



Australian Government

Assessment Requirements for FNSCRD503 Promote understanding of the role and effective use of consumer credit

Release: 1

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Modification History

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

Performance Evidence

Evidence of the ability to:

- comply with legislative requirements, industry regulations and code of conduct when identifying types of appropriate consumer credit options for clients and providing documentation
- explain the features, terms and conditions of the appropriate consumer credit facilities to clients, taking into account any special needs
- provide clients with a detailed analysis of the fees, costs and risks of appropriate consumer credit facilities
- identify for clients strategies to use appropriate consumer credit facilities effectively
- explain the consequences of a poor credit reference history to clients.

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 the effect of the current economic environment on an individual's credit and debt options
- explain the advantages and disadvantages of credit
- describe the principles of lending and credit
- outline the key differences between secured and unsecured loans
- describe the key features of relevant legislative requirements, industry regulations and codes of conduct, and how they impact on dealings with clients
- define the roles and relationships between participants within the Australian financial services industry, including banks and other financial intermediaries
- describe key features, terms and conditions, and risks of a range of consumer credit facilities, including fees and costs.

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
- financial services product information
- relevant software systems and data
- organisational policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

Companion Volume implementation guides are found in VETNet -

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