



Australian Government

FNSINC512 Assess vulnerability of financial products and services to money laundering and terrorism financing

Release: 1

FNSINC512 Assess vulnerability of financial products and services to money laundering and terrorism financing

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 6.0.

Application

This unit describes the skills and knowledge required to assess financial products and services provided by an organisation, or those an organisation uses, and determine their vulnerability to money laundering and terrorism financing. It includes undertaking Money Laundering and Terrorism Financing (ML/TF) risk assessments, assessing existing Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) controls and reviewing and responding to industry changes affecting financial products' and services' risk to ML/TL.

The unit applies to those who work in various financial services industry job roles and with a wide range of financial products or services.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

Unit Sector

Industry capability

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. Assess financial products and services	1.1 Identify products and services used by an organisation and determine their purpose 1.2 Analyse characteristics of products and services 1.3 Document functions of each product and service and the client needs it satisfies
2. Undertake ML/TF risk assessments of	2.1 Identify characteristics of products and services that are at risk of money laundering and terrorism financing

ELEMENT	PERFORMANCE CRITERIA
products and services	2.2 Conduct ML/TF risk assessment of products and services as required by organisational policies and procedures
3. Recommend enhancements to AML/CTF systems	3.1 Collect and assess information on existing AML/CTF controls 3.2 Determine enhancements to system controls for managing ML/TF risks for products and services identified through risk assessment 3.3 Manage vulnerabilities of products and services 3.4 Prepare and communicate recommendations for enhancing AML/CTF systems according to organisational policies and procedures
4. Maintain product knowledge	4.1 Review required products and services and initiate any changes to terms and conditions 4.2 Establish and use systems to inform and maintain knowledge regarding products and services 4.3 Review emerging trends affecting the financial services industry and action any required changes to products and services

Foundation Skills

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

SKILL	DESCRIPTION
Learning	Identifies, plans and implements strategies to manage gaps in personal knowledge
Reading	Evaluates information and products from a variety of sources to ensure appropriateness to client needs
Writing	Prepares documentation using clear language, and correct spelling and terminology
Oral communication	Employs language appropriate for audience and uses active listening techniques to confirm own understanding
Initiative and enterprise	Maintains accurate, comprehensive and current knowledge of products, legislation, regulations and standards relevant to role
Self-management	- Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effective outcomes - Contributes to continuous improvement of current work practices by applying basic principles of analytical and lateral thinking
Technology	Uses digital tools to access information

Unit Mapping Information

Supersedes and is equivalent to FNSINC502 Assess financial products and services vulnerability to money laundering and terrorism financing.

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 FNSINC512 Assess vulnerability of financial products and services to money laundering and terrorism financing

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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:

- assess vulnerability of financial products and services to money laundering and terrorism financing on at least three occasions.

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 organisational policies and procedures, and legislative and regulatory requirements relating to assessing vulnerability of financial products and services to money laundering and terrorism financing
- characteristics of products and services, including their:
 - purpose
 - strengths
 - weaknesses
 - terms and conditions
 - vulnerability to Money Laundering and Terrorism Financing (ML/TF)
- risk assessment methods
- Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) controls
- compliance requirements for products and services used by the organisation and the sector
- general client characteristics and needs for the organisation or sector
- information systems available to inform updates affecting products and services in the industry.

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
- organisational policies and procedures, legislation and regulations as they relate to financial products and services vulnerability to money laundering and terrorism financing
- financial services product information.

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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