding of proposed solution, plan, policy or transaction
4. Establish agreement and complete documentation process	4.1 Obtain formal agreement from authorised representative and obtain their sign-off on proposed solution, plan, policy or transaction 4.2 Document fees, cost structures and timeframes for execution and processing of agreed solution, plan, policy or transaction 4.3 Ensure proposal and required statutory and transactional documents are completed and signed off by client 4.4 Provide draft agreement and other required documentation to authorised representative
5. Agree to arrangements for providing ongoing services	5.1 Prepare documentation of fees and costs for ongoing and specifically defined services according to organisational policies and procedures 5.2 Agree to type and form of ongoing service to be provided 5.3 Provide documented service arrangements to authorised representative for confirmation 5.4 Implement procedures for agreed ongoing service according to organisational policies and procedures

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Learning	<ul style="list-style-type: none"> Extends knowledge of product features and applications relevant to current role using research and analysis
Numeracy	<ul style="list-style-type: none"> Interprets financial product information and calculates client costs, risks and returns
Oral communication	<ul style="list-style-type: none"> Articulates requirements using industry-specific language appropriate to audience and environment, and participates in negotiated outcomes Uses active listening and questioning techniques to confirm understanding and elicit information
Reading	<ul style="list-style-type: none"> Interprets textual information from relevant sources
Writing	<ul style="list-style-type: none"> Uses clear, specific and industry-related terminology to complete and consolidate workplace documentation
Planning and organising	<ul style="list-style-type: none"> Takes responsibility for the planning, sequence and priority of tasks within own workload to achieve effective and compliant outcomes Applies systematic and analytical decision-making processes to determine and implement solutions that meet client needs and financial requirements
Self-management	<ul style="list-style-type: none"> Takes personal responsibility for following policies, procedures and protocols to provide advisory services and documentation that complies with legal, ethical and organisational requirements
Teamwork	<ul style="list-style-type: none"> Selects and uses appropriate conventions and protocols when communicating with authorised representatives Seeks and shares information, establishes agreements and maintains ethical service relationships Adapts personal communication style to show respect for the values, beliefs and cultural expectations of others
Technology	<ul style="list-style-type: none"> Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

No equivalent unit. Newly created unit.

Links

Companion Volume Implementation Guide is found on VETNet -

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