



Australian Government

FNSFMB501 Settle applications and loan arrangements in the finance and mortgage broking industry

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.

Application

This unit describes the skills and knowledge required to settle applications and loan arrangements for debt finance and undertake final arrangements to secure and complete the lending transaction for a client applying for a mortgage or related finance.

It applies to individuals who use organisational skills to accurately complete and coordinate tasks within agreed timelines and industry or organisational conditions.

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

Finance/mortgage broking

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. Prepare for settlement	1.1 Confirm all pre-settlement conditions of finance approval with clients 1.2 Communicate with various parties involved in settlement process and confirm that documentation and other settlement issues are in order 1.3 Check documents to ensure they are correctly executed, signed, witnessed and dated before sending to approving personnel
2. Register securities	2.1 Check loan contract for conditions relating to taking of security 2.2 Instruct party acting for lender to liaise with all parties to

ELEMENT	PERFORMANCE CRITERIA
	settlement and attend settlement 2.3 Register and stamp securities in accordance with lender's procedures and relevant legislation, and confirm all security actions taken
3. Arrange for disbursement of funds	3.1 Arrange drawdown of funds by client, or solicitor acting for client 3.2 Disburse funds in accordance with requirements of loan approval and instructions received from client 3.3 Activate relevant client correspondence to advise client of disbursement of funds, date of settlement, manner of disbursement and other relevant details

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, 1.2, 1.3	Analyses and conducts detailed review of complex textual documentation to determine accuracy and completeness of information
Writing	1.1, 1.2, 2.2, 2.3, 3.1, 3.3	Prepares correspondence and completes records and forms using appropriate terminology, language and writing mechanics
Oral Communication	1.1, 1.2, 2.2, 3.1	- Provides clear and explicit information and instructions to others - Uses active listening and questioning to confirm and clarify requirements
Numeracy	1.1, 3.1, 3.2	Performs mathematical calculations to analyse and check financial and numerical information for accuracy and completeness
Navigate the world of work	1.3, 2.1, 2.3	- Recognises and follows organisational protocols and meets expectations - Monitors adherence to legal and regulatory obligations
Interact with others	1.1, 1.2, 2.2, 3.1, 3.2	- Collaborates with others to achieve joint outcomes - Selects and uses appropriate communication conventions and protocols to liaise with clients, lenders and other stakeholders

		Adapts personal communication style to show respect for the values, beliefs and cultural expectations of others
Get the work done	1.1, 1.2, 1.3, 2.2, 2.3, 3.1, 3.2, 3.3	- Plans a range of routine and non-routine tasks and uses logical processes to achieve goals - Uses digital technologies and systems to locate information, enter data and present information

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSFMB501 Settle applications and loan arrangements in the finance and mortgage broking industry	FNSFMB501A Settle applications and loan arrangements in the finance and mortgage broking industry	Updated to meet Standards for Training Packages Minor edits to clarify intent of performance criteria	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 FNSFMB501 Settle applications and loan arrangements in the finance and mortgage broking industry

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:

- communicate effectively with the client and other parties so that they understand the pre-settlement conditions and their involvement required
- accurately complete loan settlement tasks so that disbursement of funds are within agreed timelines, as required by the organisation and the client
- interpret and comply with relevant legislation, statutory requirements and organisational procedures.

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 different pre-settlement conditions required by lenders including gaining consent of prior mortgagee if second mortgage security is being taken
- describe different pre-settlement evidence required by lenders
- explain different pre-settlement undertakings by the borrower, required by lenders:
 - sale and settlement of other property
 - repayment of other debts
 - provision of evidence of insurance
- explain different documentation required by lender:
 - credit check authority signed
 - guarantees
 - loan contract
 - periodical payment authority
 - signed application form

- explain the role of various parties involved in the settlement process
- describe settlement issues that can occur
- describe key features of current industry codes of practice, legislation and statutory requirements including:
 - National Credit Code
 - privacy legislation
 - credit legislation
- outline the steps in the process of registering security documentation
- explain relevant policies and procedures in regard to opening an account for funds to be disbursed.

Assessment Conditions

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

- office equipment, technology, software and consumables
- lending product information
- relevant specialist software system and data.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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