



Australian Government

Department of Education, Employment and Workplace Relations

FNSSAM604A Establish agreements with intermediaries for product distribution

Revision Number: 1

FNSSAM604A Establish agreements with intermediaries for product distribution

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to establish agreements with intermediaries for distributing financial products. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
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Application of the Unit

Application of the unit	This unit may be applied to any sector of the financial services industry.
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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 potential intermediaries	1.1. Selection criteria are determined to achieve business plan outcomes 1.2. Target intermediaries are identified and matched against the selection criteria and approaches or suitable responses made to enquiries from potential intermediaries
2. Determine acceptability	2.1. Information provided with an application is checked to determine reliability, completeness and relevance 2.2. Proposed trading arrangements are assessed for compliance with industry code of practice and relevant legislation 2.3. Credentials are checked through appropriate agencies to ensure acceptability within organisation assessment criteria and recommendations made based on a valid assessment of information against acceptability criteria
3. Determine terms and conditions of trade	3.1. Terms and conditions of trade are determined to reflect the legal and commercial responsibility of the organisation and intermediary 3.2. Terms of trade incorporate method of operation, duties and responsibilities of both parties and defined in compliance with industry code of practice and relevant legislation
4. Convey the decision and terms of trade	4.1. Decision and terms of trade are conveyed in writing using plain language in a concise manner 4.2. Advice is provided in a timely manner to ensure currency of application
5. Negotiate variations where appropriate and document and confirm arrangements	5.1. Variations are negotiated within authorities and an acceptance by both parties to outcome evidenced in writing to confirm understanding 5.2. Agreements are prepared in writing using predetermined formats to evidence contractual relationship 5.3. A statement of intent is prepared where appropriate to reflect commercial understandings 5.4. Agreement documentation is filed and system records created and/or updated promptly

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- highly developed communication skills to:
 - provide comprehensive product and service information to prospective intermediaries, using questioning and active listening as required
 - negotiate with intermediaries
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- IT skills for:
 - accessing and using appropriate software such as spreadsheets and databases and using internet information
 - managing information on financial products and services
- well-developed literacy skills to:
 - prepare selection criteria and provide comprehensive information to intermediaries
 - document agreements
- well-developed analysis and decision making skills
- problem solving skills to address product or service issues
- organisational skills, including the ability to plan and sequence work

Required knowledge

- industry codes of practice
- industry legislation and regulations regarding financial products and services
- organisation and industry products and services
- organisation distribution requirements and channels
- organisation income and expenditure forecasting
- organisation marketing, administration, systems, performance measures and training techniques
- organisation resources and budgeting
- relevant commercial and contract law

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:

- set up effective agreements with other organisations to deal in the products and services of their organisation
- determine the terms of trade and evaluate an intermediary agreement's success.

Context of and specific resources for assessment

Assessment must ensure:

- competency is demonstrated in the context of the financial services 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 product information.

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
- verbal or written questioning on underpinning knowledge and skills
- setting and reviewing workplace projects and business simulations or scenarios
- 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>Legislation</i> may cover	• industry codes of practice • Insurance (Agents and Brokers) Act • Insurance Contracts Act • Taxation Act • Trade Practices Act.
<i>Assessment criteria</i> and credentials may include:	• credit references • experience • expertise and professionalism • financial viability • individual standing • market niche and penetration • organisation position • product lines • qualifications • technology • trade references • volume requirements.
<i>Agreements</i> may be:	• agency agreements • binder agreements • broker agreements • underwriting agreements.

Unit Sector(s)

Unit sector	Sales and marketing
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		