



Australian Government

FNSIBK603 Manage contractual, legislative and code of practice obligations and requirements

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the specialist skills and knowledge required to manage compliance requirements, including legislative and code of practice obligations relating to the life or general insurance products offered by an insurance brokerage.

It applies to individuals who work methodically and have well-developed analytical skills that are applied to the interpretation and management of product related compliance requirements.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Insurance 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. Determine rights, obligations and legislative requirements applying to insurance products	1.1 Identify all legislative, contract and code of practice requirements based on examination of terms and conditions of all insurance contracts, policies and products offered by brokerage 1.2 Ensure all identified rights, obligations and legislative requirements are documented so that appropriate procedures can be developed
2. Develop procedures to enable rights, obligations and legislative	2.1 Identify and document appropriate system needs that will enable rights and obligations, and legislative and code of practice requirements, to be met within organisational capacity

ELEMENT	PERFORMANCE CRITERIA
requirements to be met	2.2 Develop and document contingency plans to ensure that contractual rights, obligations and legislative requirements are met in event of unusual situations arising 2.3 Prepare procedures to ensure effective management of contractual rights and obligations within legislative and code of practice requirements
3. Implement procedures	3.1 Publish action plan to enable all relevant areas to be briefed on procedures that must be implemented 3.2 Implement procedures according to action plan
4. Monitor compliance	4.1 Review all rights, obligations and legislation requirements against terms and conditions of each contract of insurance on regular basis to ensure reliability and validity of interpretation 4.2 Alter procedures and processes in response to changes in interpretation
5. Establish procedures to maintain premium currency of insurance policy	5.1 Implement procedures to maintain accurate premium records, generate premium billings and process all monies received against policy records, in line with organisational procedures and relevant contractual obligations 5.2 Undertake conservation procedures within required timelines and organisational procedures

Foundation Skills

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

Skill	Performance Criteria	Description
Reading	1.1, 2.1, 2.2, 4.1, 5.1-5.4	Organises, interprets and critiques material from a range of sources and identifies relevant and key information relating to legislation, codes of practice and policy
Writing	1.2, 2.1, 2.2, 3.1, 4.2, 5.1	Develops procedural material for a specific audience using clear, detailed language to convey explicit information and requirements
Navigate the world of work	1.1, 2.2, 3.2, 4.1, 4.2, 5.1-5.4	- Modifies or develops policies and procedures that comply with legislative requirements and meet organisational goals - Develops and implements strategies that ensure

		organisational policy, procedures and regulatory requirements are being met • Sources information required to develop knowledge and understanding relevant to work role
Get the work done	2.1, 3.2, 5.4	• Plans, sequences and implements complex activities, aiming to achieve them efficiently • Makes high impact decisions in a complex and diverse environment, using input from a range of sources • Evaluates the effectiveness of systems and processes to inform decisions on how to implement improvements • Uses digital technologies to access, organise and analyse complex data

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSIBK603 Manage contractual, legislative and code of practice obligations and requirements	FNSIBL603A Manage contractual obligations for insurance and insurance broking products	Updated to meet Standards for Training Packages Wording changes to title, elements and performance criteria to clarify intent and to better reflect industry practice	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSIBK603 Manage contractual, legislative and code of practice obligations and requirements

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Performance Evidence

Evidence of the ability to:

- interpret and manage compliance requirements relating to contracts of insurance
- develop and follow up on action plans, taking into consideration the varied legislative and contractual requirements
- develop contingency plans to mitigate risks of non- compliance with the contractual obligations
- manage processes to maintain premium currency in line with contractual requirements.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain the translation of an analysis of the contractual compliance relating to insurance products into practical organisational procedures
- explain the application of action planning in the implementation of procedures relating to underwriting guidelines and authorities, and reinsurance
- outline the execution of codes of practice standards and relevant industry legislation in the organisation.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the insurance broking field of work and include access to:

- common office equipment, technology, software and consumables
- organisational records
- organisational policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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