



Australian Government

Assessment Requirements for FNSSUP431 Terminate retirement income streams

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:

- terminate or commute retirement income streams for at least one client.

In the context of the above, the candidate must:

- use Australian Tax Office (ATO) guidelines to confirm dependency status and age of beneficiaries or estate recipients where a lump sum is payable
- rectify errors and irregularities and communicate to required personnel
- calculate income stream payout, including full and partial withdrawals or commutations
- implement system and process checks and identify any irregularities.

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:

- legislative requirements, regulations and contractual terms governing termination of retirement income streams in the event of death
- organisational policies and procedures relating to termination of retirement income stream products, including steps in:
 - terminating or ceasing income streams and annuities
 - partial withdrawal and partial commutation of pensions
 - communicating with client, beneficiaries and client's legal representative
 - organisational quality assurance
- definitions of dependant, including definitions according to superannuation and taxation laws, including those of Superannuation Industry (Supervision) [SIS] Act and ATO
- ethical and legal considerations in handling confidential and private client information
- process and issues relevant to the nomination of beneficiaries

- personnel entitled to make enquiries about a client's superannuation and dealing with related enquiries
- procedures for processing and calculating death benefits
- timing rules and procedures for calculating commutations of non-account based income
- claim staking process for death benefits
- anti-detriment tax adjustments for lump sum benefits paid to dependants
- overview of taxation implications on retirement income stream or annuity products
- access and preservation rules
- rules, processes and circumstances relevant to:
 - rolling back a pension
 - rolling over and refreshing a pension
 - reversionary pensions.

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 consumables
- organisational policies and procedures, including requirements relevant to terminating retirement income streams.

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>