



**Australian Government**

**Assessment Requirements for FNSPRT507  
Apply principles of fiduciary duty,  
substituted decision-making and ethical  
decision-making**

**Release: 1**

# Assessment Requirements for FNSPRT507 Apply principles of fiduciary duty, substituted decision-making and ethical decision-making

## Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 2.0.

## Performance Evidence

Evidence of the ability to:

- identify the relevant fiduciary duty, substituted decision-making and ethical decision-making principles, and associated legislative requirements when providing traditional trustee services to a client
- apply fiduciary duty, substituted decision-making and ethical decision-making principles and associated legislative requirements to make decisions for a client and explain to the client or other relevant stakeholder, how that decision meets the client's needs and interests and upholds their rights
- use systems to maintain knowledge of fiduciary duty, substituted decision-making and ethical decision-making principles and associated legislative requirements.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

## Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain key elements of the legislative requirements, including common law, that apply when providing traditional trustee services to clients including:
  - fiduciary duty
  - substituted judgement
  - ethics and equity
- explain key elements of the prudent person principles including:
  - diversification
  - investment risks including losing capital or income
  - capital maintenance
  - capital depreciation

- capital appreciation
- estimated income return
- liquidity and marketability of the proposed investment
- aggregate value of estate in trust
- describe client needs, interests and rights relevant to the requirements of fiduciary duty, substituted decision-making and ethical decision-making principles including:
  - physical and emotional security
  - support and care
  - economic support
  - household assistance and maintenance
  - possessions
  - bank accounts
  - accommodation
  - facilities
  - services available and desired
  - recreational pursuits
  - participation or non-participation to the degree desired
  - receive or refuse quality services
  - human rights including the right to freedom from discrimination
- describe traditional trustee company products and services including:
  - estate planning
  - writing wills
  - acting as executor of deceased estates
  - establishing and administering personal trusts
  - preparing and administering powers of attorney
  - acting as guardian or financial manager, usually under court or tribunal order, to protect vulnerable beneficiaries
  - administering charitable trusts and foundations
- discuss key sources of information on fiduciary duty, substituted judgement and ethics and equity principles and associated legislative requirements including:
  - courts
  - existing or proposed trust deeds
  - industry bodies
  - relevant federal, state and territory government organisations
  - organisational policies and procedures.

## Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the personal trustee field of work and include access to:

- common office equipment, technology, software and consumables
- appropriate legislation and regulations relevant to trustee organisations
- organisational reference materials such as policies, procedures, manuals and checklists.

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 guides are found in VETNet -

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