



Australian Government

Assessment Requirements for FNSMCA412 Undertake legal action for recovery of debts

Release: 1

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Modification History

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

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:

- initiate legal action for the recovery of debts on at least three different occasions and seek different enforcement options for each occasion.

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:

- organisational policies and procedures, legislative and regulatory requirements, and ethical codes of conduct for undertaking legal action to recover debts, including those relating to:
 - legal status and types of debtors
 - legal status of guarantors
 - statute of limitations
 - security interests
 - garnishee orders
 - court jurisdictions, forms, procedures and filing processes
 - originating actions and defences and responses
 - orders and awards
 - enforcement orders
- originating legal documents, including Statement of Claim
- debtor responses to legal processes, including:
 - legal defences
 - hardship claims
 - offers to settle
- legal obligations underpinning credit management functions and their relationship to mercantile agents, such as hardship variations

- legal process for seeking judgement
- types of judgement
- different enforcement options, including property repossession or garnishee orders
- negotiation techniques related to debt settlements
- techniques related to the estimation of cost and timeframes for court procedures and serving legal processes.

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 policies and procedures, legislation related to legal actions for debt collection
- court forms and civil procedures
- organisational equipment, technology and software.

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>