



Australian Government

FNSASIC305 Provide Tier 2 personal advice in general insurance

Release: 1

FNSASIC305 Provide Tier 2 personal advice in general insurance

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to assess a client's insurance needs and accurately advise customers about financial products and services at the Australian Securities and Investments Commission (ASIC) Tier 2 level.

It applies to individuals whose roles as non-broker insurance advisers require proficient communication and well-developed interpersonal skills and substantial generic, insurance core and specialist general insurance product knowledge to provide advice on standard retail general insurance products to clients.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

ASIC units

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. Establish relationship with client	1.1 Use range of communication and interpersonal skills relevant to knowledge level of client 1.2 Respond to enquiries by explaining range of general insurance products and services available and their relevant fees and charging methodology 1.3 Inform client about role of adviser and licensee or principal responsible for adviser's conduct 1.4 Inform client about procedures for complaints handling

ELEMENT	PERFORMANCE CRITERIA
2. Identify client objectives and risk situation	2.1 Use range of communication and interpersonal skills to establish client objectives and goals 2.2 Ensure appropriate risk assessment processes and tools are used to collect relevant personal, financial and business details
3. Analyse client risk information	3.1 Analyse all information from risk assessment process 3.2 Make sure that specialist advice is sought if required to address issues that professional judgement indicates may require further consideration 3.3 Ensure that clients are consulted throughout analysis for further clarification where necessary
4. Identify appropriate risk solution	4.1 Identify and assess available options using information from risk analysis 4.2 Conduct relevant product research 4.3 Prepare statement of advice for presentation to client 4.4 Confirm that client is referred to appropriate adviser for higher level or specialist advice if required
5. Present appropriate solutions to client	5.1 Ensure that features of statement of advice are explained to client in clear and unambiguous way 5.2 Disclose impact of key aspects of recommendations, including possible risks, in clear and concise manner to client
6. Negotiate effectively	6.1 Discuss and clarify any concerns and/or issues client has regarding proposed insurance plan, policy and/or transaction 6.2 Obtain from client and confirm preferred insurance plan, policy and/or transaction
7. Coordinate implementation of agreed solution	7.1 Seek agreement from client about proposed insurance plan, policy and/or transaction, including all associated fees and costs 7.2 Ensure that timeframes for execution and processing are clearly explained to client
8. Complete and maintain necessary documentation	8.1 Confirm that proposal and other documents are completed and, where appropriate, are signed off by client 8.2 Ensure that signed agreement and copies of appropriate documentation are exchanged 8.3 Create and update client records
9. Provide ongoing service where requested	9.1 Ensure that type and form of ongoing service, including review

ELEMENT	PERFORMANCE CRITERIA
by client	of insurance plan, policy and/or transaction, is agreed with client 9.2 Clearly explain fees and costs for defined ongoing services and confirm client understands all details 9.3 Provide ongoing service as required

Foundation Skills

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

Skill	Performance Criteria	Description
Reading	3.1, 4.1, 4.2	Recognises and interprets textual information from relevant sources
Writing	1.1-1.4, 2.1, 3.3, 4.3, 5.1, 5.2, 6.2, 7.1, 7.2, 8.1-8.3, 9.1	Uses clear, specific and industry related terminology to record and consolidate workplace documentation
Oral Communication	1.1-1.4, 2.1, 3.2, 3.3, 5.1, 5.2, 6.2, 7.1, 7.2, 9.1, 9.2	- Clearly articulates product and service information unambiguously, using language appropriate to the audience and environment - Confirms client's understanding through active listening and questioning
Numeracy	1.2	Interprets financial product information and completes calculations to achieve required outcomes
Navigate the world of work	1.3, 1.4, 4.2, 5.2	- Understands and adheres to organisational requirements and protocols within own area of responsibility - Develops and maintains product knowledge to provide accurate and relevant information in compliance with implicit and explicit organisational protocols
Interact with others	1.1, 2.1, 6.1, 6.2, 7.1, 7.2	- Selects and uses appropriate communication conventions and protocols to establish rapport with clients to determine their understanding, needs and preferences and provide the required information to negotiate agreement - Adapts personal communication style to show respect for the values, beliefs and cultural expectations of others
Get the work	2.2, 3.2, 3.3, 4.1,	Takes responsibility for mostly routine tasks and

done	4.4, 8.1, 8.2, 9.3	decisions relating to client advice and support that comply with legal and organisational requirements, and recognises when client requires specialist assistance • Uses the main features and functions of digital tools to complete work tasks
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSASIC305 Provide Tier 2 personal advice in general insurance	FNSASIC305A Provide Tier 2 personal advice in general insurance	Updated to meet Standards for Training Packages	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

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

Assessment Requirements for FNSASIC305 Provide Tier 2 personal advice in general insurance

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Performance Evidence

Evidence of the ability to:

- work effectively with clients to analyse their objectives and risk situation
- interpret available information about the client's risk needs and products in preparing an appropriate solution
- provide accurate advice and complete all required documentation to implement the solution, complying with organisational procedures and industry regulations.

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 satisfy knowledge requirements relevant to the products and activities in which advice is given. They must:

- explain the legal environment including disclosure and compliance covering:
 - role of the broker, representative and/or adviser
 - relevant legal principles relating to the Corporations Act, Financial Services Reform Act (FSRA), Competition and Consumer Act, Insurance Contracts Act and Australian Securities and Investments Commission (ASIC) Act
 - relationship between ethics and regulatory requirements including good faith and utmost good faith
 - full disclosure of remuneration and fees and any other conflicts of interest which may influence the adviser's recommendation
 - general insurance industry code of practice and organisational codes of conduct
 - complaints resolution procedures (internal and external)
 - ASIC guidelines on adviser conduct and training

- summarise the characteristics and participants of Australian insurance markets and the roles played by intermediaries
- identify insurance products including:
 - definition of an insurance product
 - conditions, exclusions and level of coverage of risk transfer products
 - types of insurance products
 - pricing of risk products
- discuss taxation issues relating to insurance products
- explain advisory functions including:
 - role of the representative, broker or adviser
 - participants in the insurance advisory services market
 - range of services provided
 - profile and financial information of the client
 - appropriateness of a risk assessment
- summarise the specific product knowledge for the general insurance products in which advice is given including:
 - types of general insurance products and policies
 - standard cover (and deviations)
 - policy wordings
 - taxes and charges
 - insurance claims
 - premium rating and risk selection
 - reporting
 - product development
 - underwriting
- explain terms and conditions of retail general insurance products used by the adviser.

Assessment Conditions

Links

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