



Australian Government

Department of Education, Employment and Workplace Relations

FNSCMP501A Comply with financial services legislation

Release: 1

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Modification History

Release	Comments
Release 1	This Unit of Competency first released with <i>FNS10 Financial Services Training Package version 3.0</i>. Unit migrated from FNS04. Critical aspects for assessment and evidence more clearly articulated. Replaces FNSCOMP501B Comply with financial services legislation, industry and professional codes of practice.

Unit Descriptor

This unit describes the functions involved with ensuring compliance with financial laws, regulations, ethics and industry codes of practice on an organisational level.

Application of the Unit

This unit requires the application of skills and knowledge required to comply with relevant provisions in legislation, regulation, codes of practice. The unit encompasses complying with operational aspects of laws, regulations, rules, circulars and company policies and procedures, understanding changes and implications of laws, regulations, rules and circulars, complying with any relevant codes and maintaining statutory records.

Licensing/Regulatory Information

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Element	Performance Criteria
<i>Elements describe the essential outcomes of a unit of competency.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.</i>

Elements and Performance Criteria

1. Identify and apply organisational requirements of legal principles and regulatory obligations	1.1 Source documents for legislation, regulations and policies relevant to the provision of financial products and services are sourced and accessed 1.2 Key legal principles and organisational implications relating to the provision of financial products and services are interpreted and analysed 1.3 The organisational requirements of these documents and their impact on work practices are identified in terms of procedural requirements 1.4 Procedural requirements relating to operational aspects of laws and regulations and codes of practice are executed in line with organisational policy 1.5 Role authorities and restrictions as identified in position profiles are complied with 1.6 Internal monitoring/audit program is implemented according to organisational and role requirements 1.7 Mechanism is established to ensure currency of regulatory literature is maintained
2. Identify changes and implications of laws, regulations, rules and circulars	2.1 Changed legislation, regulations and policies are accessed in a timely manner 2.2 Changes to regulatory requirements are identified and communicated in line with organisational policy 2.3 Operational procedures are reviewed and reflect changes to regulation and legislation 2.4 Implications for products and services are identified and changes implemented in accordance with client, legislative and organisational requirements
3. Comply with any relevant industry or professional codes	3.1 Relevant industry and professional codes of practice are sourced, accessed and applied to own work in accordance with industry and organisational requirements 3.2 Key principles and responsibilities are interpreted in accordance with industry codes of practice 3.3 Own interpretation and application of industry codes of practice is confirmed and clarified as required with relevant persons 3.4 Impact of codes of practice on work practices is understood and implemented 3.5 Own ethical behaviour demonstrates a commitment to

	comply with industry and professional codes of practice
4. Maintain statutory records	4.1 Copies of relevant records are maintained 4.2 Copies of any relevant agreements are kept on file 4.3 Evidence of current authorisation, training and relevant licences are maintained in accordance with organisational, legal and regulatory requirements available

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to:
 - liaise and share information with others
 - communicate appropriately with people from diverse backgrounds
- IT skills to:
 - use computer applications (word processing, spreadsheet, database, specific purpose computer systems)
 - access and update records electronically
 - access web-based information services
- organisational skills to efficiently plan and sequence work
- problem solving skills to address errors in life insurance documentation
- research and analysis skills to:
 - identify and interpret relevant information
 - effectively analyse information and data
 - maintain currency of products and services knowledge
- reading skills to:
 - read and understand relevant legislation, regulation and codes of practice
 - read and interpret organisational procedures
- self-management skills to:
 - monitor and adapt to changes in compliance issues
 - handle contingencies
- writing skills to:
 - accurately record information
 - draft organisational procedures.

Required knowledge

- client complaints handling procedures
- compliance requirements of legislation, regulation and codes of practice relevant to the financial services industry sector
- duty of care principles
- general obligations of a financial services adviser
- organisation's products and services
- relevant agency agreements and/or broker authority
- relevant associations and ethics.

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	Evidence of the ability to: • maintain knowledge of relevant industry codes • maintain knowledge of relevant laws and regulations • comply with operational aspects of laws, regulations, rules and circulars • explain changes and implications of law, regulations, rules and circulars when requested • comply with agency/broker agreement and professional indemnity obligations • comply with relevant industry codes • maintain statutory records.
Context of and specific resources for assessment	Assessment must ensure: • competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to financial services legislation, industry and professional codes of practice, and organisation policies and procedures.
Method of assessment	A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit: • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • simulated tasks involving preparation of reports from supplied data • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work.
Guidance information for assessment	

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<i>Relevant legislation, regulations and policies</i> may include:	• Australian Securities and Investments Commission (ASIC) Act, policy and guidelines including RG 146 • Australian Prudential Regulation Authority (APRA) supervised regulation • Taxation Acts and regulations • Corporations Act • Competition and Consumer Act • Workplace Relations Act, State Industrial Relations Acts, awards and enterprise agreements • occupational health and safety (OH&S) legislation • applicable state legislation and regulations • organisational codes of conduct • Contract, General and Trust Law • Consumer Affairs legislation • social security regulations • Privacy Act Amendment (Private Sector) • National Consumer Credit Protection Act • Consumer Protection state based legislation
<i>Organisational requirements</i> may be outlined and reflected in:	• use of compliance documentation (e.g. Product Disclosure Statements, Statements of Advice) • legal and organisational policies/guidelines • policies and procedures in relation to client service • formal procedures manual and/or quality assurance documents • goals, objectives, plans, systems and processes • business and performance plans • mission statements, strategic plans • cash handling and storage procedures • teller cash count procedures • dispute resolution processes • referral procedures • access and equity principles and practice guidelines • ethical standards, codes of practice

	• product or service development • complaints and dispute resolution procedures • OH&S policies, procedures and programs • quality and continuous improvement process and standards
<i>Internal monitoring/audit programs</i> may include:	• monthly journal audits • Financial Services Reform (FSR) document audits • loan document audits • audits of disclosure documentation • qualification checks
<i>Relevant industry and professional codes</i> include:	• Life Insurance Code of Practice • Banking Code of Practice • Australian Society of Certified Practising Accountants (ASCPA) Code of Practice • Mortgage Brokers Code of Practice • any ethical codes of any association or body to which the adviser belongs

Unit Sector(s)

Compliance