



Australian Government

FNSILF401 Contribute to the life risk underwriting process

Release: 1

FNSILF401 Contribute to the life risk underwriting process

Modification History

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

Application

This unit describes the skills and knowledge required to undertake risk assessments of applications for life insurance including gathering the risk information, and reviewing and assessing it against appropriate risk criteria.

It applies to individuals who use specialised knowledge and systematic approaches to analyse and evaluate information and make judgements within limits of delegated authority.

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

Life insurance

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. Identify risk	1.1 Identify product type to ensure that nature of risk can be assessed and handled accordingly
2. Evaluate proposal against risk assessment criteria	2.1 Assess proposal against risk assessment criteria to clearly identify risk factors 2.2 Identify need for additional information to further evaluate proposal
3. Obtain further information	3.1 Identify appropriate sources of further information to enable comprehensive evaluation of proposal 3.2 Safeguard privacy of parties involved in providing information

ELEMENT	PERFORMANCE CRITERIA
	by complying with legislative and compliance requirements 3.3 Obtain all further information within specified timeframes to satisfy outstanding risk assessment criteria 3.4 Provide ongoing advice to concerned parties on status of assessment of proposal
4. Determine and advise terms and conditions of risk acceptability	4.1 Assess acceptability of risk against all available information and in accordance with appropriate underwriting guidelines 4.2 Within delegated authority, establish terms and conditions that minimise risk liability 4.3 Promptly advise all relevant parties on acceptance or rejection of proposal

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	Gathers, analyses and interprets simple to complex information from a range of sources, and identifies relevant information
Writing	3.3, 3.4, 4.2, 4.3	Produces texts of varying complexity using appropriate language, grammar and logical sequence to convey information accurately and effectively
Oral Communication	2.2, 3.3, 3.4, 4.3	- Uses active listening and questioning techniques to confirm understanding of requirements - Provides information using clear language and register appropriate to the audience
Numeracy	2.1, 2.2, 3.1, 3.3, 4.1	Uses mathematical problem-solving techniques to check data and financial information against criteria, plan timelines and sequence work
Navigate the world of work	3.2, 4.2	Recognises and follows explicit and implicit protocols, policies and procedures, and meets expectations associated with own role
Interact with others	3.1, 4.3	- Selects and uses appropriate communication conventions and protocols to liaise with others - Adjusts personal communication style in response to

		the values, beliefs and cultural expectations of others
Get the work done	1.1, 2.1, 2.2, 3.1, 3.3, 3.4, 4.1, 4.3	• Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effective outcomes • Makes routine decisions based on implementation of standard procedures • Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSILF401 Contribute to the life risk underwriting process	FNSILF401A Contribute to the life risk underwriting process	Updated to meet Standards for Training Packages. Minor edits to clarify intent of performance criteria.	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 FNSILF401 Contribute to the life risk underwriting process

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

Performance Evidence

Evidence of the ability to:

- undertake basic risk assessment of a life insurance product using sound analytical skills
- provide timely advice to relevant parties regarding a life insurance proposal.

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:

- outline basic life insurance underwriting principles
- identify the types of liability that can arise in life insurance
- outline the nature of the life insurance industry sector
- identify relevant legislative and compliance requirements including the Australian Securities and Investments Commission (ASIC), Australian Prudential Regulation Authority (APRA) and Life Insurance Act
- define key medical terminology relevant to life insurance
- list appropriate sources of further information to enable comprehensive evaluation of a proposal
- identify risk prevention methods and application
- identify the types of risk in life insurance products and probability of occurrence.

Assessment Conditions

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

- office equipment, technology, software and consumables

- organisational records, policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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