



Australian Government

FNSCRD402 Establish and maintain appropriate security

Release: 1

FNSCRD402 Establish and maintain appropriate security

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 determine and implement appropriate security options in relation to individual customers to protect the organisation against loss and exposure.

It applies to individuals who may use a range of specialised techniques and strategies to manage their work outcomes.

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

Credit management

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 requirement for security	1.1 Undertake risk analysis of credit applications in accordance with organisational credit policy and guidelines to determine requirements for security 1.2 Determine customers' level of risk and identify security requirements
2. Identify available security options and suitability of available securities	2.1 Explain requirements for security to customers, considering any special needs of customers 2.2 Identify range of securities available and determine which are appropriate to type of credit facility 2.3 Negotiate with customers to determine security arrangements

ELEMENT	PERFORMANCE CRITERIA
	as required within organisational guidelines
3. Apply appropriate security	3.1 Analyse assets and conduct valuations to confirm value of security 3.2 Register security interest in accordance with legislative requirements
4. Monitor and review effectiveness of security arrangement	4.1 Maintain knowledge of current conditions in market and keep updated on any changes in organisation's credit policy and guidelines 4.2 Monitor customer accounts to confirm appropriateness of security arrangements 4.3 Amend security arrangement documentation to reflect changes in customers' relationships or circumstances where necessary

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	1.1, 2.2, 3.1, 4.1 , 4.2	Analyses and interprets relevant legislative and regulatory information to establish requirements and identifies and assesses risk from analysis of a range of documents containing textual and numerical information
Writing	3.1, 3.2, 4.2, 4.3	Selects appropriate linguistic structures and text required to establish a customer profile, clarify options, detail service requirements and obligations, and register and amend relevant documentation in compliance with organisational and regulatory requirements
Oral Communication	2.1, 2.3	Participates effectively in interactions using well developed strategies to elicit facts, exchange relevant information and negotiate satisfactory outcomes for internal and external stakeholders
Numeracy	1.1, 1.2, 2.1, 2.2, 3.2, 4.1	Interprets and analyses numerically expressed information from a range of sources to identify appropriate security, performs calculations to establish value and monitors security arrangements to prevent

		loss
Navigate the world of work	1.1, 1.2, 3.1, 3.2	• Accepts responsibility and ownership for the task and makes decisions on completion parameters and the need for coordination with others • Takes personal responsibility for following explicit and implicit policies, procedures and legislative requirements • Identifies and acts on issues that contravene relevant policies, procedures and legal requirements
Interact with others	2.3, 3.1, 3.2	• Uses a range of strategies and reads verbal and non-verbal signals to establish a sense of connection and build rapport with customers • Recognises and accommodates the basic differences and priorities of others
Get the work done	1.1, 2.2, 3.2, 4.1, 4.2	• Makes routine decisions and implements standard procedures for routine tasks, using formal decision-making processes for more complex and non-routine situations • Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effective outcomes • Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSCRD402 Establish and maintain appropriate security	FNSCRD402A Establish and maintain appropriate securitisation	Updated to meet Standards for Training Packages Title change Reworking of performance criteria for clarification	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 FNSCR402 Establish and maintain appropriate security

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Performance Evidence

Evidence of the ability to:

- comply with relevant legislative requirements, industry regulations and codes of practice relating to security in credit applications
- interpret and implement an organisation's credit policy in regards to security
- communicate effectively with customers explaining the requirement for security and their options in providing security
- analyse the security customers can provide and establish the most appropriate option that will minimise risk to the organisation
- maintain security for the credit arrangement in line with changes in organisational credit policy.

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:

- outline current conditions in the credit management sector
- describe key features of organisational credit policy and procedures
- explain the full range of security options for credit that currently apply
- outline the legislation, regulations and codes of practice relevant to security and the personal property securities register (PPSR)
- discuss verbal and non-verbal communication
- explain organisational guidelines when dealing with customers who have special needs.

Assessment Conditions

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

- common office equipment, technology and consumables
- credit product, loan security and risk minimisation information
- relevant software systems and data
- organisational policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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