



Australian Government

Department of Education, Employment and Workplace Relations

FNSFMB401A Prepare loan application on behalf of finance or mortgage broking clients

Release: 1

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Modification History

Not applicable.

Unit Descriptor

<p>Unit descriptor</p>	<p>This unit describes the performance outcomes, skills and knowledge required to prepare a client loan application to a relevant lender and present and process the loan using appropriate channels. Assistance with loan settlement may also apply.</p> <p>This unit may apply to job roles subject to licensing, legislative, regulatory or certification requirements so Commonwealth, State or Territory requirements should be confirmed with the relevant body.</p>
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Application of the Unit

<p>Application of the unit</p>	<p>This unit applies to job roles evaluating loan applications in the finance and mortgage broking industries.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

<p>Prerequisite units</p>		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Compile necessary information	<p>1.1. Appropriate and relevant <i>lender forms</i> are collected, completed, and relevant <i>signatures gathered in an appropriate format</i></p> <p>1.2. <i>Information required to support loan application</i> is sourced in accordance with the Consumer Credit Code, compliance requirements and security policies</p>
2. Prepare loan documentation	<p>2.1. Documentation is prepared that accurately reflects the client's financial situation, personal information and complies with <i>lender requirements and guidelines</i></p> <p>2.2. Basic requirements of loan, including amount, term and interest rate are confirmed and all documentation checked for accuracy and readability</p> <p>2.3. All <i>relevant processes</i> for proper execution of documentation are completed efficiently and within an appropriate timeframe</p>
3. Present documentation for assessment	<p>3.1. Documentation is submitted to appropriate lender or approving officer in <i>appropriate manner</i> to protect client confidentiality</p> <p>3.2. Application offer or non-offer of loan is determined and client is notified in timely manner</p> <p>3.3. Clear, comprehensive and accurate information is given to client as to their rights, obligations, responsibilities and manner in which to proceed if loan application is non-offer</p>
4. Maintain communication with relevant parties	<p>4.1. <i>Clear and open communication</i> is maintained throughout the loan preparation and presentation process with lender and client</p> <p>4.2. <i>Additional information</i> requested by lender to support loan application is gathered in an efficient and timely manner</p> <p>4.3. Clear, comprehensive and accurate information is given to client as to the <i>manner in which to proceed immediately following loan approval</i></p>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to:
 - determine and confirm client loan requirements, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- customer service skills such as:
 - providing appropriate contact with client throughout the loan approval procedure
 - appropriate timing of events in the loan approval process
- numeracy and IT skills to:
 - calculate loan details
 - access and use appropriate software such as spreadsheets and databases
 - access internet information
- literacy skills to:
 - read and interpret organisational and industry information
 - prepare loan application documentation
- organisational skills, including the ability to plan and sequence work

Required knowledge

- loan settlement processes
- loan requirements and characteristics such as:
 - term
 - interest rate
 - amount
- contracts relating to the sale of land and legal conveyancing procedures
- loan management procedures such as:
 - transfer of mortgages
 - variations in terms
 - increases in loan limits
- procedures for instructing valuers to assess the value of a property and other types of security
- relevant current legislation and codes of practice
- specific and varied lender requirements and guidelines for loan writing, presentation and securing a loan
- various types of security that may be required by lenders

REQUIRED SKILLS AND KNOWLEDGE

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| <ul style="list-style-type: none">• titles office procedure relating to the transfer of land |
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Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • write a loan to suit a lender's requirements providing all necessary support documentation • communicate efficiently and effectively with clients, lenders and other relevant parties.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to lending products and information • access to lending policy and procedures documentation.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • verbal or written questioning on underpinning knowledge and skills • setting and reviewing workplace projects and business simulations or scenarios • evaluating samples of work • accessing and validating third party reports.
Guidance information for assessment	

Range Statement

RANGE STATEMENT	
<p>The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.</p>	
<p><i>Lender forms</i> may include:</p>	<ul style="list-style-type: none"> • application forms • first home buyers grant forms • loan schedule/details • government grants and assistance forms • terms of loan.
<p><i>Signatures gathered in an appropriate format</i> may include:</p>	<ul style="list-style-type: none"> • electronically using appropriate security measures • in writing • verified by notary public, solicitor or equivalent • with appropriate witnesses or legal certifiers.
<p><i>Information required to support loan application</i> may include:</p>	<ul style="list-style-type: none"> • bank statements • copies of tax forms • documentation regarding special needs • written documentation from: <ul style="list-style-type: none"> • lawyers • friends or family who are assisting with the payment of the loan • banks • accountants • financial advisers.
<p><i>Lender requirements and guidelines</i> may include:</p>	<ul style="list-style-type: none"> • relevant and necessary documentation attached to the application • appropriate format • appropriate language and legal terms • appropriate signatures from legal authorities • clear and concise documentation.
<p><i>Relevant processes</i> may include:</p>	<ul style="list-style-type: none"> • appropriate credit checks being conducted in accordance with organisational and legal guidelines • appropriate organisational channels being utilised for approvals, feedback and editing of paperwork.
<p><i>Documentation is submitted in appropriate manner</i></p>	<ul style="list-style-type: none"> • electronically, such as: <ul style="list-style-type: none"> • email • internet

RANGE STATEMENT	
may include:	<ul style="list-style-type: none"> • other secure methods • in writing.
<i>Clear and open communication</i> may include:	<ul style="list-style-type: none"> • well-written documentation by: <ul style="list-style-type: none"> • fax • email • text message • telephone • face-to-face contact.
<i>Additional information</i> may include:	<ul style="list-style-type: none"> • additional documentation from: <ul style="list-style-type: none"> • lawyers • accountants • past employers • current employers • tax departments • immigration • other relevant sources as requested by the lender.
<i>Manner in which to proceed immediately following loan approval</i> may include:	<ul style="list-style-type: none"> • assisting with loan settlement, mainly in finance broking • attending settlement mainly in finance broking • client rights, obligations and responsibilities.

Unit Sector(s)

Unit sector	Finance/mortgage broking
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		

