



Australian Government

Assessment Requirements for FNSFPL610 Prepare advice in superannuation

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 5.0.

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:

- prepare accurate and ethical advice on superannuation products and/or services for at least two different clients.

In the course of the above, the candidate must:

- interpret and comply with industry regulations and codes of practice
- analyse client needs, financial situation and risk profile, and prepare appropriate strategies or solutions relating to superannuation
- implement the solution, plan, policy or transaction once agreed by the client and complete documentation.

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:

Generic knowledge

- economic environment, including:
 - characteristics and impact of economic and business cycles
 - interest rates and exchange rates
 - inflation
 - government monetary and fiscal policy
- operation of financial markets, including:
 - roles played by intermediaries and issuers
 - structure and interrelationships within financial markets
 - interrelationship between industry sectors
- financial products, including:

- concept of a financial product: general definition, and specific inclusions and exclusions
- types of financial investment products
- types of financial risk products
- aspects of ongoing service provision, including:
 - reporting on performance
 - communicating comprehensively and clearly
 - reviewing of solution, plan, policy or transaction.

Specialist knowledge

- legal environment, including disclosure and compliance covering:
 - role of the authorised representative or adviser
 - relevant legal principles relating to the Corporations Act, Australian Securities and Investments Commission (ASIC) Act, Superannuation Industry (Supervision) Act, Privacy Amendment (Private Sector) Act, and Competition and Consumer Act
 - relationship between ethics and regulatory requirements, including good faith, utmost good faith, full disclosure of remuneration and fees and other conflicts of interest that may influence authorised representative's recommendation
 - relevant industry standards and codes of practice
 - regulatory guidelines
 - internal and external complaints resolution procedures
 - trustee rules
- key requirements of:
 - Retirement Savings Account Act (RSA)
 - Superannuation Industry (Supervision) [SIS] Act
 - Superannuation Guarantee Act and other relevant legislation
 - Superannuation Contribution Tax (Assessment and Collection) Act
- operation and management of the superannuation industry, including:
 - characteristics and structure of a superannuation product
 - roles played by intermediaries and issuers
 - types of superannuation products
 - fee structures, including administration and management costs
 - types of contribution
 - annuities and pensions, allocated pensions and income stream products
 - associated risks
 - trustee appointment, duties and responsibilities
 - structure of superannuation plans management and administration of superannuation products
 - preservation rules
 - investment strategies within superannuation funds

- restrictions on investment strategies
- taxation issues in relation to superannuation financial products and markets in which they operate covering:
 - impact on investment earnings
 - employer and employee contributions
 - benefit payments and expenses
 - tax deductions
 - capital gains tax (CGT) treatment
 - rollovers
 - reasonable benefit limits
 - superannuation surcharge
 - social security pension eligibility
 - retirement planning
 - death benefits
 - franking credits
- theories of investment, portfolio management and management of investment and risk, including:
 - investment concepts and strategies
 - identification of types of risk
 - client risk profile.

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:

- organisational equipment, technology, software and peripherals
- superannuation product information.

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>