



**Australian Government**

**FNSINC512 Assess vulnerability of  
financial products and services to money  
laundering and terrorism financing**

**Release: 1**

# FNSINC512 Assess vulnerability of financial products and services to money laundering and terrorism financing

## Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 6.0.

## Application

This unit describes the skills and knowledge required to assess financial products and services provided by an organisation, or those an organisation uses, and determine their vulnerability to money laundering and terrorism financing. It includes undertaking Money Laundering and Terrorism Financing (ML/TF) risk assessments, assessing existing Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) controls and reviewing and responding to industry changes affecting financial products' and services' risk to ML/TL.

The unit applies to those who work in various financial services industry job roles and with a wide range of financial products or services.

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

Industry capability

## 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. Assess financial products and services	1.1 Identify products and services used by an organisation and determine their purpose 1.2 Analyse characteristics of products and services 1.3 Document functions of each product and service and the client needs it satisfies
2. Undertake ML/TF risk assessments of	2.1 Identify characteristics of products and services that are at risk of money laundering and terrorism financing

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
products and services	2.2 Conduct ML/TF risk assessment of products and services as required by organisational policies and procedures
3. Recommend enhancements to AML/CTF systems	3.1 Collect and assess information on existing AML/CTF controls 3.2 Determine enhancements to system controls for managing ML/TF risks for products and services identified through risk assessment 3.3 Manage vulnerabilities of products and services 3.4 Prepare and communicate recommendations for enhancing AML/CTF systems according to organisational policies and procedures
4. Maintain product knowledge	4.1 Review required products and services and initiate any changes to terms and conditions 4.2 Establish and use systems to inform and maintain knowledge regarding products and services 4.3 Review emerging trends affecting the financial services industry and action any required changes to products and services

## Foundation Skills

*This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.*

<b>SKILL</b>	<b>DESCRIPTION</b>
Learning	<ul style="list-style-type: none"> <li>Identifies, plans and implements strategies to manage gaps in personal knowledge</li> </ul>
Reading	<ul style="list-style-type: none"> <li>Evaluates information and products from a variety of sources to ensure appropriateness to client needs</li> </ul>
Writing	<ul style="list-style-type: none"> <li>Prepares documentation using clear language, and correct spelling and terminology</li> </ul>
Oral communication	<ul style="list-style-type: none"> <li>Employs language appropriate for audience and uses active listening techniques to confirm own understanding</li> </ul>
Initiative and enterprise	<ul style="list-style-type: none"> <li>Maintains accurate, comprehensive and current knowledge of products, legislation, regulations and standards relevant to role</li> </ul>
Self-management	<ul style="list-style-type: none"> <li>Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effective outcomes</li> <li>Contributes to continuous improvement of current work practices by applying basic principles of analytical and lateral thinking</li> </ul>
Technology	<ul style="list-style-type: none"> <li>Uses digital tools to access information</li> </ul>

## **Unit Mapping Information**

Supersedes and is equivalent to FNSINC502 Assess financial products and services vulnerability to money laundering and terrorism financing.

## **Links**

Companion Volume Implementation Guide is found on VETNet -

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