



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV305A Issue cancellation advice

Revision Number: 1

FNSISV305A Issue cancellation advice

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to issue notices to insured and other relevant parties advising of cancellation of policy. 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).
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Application of the Unit

Application of the unit	This unit applies to job roles involving customer services, claims and processing in a range of insurance sectors and may be applied within organisations of various sizes and across a range of customer bases.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

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. Identify policy for cancellation	1.1. <i>Request to cancel</i> a policy is received in <i>appropriate format</i> and verified with client or <i>relevant personnel</i> 1.2. <i>Reason for cancellation</i> is established and recorded according to the organisation's operating procedures
2. Process cancellation details	2.1. Details of the cancellation are entered into the organisation's database 2.2. Insured or relevant parties are contacted where necessary to obtain further details required to process the cancellation
3. Finalise refunds or payments owing	3.1. Refunds are calculated according to the organisation's policies and procedures and verified by relevant personnel 3.2. Authority to remit refund or amounts owing is obtained from relevant personnel 3.3. Payments are dispatched within the required timeframe 3.4. Documents are copied and filed for auditing purposes according to organisation operating procedures
4. Issue relevant documentation	4.1. Notices required by <i>legislation and codes of practice</i> are sent to insured parties within required timeframes and according to operating procedures 4.2. Where necessary, financiers are advised of cancellation of insurance

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 as required
 - relate to customers
 - 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
- research and analysis skills for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work

Required knowledge

- relevant industry legislation
- organisation and departmental policy, procedures and authorities and industry sector policy wording
- organisation products
- IT and communication systems
- basic industry sector compliance requirements
- duty of disclosure
- privacy principles

Evidence Guide

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: • comply with industry codes of practice • apply organisation operating policies and procedures in relation to issuing cancellation advice • use accuracy and attention to detail in issuing cancellation advice.
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 organisation records • access to organisation policies and procedures.
Method of assessment	A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, 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 • observing processes and procedures in workplaces • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work • accessing and validating third party reports.
Guidance information for assessment	

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.	
<i>Requests to cancel</i> insurance policies may be initiated by	- claims department - financiers - the insured.
<i>Appropriate formats</i> may include:	- in writing from the insured - in writing from the financier - on appropriate internal memo documentation.
<i>Relevant personnel</i> may include:	- accounts personnel - administration department - claims manager - customer service manager.
<i>Reasons for cancellation</i> of policy may include:	- insured has been found to have submitted a fraudulent claim with the insurance organisation - insured has breached of duty of disclosure - insured wants to take out insurance with another insurance organisation or underwriter and needs to cancel policy mid-term.
<i>Legislation and codes of practice</i> may include:	- Corporations Act - Financial Services Reform Act (FSRA) - General Insurance Code of Practice - Industry codes of practice - Insurance Contracts Act.
<i>Refunds or payments owing</i> will depend on:	- date of policy cancellation - nature of cancellation - organisational policies in relation to cancellation of policies.

Unit Sector(s)

Unit sector	Insurance services
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		