



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSIBK403A Implement an agreed insurance program for a broking client**

**Revision Number: 1**

## FNSIBK403A Implement an agreed insurance program for a broking client

### Modification History

Not applicable.

### Unit Descriptor

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <b>Unit descriptor</b> | <p>This unit describes the performance outcomes, skills and knowledge required to complete an agreed insurance transaction. It encompasses placing a client's insurance with an insurer, confirming that a client's insurance has been placed with an insurer, agreeing ongoing services with the client, and accurate record keeping.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p> |
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### Application of the Unit

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| <b>Application of the unit</b> | <p>This unit applies to insurance broking roles and may be applied within organisations of various sizes and across a range of customer bases.</p> |
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### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

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| <b>Prerequisite units</b> |  |  |
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| <b>Prerequisite units</b> |  |  |
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## Employability Skills Information

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| <b>Employability skills</b> | This unit contains employability skills. |
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## Elements and Performance Criteria Pre-Content

|                                                                   |                                                                                                                                                                                                                                                                                                                  |
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| Elements describe the essential outcomes of a unit of competency. | 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. |
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## Elements and Performance Criteria

| ELEMENT                                 | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Obtain confirmation of interim cover | 1.1. Renewal notices are forwarded to client at least fourteen days before policy expiry<br>1.2. Documentation is arranged to be completed where required prior to expiry of interim cover<br>1.3. Insurer is notified of details of cover required immediately instructions are received from client<br>1.4. Formal evidence of <b>interim cover</b> is sought within relevant legislative, underwriting and business policy requirements<br>1.5. Interim cover details are checked for accuracy and completeness<br>1.6. Instructions for completion of cover are provided to insurer within required timeframes to ensure policy can be issued<br>1.7. Confirmation of correct interim cover is forwarded to insurers according to organisation operating guidelines<br>1.8. Required <b>documentation</b> is accurately completed according to organisation operating guidelines and <b>relevant legislation</b> |
| 2. Confirm insurance cover with client  | 2.1. Fees and <b>premiums</b> are monitored and collected according to organisation operating guidelines<br>2.2. <b>Client documentation</b> is checked for omissions and errors and adjusted by client where necessary<br>2.3. Premium and statutory imposts are accurately calculated as required<br>2.4. Original documentary evidence of cover is provided to client                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3. Complete required documentation      | 3.1. Receipt of documentation is checked regularly to ensure timely delivery to meet client requirements<br>3.2. Insurer documentation is checked for omissions and errors<br>3.3. Insurer documentation is recorded upon receipt as required by business policy and guidelines                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 4. Remit premium to insurers            | 4.1. Premiums are remitted to insurers in compliance with legislative requirements and credit term arrangements in place with the insurer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 5. Update relevant files and records    | 5.1. <b>Business records</b> are updated without delay to comply with business guidelines and procedures<br>5.2. Client records on disclosure documents provided are                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| ELEMENT                                              | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                 |
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|                                                      | maintained                                                                                                                                                                                                                                                                                                           |
| 6. Provide ongoing service where requested by client | <p>6.1.Type and form of ongoing service including review of insurance plan/policy/transaction is agreed with the client</p> <p>6.2.Fees and costs for defined ongoing services are clearly explained and confirmation of understanding gained from the client</p> <p>6.3.Ongoing service is provided as required</p> |

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

- communication skills to:
  - determine and confirm information, using questioning and active listening techniques
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
  - perform calculations related to achieving required outcomes
  - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
  - access and update records electronically
  - access web-based information services
- literacy skills to:
  - read and interpret documentation from a variety of sources and record and consolidate relevant related information
  - interpret administration methods and coordinate delivery of documentation
  - research and analysis skills for accessing and interpreting relevant information
  - interpersonal skills
  - organisational skills, including the ability to plan and sequence work

#### Required knowledge

- organisation policy, procedures and authorities
- industry compliance requirements

## Evidence Guide

| <b>EVIDENCE GUIDE</b>                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| 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. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Overview of assessment</b>                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>                                                                                                                    | <p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• follow required procedures.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Context of and specific resources for assessment</b>                                                                                                                                                                | <p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables</li> <li>• access to organisation records</li> <li>• access to organisational policies and procedures.</li> </ul>                                                                                                                                                                                                    |
| <b>Method of assessment</b>                                                                                                                                                                                            | <p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency</li> <li>• observing processes and procedures in workplaces</li> <li>• verbal or written questioning on underpinning knowledge and skills</li> <li>• evaluating samples of work</li> <li>• accessing and validating third party reports</li> <li>• setting and reviewing workplace projects and business simulations or scenarios.</li> </ul> |
| <b>Guidance information for assessment</b>                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## Range Statement

### 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.

|                                                  |                                                                                                                                                                                                                                                                                                                                                   |
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| <b><i>Interim cover</i></b> may be evidenced by: | <ul style="list-style-type: none"> <li>• binder</li> <li>• electronic transfer</li> <li>• facsimile</li> <li>• obtaining cover note number by telephone</li> <li>• placing slips.</li> </ul>                                                                                                                                                      |
| <b><i>Documentation</i></b> may include:         | <ul style="list-style-type: none"> <li>• additional questionnaires</li> <li>• certificates of insurance</li> <li>• confirmation of advices</li> <li>• correspondence</li> <li>• endorsements</li> <li>• policy documents</li> <li>• product disclosure statements</li> <li>• renewal certificates</li> <li>• replacement policy forms.</li> </ul> |
| <b><i>Relevant legislation</i></b> includes:     | <ul style="list-style-type: none"> <li>• Financial Services Reform Act</li> <li>• Insurance Brokers Code of Practice</li> <li>• Insurance Contracts Act and regulations.</li> </ul>                                                                                                                                                               |
| <b><i>Premiums</i></b> may be:                   | <ul style="list-style-type: none"> <li>• invoices paid by the insured</li> <li>• refunds in part of full paid by the insurer.</li> </ul>                                                                                                                                                                                                          |
| <b><i>Client documentation</i></b> may include:  | <ul style="list-style-type: none"> <li>• binder</li> <li>• premium closing by electronic or manual methods</li> <li>• proposal forms.</li> </ul>                                                                                                                                                                                                  |
| <b><i>Business records</i></b> may be:           | <ul style="list-style-type: none"> <li>• electronic</li> <li>• manual.</li> </ul>                                                                                                                                                                                                                                                                 |

## Unit Sector(s)

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| <b>Unit sector</b> | Insurance broking |
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## Competency field

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| Competency field |  |
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## Co-requisite units

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| Co-requisite units |  |  |
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