

40657 Process a personal loan application to meet client needs

Kaupae Level	5
Whiwhinga Credit	10
Whāinga Purpose	<p>This skill standard is intended for people who want to work as a financial adviser in the provision of personal lending.</p> <p>This skill standard will provide learners with the knowledge and skills to process a personal loan application to meet client needs using knowledge of lending products and services.</p> <p>This skill standard can be used in programmes leading to the New Zealand Certificate in Financial Services (Level 5) with strand in Personal Lending [Ref: 2315-3].</p>

Hua o te ako me Paearu aromatawai | Learning outcomes and assessment criteria

Hua o te ako Learning outcomes	Paearu aromatawai Assessment criteria
1. Apply knowledge of client circumstances and personal lending products and services to meet client needs.	a. Analyse the features, benefits, risks, and limitations of products and services to identify those that meet the needs and circumstances of the client.
	b. Complete calculations to determine eligibility against the lender's criteria.
	c. Adjust specific terms of products or services to meet client's circumstances and needs.
	d. Assess the relevance of the legal structure of the client in relation to any special requirements imposed by the lending frameworks.
2. Prepare and process documentation for personal loan application.	a. Prepare and process documentation for the personal loan application in accordance with lending frameworks.

Pārongo aromatawai me te taumata paearu | Assessment information and grade criteria

Assessment specifications:

Assessment should use real or realistic documentation where appropriate. Simulated examples are permitted.

Learners are not expected to use tools and systems that are only available to a licenced financial advice provider or requiring a licence to use.

Any use of digital advice tools or artificial intelligence will need to be in accordance with relevant organisational and industry codes of conduct and practice.

All activities must comply with legislation, regulations, and best practice, including any guidance notes published by the agency responsible for the relevant enactment or code.

Client also includes potential clients. *Client* is intentionally broad to capture all types and include individuals, partnerships, businesses, families, companies, trusts, charities, organisations, body corporates, and associations as current examples.

Evidence must include three examples with a range of needs and complexities. At least one example must come from a new loan context and at least one example must come from an existing loan context.

Definitions

Existing loan context refers to management, reassessment, collections and recoveries of personal loans already made.

Lending frameworks refer to organisational policies, procedures, and guidelines that set out requirements and criteria that apply to loan application, assessment, approval, management, reassessment, collections and/or recoveries. Policies may cover trigger points for activation of policy, process to initiate action, and escalation triggers.

New loan context refers to application, assessment, and approval of new personal loans.

Ngā momo whiwhinga | Grades available

Achieved

Ihirangi waitohu | Indicative content

- types of personal loans – personal loan, vehicle loan, credit card/store card.

Calculations

- serviceability calculations
- statement of position
- settlement position.

Documentation for the personal loan application

- diary notes
- application form
- authority and declaration
- proof of income
- proof of identity
- key dates
- details of other professional parties
- financial history
- registered valuation
- certificate of incorporation
- proof of residency
- rental agreement
- trust deed.

Rauemi | Resources

- Anti-Money Laundering and Countering Financing of Terrorism Act 2009.
- [Code of Banking Practice, April 2021](#).
- [Code of Professional Conduct for Financial Advice Services](#).
- Consumer Guarantees Act 1993.
- Customer vulnerability and expectations for providers - [CustomerVulnerability-ourexpectationsforproviders.pdf \(fma.govt.nz\)](#).
- Fair Trading Act 1986.
- [Financial Markets Authority - Developing cyber resilience for financial advice providers \(July 2024\)](#).
- Financial Markets Authority- [Understanding Artificial Intelligence in Financial Services \(July 2024\)](#) by Mikayla Pakinga-Lawson, Amie White, Stuart Johnson.
- Financial Markets Conduct Act 2013.
- Financial Services Legislation Amendment Act 2019.
- ISO 22222 Personal Financial Planning - Requirements for personal financial planners, available from <https://www.iso.org>.
- KiwiSaver Act 2006.
- Reserve Bank of New Zealand Act 2021.
- Responsible Lending Guidelines, published by the Financial Services Federation, Wellington, 2019. Available at <http://www.fsf.org.nz/>.
- Relevant industry codes of conduct;
and all subsequent amendments and replacements.

Pārongo Whakaū Kounga | Quality assurance information

Ngā rōpū whakatau-paerewa Standard Setting Body	Ringa Hora Services Workforce Development Council
Whakaritenga Rārangi Paetae Aromatawai DASS classification	Service Sector > Financial Services > Financial Services - Professional Practice
Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga CMR	0112

Hātepe Process	Putanga Version	Rā whakaputa Review Date	Rā whakamutunga mō te aromatawai Last date for assessment
Rēhitatanga Registration	1	29 May 2025	N/A
Kōrero whakakapinga Replacement information	This skill standard replaced unit standard 28382.		
Rā arotake Planned review date	31 December 2030		

Please contact Ringa Hora Services Workforce Development Council at qualifications@ringahora.nz to suggest changes to the content of this skill standard.