



Australian Government

FNSFMK514 Complete confirmation and settlement processes

Release: 1

FNSFMK514 Complete confirmation and settlement processes

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 check dealing transaction information to complete confirmation and settlement processes.

The unit applies to individuals who use specialised knowledge and systematic approaches to complete confirmation and settlement processes for both automated and manual settlements.

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. Validate trades	1.1 Validate trades by checking details of transaction recorded on internal trading system to information communicated to clients by front office 1.2 Follow up any discrepancies with front office before initiating confirmation flow
2. Confirm trades	2.1 Create confirmation outlining details of the trade in line with conditions outlined in master agreement 2.2 Forward draft confirmation to appropriate personnel for checking before sending to client 2.3 Forward confirmation to client after complying with internal checking protocols 2.4 Investigate confirmation discrepancies with appropriate personnel 2.5 Follow up outstanding confirmations with client to ensure

ELEMENT	PERFORMANCE CRITERIA
	settlement flow can be actioned within settlement timeframe 2.6 Comply with internal process when checking client approval of trade confirmations 2.7 Initiate settlement flow for confirmed trades if all confirmation requirements are met 2.8 Comply with organisational processes for monitoring and resolving longer-dated outstanding client confirmations
3. Determine settlement details and instructions	3.1 Identify details of settlement and settlement instructions, and if inconsistent with standard settlement instructions, follow up with counterparty 3.2 Review organisational records on client or counterparty practices for additional instructions if required 3.3 Clarify uncertainties around settlement instructions or details with stakeholders
4. Complete settlement procedures	4.1 Check data recorded on internal systems for accuracy and adjust details if required 4.2 Action settlement, if both counterparties agree with settlement details, according to confirmed settlement procedures in line with organisational and industry requirements 4.3 Clarify or escalate unusual transactions or transactions that have not settled

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
Reading	Interprets and checks accuracy of information from a range of sources to determine and confirm work requirements
Writing	Records key information and prepares documentation following organisational procedures and protocols
Numeracy	Uses mathematical equations to perform calculations
Self-management	- Takes responsibility for completing process to industry and organisational requirements - Selects and uses appropriate conventions and protocols when communicating with clients
Planning and organising	Plans, organises and completes tasks, aiming to complete efficiently and effectively

Skill	Description
Technology	Uses main features and functions of digital tools and software systems to complete work tasks and access information

Unit Mapping Information

Supersedes and is equivalent to FNSFMK504 - Complete confirmation and settlement processes.

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 FNSFMK514 Complete confirmation and settlement processes

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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:

- complete confirmation processes for at least two different transactions
- complete settlement processes for at least two different transactions
- document at least one event where settlement does not occur as required.

In course of the above work, the candidate must:

- resolve any discrepancies in the confirmations, following organisational processes and procedures
- communicate with required stakeholders within required timeframes to resolve uncertainties around the settlement process.

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:

- organisational and industry confirmation and settlement systems and procedures
- key causes of discrepancies in confirmations
- validation systems and processes
- financial markets products including settlement processes, lifecycle of trades and accounting principles related to the product
- risks in the settlement process and consequences of settlement risk
- integrated financial software systems and data
- methodologies for data interpretation and analysis
- purpose and key features of confirmation documentation, methods and processes.

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
- an integrated financial software system and data.

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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