



Australian Government

FNSASICN513 Provide advice in general insurance

Release: 1

FNSASICN513 Provide advice in general insurance

Modification History

Release	Comments
Release 1	This version first released with the FNS Financial Services Training Package Version 8.0. Supersedes and is not equivalent to FNSASICN503 Provide Tier 1 personal advice in general insurance.

Application

This unit describes the skills and knowledge required to analyse and advise on a client's general insurance needs in line with current Australian Securities and Investments Commission (ASIC) regulation (Financial Services Reform Act) in the insurance specialist and generic knowledge areas.

The unit applies to those who apply specialist product knowledge and well-developed interpersonal and communications skills in the provision of advice in general insurance.

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 regulatory authorities to confirm those requirements.

Unit Sector

ASIC

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 and identify objectives	1.1 Establish knowledge level, objectives, risk profile and goals of client 1.2 Explain range of products and services available according to client objectives and goals 1.3 Outline fees associated with applicable products and services and explain charging methodology and relevant tax implications 1.4 Inform client of role of adviser and licensee or principal

ELEMENT	PERFORMANCE CRITERIA
	responsible for adviser's conduct 1.5 Inform client of complaints-handling procedures 1.6 Collect applicable personal, financial and business details using organisational risk-assessment processes and tools 1.7 Respond to client enquiries as required according to organisational policies and procedures
2. Analyse client risk information and identify risk solutions	2.1 Analyse information from risk assessment process according to organisational policies and procedures 2.2 Identify issues that may require further consideration and seek specialist advice to address risks as required 2.3 Identify and assess available options using information from risk analysis 2.4 Conduct product research according to objectives, goals and risk profile of client 2.5 Prepare statement of advice for presentation to client according to client objectives, goals and risk profile 2.6 Refer client to adviser for higher level or specialist advice as required
3. Present and confirm solutions with client	3.1 Explain features of statement of advice to client according to organisational policies and procedures, legislative and regulatory requirements 3.2 Discuss impacts and possible risks of solution with client and confirm understanding 3.3 Discuss and clarify any concerns and/or issues client has regarding proposed insurance plan, policy and/or transaction 3.4 Confirm client's preferred plan, policy and/or transaction according to organisational policies and procedures
4. Coordinate implementation of agreed solution	4.1 Confirm client agreement with proposed insurance plan, policy and/or transaction, incorporating all associated fees and costs 4.2 Explain timeframes for execution and processing according to organisational policies and procedures 4.3 Confirm proposal and other documents are completed and signed off by client where required 4.4 Exchange signed agreement and copies of required documentation with client 4.5 Create and update client records according to organisational policies and procedures
5. Provide arrangements for ongoing service, where requested by	5.1 Confirm type and form of ongoing service is agreed with client, including review of insurance plan, policy and/or transaction

ELEMENT	PERFORMANCE CRITERIA
client	5.2 Explain fees and costs for ongoing and specifically defined service and confirm client understands all details 5.3 Implement procedures for agreed ongoing service according to organisational policies and procedures

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Numeracy	Interprets financial product information and completes calculations to achieve required outcomes
Oral communication	- Articulates and discusses product and service information unambiguously, using language appropriate to audience and environment - Elicits information and confirms understanding using active listening and questioning
Reading	Identifies and interprets textual information from relevant sources
Writing	Records and consolidates workplace documentation using clear, specific and industry-related terminology
Self-management	Develops and maintains knowledge of non-relevant financial products and of the required regulatory frameworks that define their use

Unit Mapping Information

No equivalent unit. Supersedes and is not equivalent to FNSASICN503 Provide Tier 1 personal advice in general insurance.

Links

Companion Volume Implementation Guide is found on VETNet -

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

Assessment Requirements for FNSASICN513 Provide advice in general insurance

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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:

- provide advice in general insurance to at least two different clients.

In the course of the above, the candidate must:

- identify and analyse each client's objectives, needs and financial details
- comply with industry-specific legislative and regulatory requirements for general insurance
- develop a potential strategy or solution that meets client needs
- advise clients accurately and ethically about specific general insurance products and services and relevant tax implications
- consult with client throughout risk-assessment process and obtain further clarification and information where required
- finalise plan, policy and/or transaction, ensuring required documentation is completed accurately following organisational procedures.

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:

General knowledge

- organisational policies and procedures relating to providing advice in general insurance
- characteristics of the economic environment, including:
 - 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 the 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

Core insurance knowledge

- operation of insurance markets, including:
 - definition of insurance product
 - characteristics of and participants in the Australian insurance market
 - roles played by intermediaries
- types of insurance products, including:
 - risk insurance products
 - investment life insurance products
 - general insurance products
- different aspects of insurance products, including:
 - conditions, exclusions and levels of coverage of risk transfer products
 - pricing
 - fee structures and charging methodologies
- taxation issues in relation to tax implications regarding insurance products and markets
- advisory functions for general insurance, including:
 - role of insurance adviser, broker or agent
 - participants in the insurance advisory services market
 - range of services provided
 - profile and financial information of the client
 - appropriateness of a risk assessment
 - ethical considerations relevant to advisory functions
- legal environment, including disclosure and compliance covering:
 - role of representative and adviser
 - legal principles relating to key Acts relevant to performance evidence
 - relationship between ethics and regulatory requirements, including good faith, faith, utmost good faith, full disclosure of remuneration and fees and any other conflicts of interest that may influence adviser's recommendation
 - relevant industry standards and codes of conduct
 - regulators' guidelines relevant to the provision of advice in general insurance

- resolution procedures for internal and external complaints

Specialist knowledge

- key aspects of general insurance:
 - types and classes of insurance products and policies
 - standard cover and relevant deviations
 - product development
 - policy wordings
 - underwriting
 - insurance claims
 - premium rating and risk assessment
 - reporting
- terms and conditions of general retail insurance products used by the organisation
- relevant legislative and organisational compliance requirements, including:
 - legislation and regulatory guidelines affecting the provision of general advice
 - role of different advisers in the organisation
 - organisational policy and guidelines related to the provision of general or wholesale advice
 - details of relevant marketing and disclosure documents, including product disclosure statements and marketing brochures on the relevant products.

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:

- office equipment, technology, software and consumables
- clients requiring advice in general insurance
- organisational records
- organisational policies and procedures.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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