



Australian Government

FNSFMK523 Comply with requirements of licence and regulatory framework

Release: 1

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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 assist with ensuring compliance with requirements of an Australian Financial Service Licence (AFSL) and financial markets regulatory framework. This involves monitoring regulatory change, changes to business that may affect compliance with AFSL requirements and assisting in creating a culture of accountability.

It applies to responsible managers for the AFSL of the organisation.

Work functions in the occupational areas where this unit is used may be subject to regulatory requirements. Refer to the relevant regulator for specific guidance on requirements.

Unit Sector

Regulation, licensing and risk – Compliance

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. Monitor licence and regulatory change	1.1 Identify compliance requirements of AFSL and regulatory obligations applying to the organisation's business activities 1.2 Review licence on an ongoing basis to ensure any changes to organisational strategies or product and service offerings are meeting licence requirements and regulatory obligations 1.3 Evaluate the impact of regulatory changes on the organisation or business unit
2. Monitor and report risks and vulnerabilities	2.1 Identify risks and vulnerabilities that may impact on the organisation's compliance with AFSL requirements 2.2 Review a range of operational controls to detect possible

	breaches of licence 2.3 Investigate alerts triggered by controls and address breaches according to organisational policies and procedures 2.4 Analyse trends in data generated by procedural controls to determine the effectiveness of reporting systems 2.5 Report areas identified as needing improvement to parties responsible for those areas 2.6 Confirm that remedial action has been agreed upon and completed
3. Communicate regulatory change to the organisation or business unit	3.1 Ensure new regulatory requirements and codes of practice are integrated into organisational compliance processes and internal policy documents 3.2 Contextualise and communicate implications of regulatory change for business processes and procedures to staff 3.3 Incorporate compliance issues and procedures into practice guidelines and document appropriately 3.4 Report to the board on compliance with regulatory framework for the organisation or business unit
4. Assist in creating a culture of accountability	4.1 Communicate and confirm accountabilities and responsibilities to team members consistent with their capabilities and the operational plans of the organisation 4.2 Support staff in developing their compliance awareness and competence

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	- Participates in exchanges to elicit and verify information using careful listening and questioning techniques with consideration of context, purpose and audience - Uses active listening and questioning techniques to elicit the views and opinions of others and to confirm understanding
Reading	Analyses complex textual information from a range of sources and relates specific aspects of information to requirements
Writing	Accurately records and reports information using clear language and organisational templates and formats
Teamwork	Develops interpersonal skills to establish and enhance rapport with and between team members

SKILL	DESCRIPTION
Initiative and enterprise	• Monitors implementation and manages communication • Critically analyses changes in regulation and organisational procedures
Self-management	• Keeps up to date on changes to regulations relevant to own rights and responsibilities and considers implications of these when planning and undertaking work • Accepts responsibility for planning and sequencing complex tasks and workload
Technology	• Uses industry standard digital technologies and systems to access information, search and enter data, present information and communicate with others

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 FNSFMK523 Comply with requirements of licence and regulatory framework

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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:

- conduct a review of one organisation or business unit to determine requirements of compliance with AFSL and regulatory framework.

In the course of the above, the candidate must:

- assess viability of current controls and their compliance with requirements of licence and regulatory frameworks
- communicate and confirm operational controls reliance with appropriate personnel
- communicate strategic issues to different groups of stakeholders
- build compliance capabilities of teams.

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:

- key principles of AFSL and relevant legislation
- types of compliance breaches and breach reporting standards
- types of mitigation controls for monitoring risk
- techniques and performance indicators for monitoring the operation of compliance
- organisational operational controls including breach of licence controls
- key resources required by staff in meeting compliance objectives, including training programs, technology and support staff.

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:

- regulations, standards and codes required to determine compliance framework
- office equipment, technology, software and consumables required to produce the performance evidence
- operating organisational software systems and data required to produce the performance evidence.

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