

Title	Demonstrate knowledge of legislation applicable to credit administration		
Level	3	Credits	5

Purpose	<p>People credited with this unit standard are able to demonstrate knowledge of:</p> <ul style="list-style-type: none"> – legal concepts as applicable to credit administration; – Companies Act 1993 as applicable to credit administration; – Credit Contracts and Consumer Finance Act 2003 as applicable to credit administration; – Privacy Act 1993 as applicable to credit administration; – Personal Properties Security Act 1999 as applicable to credit administration; and – other legislation applicable to credit administration.
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Classification	Financial Management > Credit Administration
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Available grade	Achieved
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Guidance Information

- 1 Legislation applicable to this unit standard includes:
Anti-Money Laundering and the Countering of Financing of Terrorism Act 2009;
Companies Act 1993;
Construction Contracts Act 2002;
Credit Contracts and Consumer Finance Act 2003;
Insolvency Act 2006;
Personal Properties Security Act 1999;
Privacy Act 1993;
associated regulations;
and all subsequent amendments and replacements.
- 2 Definitions
Industry practice includes policies, procedures and standards that competent practitioners in the industry recognise as current industry best practice.
Organisational practice includes documented policies, procedures, and practices, and policy and procedure manuals pertaining to credit.
- 3 All evidence is in accordance with organisational practice where possible, otherwise evidence may be based on industry practice.

Outcomes and performance criteria

Outcome 1

Demonstrate knowledge of legal concepts as applicable to credit administration.

Performance criteria

1.1 Describe the composition and nature of legal entities.

Range may include but is not limited to – incorporated societies, limited liability companies, partnerships, trusts, sole traders, individuals, joint ventures, Māori trusts; descriptions of five legal entities are required.

1.2 Explain the differences between the classifications of law.

Range any two of – civil and criminal law, public and private law, statutory, common law, equitable rules.

1.3 Describe the New Zealand court structure and summarise the jurisdiction in relation to each court.

Range includes but is not limited to – Supreme Court, Court of Appeal, High Court, District Court.

Outcome 2

Demonstrate knowledge of the Companies Act 1993 as applicable to credit administration.

Performance criteria

2.1 Describe the coverage and purpose of the Act.

2.2 Describe the consequence of a company not disclosing its limited liability status.

2.3 Explain the importance of recording the correct legal entity.

2.4 Explain the outcomes of company payment default.

Range liquidation, receivership, compromise, voluntary administration.

Outcome 3

Demonstrate knowledge of the Credit Contracts and Consumer Finance Act 2003 as applicable to credit administration.

Performance criteria

3.1 Describe the coverage and purpose of the Act.

- 3.2 Describe the process of meeting the requirements of the Act in accordance with organisational practice.

Outcome 4

Demonstrate knowledge of the Privacy Act 1993 as applicable to credit administration.

Performance criteria

- 4.1 Describe the coverage and purpose of the Act.
- 4.2 Describe the process of meeting the requirements of the Act in accordance with organisational practice.

Outcome 5

Demonstrate knowledge of the Personal Properties Security Act 1999 as applicable to credit administration.

Performance criteria

- 5.1 Describe the coverage and purpose of the Act.
- Range includes but is not limited to – purchase money security interest, chattel security, general security deeds, provisions where the legislation does not apply.
- 5.2 Describe the process of meeting the requirements of the Act in accordance with organisational practice.
- 5.3 Explain the purpose of the Personal Properties Security Register.
- 5.4 Describe the requirements for registration on the Personal Properties Security Register.

Outcome 6

Demonstrate knowledge of other legislation applicable to credit administration.

Range may include but is not limited to – Anti-Money Laundering and Countering of Financing of Terrorism Act 2009, Construction Contracts Act 2002, Insolvency Act 2006.

Performance criteria

- 6.1 Describe the coverage and purpose of at least one Act.

Planned review date	31 December 2025
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	28 June 2005	31 December 2021
Rollover and Revision	2	15 November 2012	31 December 2021
Rollover and Revision	3	22 May 2014	31 December 2021
Review	4	18 June 2015	31 December 2023
Review	5	24 September 2020	N/A

Consent and Moderation Requirements (CMR) reference

0121

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact The Skills Organisation reviewcomments@skills.org.nz if you wish to suggest changes to the content of this unit standard.