



Australian Government

Assessment Requirements for FNSFMB511 Implement credit contracts in preparation for settlement

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 6.0.

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:

- implement credit contracts and prepare for loan settlements for at least three different clients.

In the course of the above, the candidate must:

- confirm credit contracts have correct details before execution including, where applicable, property settlement date and security
- adhere to legislative and regulatory requirements
- confirm credit contracts are complete, signed, witnessed and dated.

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:

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

- provision of evidence of insurance
- key features of industry codes of practice, legislative, regulatory and statutory requirements, including:
 - National Credit Code
 - privacy legislation
 - credit legislation
 - best interest duty
- organisational policies and procedures relating to implementing and executing credit contracts and settling applications and loan arrangements
- role of various parties involved in the settlement process
- settlement issues that can occur
- steps in process of registering security documentation
- steps required to open account for disbursement of funds.

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
- credit providers requirements for credit contract execution, loan settlement, security preparation and registration
- legislation and regulations related to loan applications, securities and settlement arrangements.

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

Links

Companion Volume Implementation Guide is found on VETNet -

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