



**Australian Government**

# **FNSFMK513 Undertake assessment of product and advice suitability for non-retail clients**

**Release: 1**

# FNSFMK513 Undertake assessment of product and advice suitability for non-retail clients

## Modification History

| Release   | Comments                                                                              |
|-----------|---------------------------------------------------------------------------------------|
| Release 1 | This version first released with FNS Financial Services Training Package Version 4.0. |

## Application

This unit describes the skills and knowledge required to assess client needs, determine suitability of appropriate product and advice needs of the client, and monitor and review this periodically.

The unit applies to individuals who use analytical skills and systematic approaches to evaluate a client's business needs, exposures, expertise and knowledge in financial markets before determining whether the product and services that the organisation can provide are suitable for the client and consistent with client expectations.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

## Unit Sector

Financial markets

## 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. Research and investigate needs and services required by client | 1.1 Investigate financial needs of client, including objectives, risk tolerance and types of services client is seeking<br>1.2 Gather information necessary to assess client knowledge and experience in financial products according to regulatory and organisational requirements<br>1.3 Confirm all onboarding requirements have been met, including required organisational and regulatory documentation |
| 2. Assess and provide suitable product                            | 2.1 Assess client's financial needs to determine appropriate product and advice consistent with client needs and organisational                                                                                                                                                                                                                                                                              |

| ELEMENT                                                    | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                            | <p>capability</p> <p>2.2 Advise client of applicable product or advice</p> <p>2.3 Complete required documentation and tasks to ensure compliance with organisation's client suitability framework</p> <p>2.4 Communicate assessment to required team members and client according to organisational policies and procedures</p> |
| 3. Monitor and review client needs and product suitability | <p>3.1 Conduct periodic reviews of client needs and product suitability</p> <p>3.2 Monitor and record changes to client's financial needs and objectives relevant to provided product and/or advice</p> <p>3.3 Communicate to required team members whether existing product and advice remains fit for purpose</p>             |

## Foundation Skills

*This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.*

| Skill                   | Description                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Oral communication      | <ul style="list-style-type: none"> <li>Participates in verbal exchanges using active listening and questioning skills to confirm understanding and seek feedback</li> <li>Presents and clarifies information using tone, pace and language applicable to audience and purpose</li> </ul>                                                                        |
| Reading                 | <ul style="list-style-type: none"> <li>Critically analyses complex documentation and records from a variety of sources and consolidates information relating to specific criteria to determine requirements</li> </ul>                                                                                                                                          |
| Writing                 | <ul style="list-style-type: none"> <li>Uses language, terminology and concepts to convey and confirm explicit information and requirements</li> <li>Prepares logically structured documents using appropriate format and style for audience and purpose</li> </ul>                                                                                              |
| Planning and organising | <ul style="list-style-type: none"> <li>Plans and sequences complex tasks and workload, negotiating key aspects with others and taking into account capabilities, efficiencies and effectiveness</li> </ul>                                                                                                                                                      |
| Problem solving         | <ul style="list-style-type: none"> <li>Applies systematic and analytical decision-making processes for complex and non-routine situations</li> </ul>                                                                                                                                                                                                            |
| Self-management         | <ul style="list-style-type: none"> <li>Selects and uses applicable conventions and protocols when communicating with clients to build rapport, seek and share information, establish clear agreement and maintain an ethical service relationship</li> <li>Works independently or with others in making decisions to achieve organisational outcomes</li> </ul> |

| Skill      | Description                                                                                                                                       |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Technology | <ul style="list-style-type: none"><li>• Uses main features and functions of digital tools to complete work tasks and access information</li></ul> |

## Unit Mapping Information

No equivalent unit. New unit.

## 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 FNSFMK513 Undertake assessment of product and advice suitability for non-retail clients**

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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:

- apply organisation's product and advice suitability framework to at least one client.

In the course of the above, the candidate must:

- evaluate client information to establish client financial situation, knowledge and experience in financial markets
- assess client needs and risk profile
- determine suitable products or advice for client
- conduct review of client product and advice suitability
- report on ongoing suitability or unsuitability of the product and advice for the client
- comply with organisational practices when assessing client product and advice suitability.

### **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:

- definitions of client suitability and elements of established client suitability frameworks
- types of client categorisations and implications on product and advice suitability
- organisational processes for assessing client product and suitability of advice
- regulatory requirements that may affect assessment of client suitability
- range of products available in a particular asset class
- documentation required for trading in financial products including ISDA Master Agreements.

## 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 required to produce the performance evidence
- regulations and codes of practice required to produce the performance evidence
- organisational and industry standards relating to client and product suitability.

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

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