



Australian Government

FNSFMB511 Implement credit contracts in preparation for settlement

Release: 1

FNSFMB511 Implement credit contracts in preparation for settlement

Modification History

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

Application

This unit describes the skills and knowledge required to identify client needs and assist in the preparation of securities to implement a credit contract in preparation for loan settlement.

The unit applies to individuals who use organisational skills to 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. Users are advised to check with the relevant state and territory regulatory authorities to confirm those 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. Identify client needs and prepare credit contract terms	1.1 Discuss client needs and requirements 1.2 Identify documents required for credit contract 1.3 Agree on property settlement date and security 1.4 Confirm client understanding of conditions of finance approval
2. Assist in preparation and registration of securities	2.1 Communicate information on property, insurances and securities in credit contract to client 2.2 Assist client to initiate steps to implement security as required 2.3 Communicate with client, conveyancer and credit provider, and confirm all parties are prepared for settlement 2.4 Assist client in preparing security documents prior to settlement

ELEMENT	PERFORMANCE CRITERIA
	according to lender's policies and procedures, and legislative and regulatory requirements 2.5 Confirm documents can be accepted and registered with required stakeholders
3. Execute credit contract and prepare for settlement	3.1 Confirm with client that credit contract has been executed 3.2 Assist client in submitting credit contract and required documents 3.3 Communicate payment and stamp duty information to client 3.4 Confirm client makes required payments prior to settlement

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

SKILL	DESCRIPTION
Numeracy	- Performs mathematical calculations to analyse and check financial and numerical information for accuracy and completeness - Checks calculations and results using calculators
Oral communication	- Provides clear and explicit information and instructions to others - Confirms and clarifies requirements using active listening and questioning - Adapts personal communication style to show respect for the values, beliefs and cultural expectations of others
Reading	Checks documents for accuracy and correct formatting
Self-management	- Identifies and follows organisational protocols and meets expectations - Monitors adherence to legal and regulatory obligations
Teamwork	- Collaborates with others to achieve joint outcomes - Selects and uses appropriate communication conventions and protocols to liaise with clients, lenders and other stakeholders
Technology	Accesses, enters and stores information using digital technologies

Unit Mapping Information

No equivalent unit. Supersedes and is not equivalent to FNSFMB501 Settle applications and loan arrangements in the finance and mortgage broking industry.

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 FNSFMB511 Implement credit contracts in preparation for settlement

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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:

- 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

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