



**Australian Government**

# **Assessment Requirements for FNSFPL609 Prepare advice in managed investments**

**Release: 1**

# Assessment Requirements for FNSFPL609 Prepare advice in managed investments

## Modification History

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

## 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:

- prepare accurate and ethical advice on managed investment products and/or services for at least two different clients.

In the course of the above, the candidate must:

- interpret and comply with industry regulations and codes of practice
- analyse client needs, financial situation and risk profile, and prepare appropriate strategies or solutions relating to managed investments
- implement the solution, plan, policy or transaction once agreed by the client and complete documentation.

## 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:

Generic knowledge

- economic environment, including:
  - characteristics and 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 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
- aspects of ongoing service provision, including:
  - reporting on performance
  - communicating comprehensively and clearly
  - reviewing of solution, plan, policy or transaction.

### Specialist knowledge

- legal environment, including disclosure and compliance covering:
  - role of the authorised representative or adviser
  - relevant legal principles relating to the Corporations Act, Australian Securities and Investments Commission (ASIC) Act, Privacy Amendment (Private Sector) Act, and Competition and Consumer Act
  - relationship between ethics and regulatory requirements, including good faith, utmost good faith, full disclosure of remuneration and fees, and other conflicts of interest that may influence authorised representative's recommendation
  - relevant industry standards and codes of practice
  - regulatory guidelines
  - internal and external complaints resolution procedures
- managed investment products, including:
  - range of products offered under managed investments schemes, or a specific product offered under a scheme, including:
    - equity trusts, fixed interest trusts
    - film schemes
    - primary production schemes
    - property trusts, real estate investment strategies, valuation techniques, property management
    - serviced strata schemes
    - time-sharing schemes
  - types of risks associated with managed investment products
- taxation issues in relation to managed investment products and markets in which they operate
- theories of investment, portfolio management and management of investment and risk, including:
  - investment concepts and strategies
  - identification of types of risk
  - client risk profile.

## 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:

- organisational equipment, technology, software and peripherals
- managed investment product information.

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>