

<b>Title</b>	<b>Demonstrate knowledge of the insurance industry in New Zealand</b>		
<b>Level</b>	<b>4</b>	<b>Credits</b>	<b>10</b>

<b>Purpose</b>	<p>This unit standard is for people working or intending to work in entry level or intermediate roles, under supervision, in an insurance context, who need to demonstrate knowledge of the sector and its purpose, participants, and available products and services.</p> <p>People credited with this unit standard are able to outline:</p> <ul style="list-style-type: none"> <li>– standard risk management concepts and typical approaches to familiar client risk situations;</li> <li>– insurance sector participants and the key services they offer; and</li> <li>– influences on availability and pricing of insurance products and services.</li> </ul>
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<b>Classification</b>	Financial Services > Financial Services - Professional Practice
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<b>Available grade</b>	Achieved
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### Guidance Information

- 1 This unit standard has been developed for learning and assessment on-job or off-job in a pre-employment context using a realistic simulation. Where this unit standard is completed in a pre-employment pathway or non-customer facing role and evidence is provided by case study or simulation, an explanation of how or why particular activities or steps are performed can be used to support an assessor’s judgement of competency.
- 2 **References**  
 Consumer Guarantees Act 1993;  
 Credit Contracts and Consumer Finance Act 2003;  
 Fair Trading Act 1986;  
 Financial Transactions Reporting Act 1996;  
 Human Rights Act 1993;  
 Income Tax Act 2007;  
 Privacy Act 1993;  
 Securities Markets Act 1988;  
 Trustee Act 1956;  
 Trustee Amendment Act 1988;  
 industry codes of practice;  
 and all subsequent amendments and replacements.

- 3 Definition  
*Predetermined guidelines* – guidelines developed by product providers and/or organisations incorporating recommended usage and practice.
- 4 Range
- Employed candidates are expected to be working within predetermined guidelines and this needs to be considered in the development of strategies, which may not be fully flexible.
  - All activities and evidence presented for all outcomes and evidence requirements in this unit standard must comply with any policies, procedures, and requirements of the organisations involved; the standards of relevant professional bodies including codes of ethics; and any relevant legislative and/or regulatory requirements.

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## Outcomes and performance criteria

### Outcome 1

Outline standard risk management concepts and typical approaches to familiar client risk situations.

#### Performance criteria

1.1 Outline standard risk management concepts.

Range concepts include defining risk, risk assessment, types of risk.

1.2 Outline ways to manage risk including insurance as an outcome of risk management.

Range ways to manage risk include – avoidance, acceptance, mitigation, transfer (insure);  
insurance as an outcome includes – purpose of insurance, characteristics of insurance, choice of insurance, choice of ownership.

### Outcome 2

Outline insurance sector participants and the key services they offer.

#### Performance criteria

2.1 Outline insurance sector participants in terms of their roles, responsibilities and key services.

Range sector participants may include but are not limited to – providers, distributors, risk advisers, regulators and professional and industry bodies; and, where appropriate, specific roles within these such as underwriters, claims assessors and managers, actuaries; a minimum of three is required.

- 2.2 Outline insurance sector products and services with reference to features, benefits, and limitations; and terms and conditions including premiums and exclusions.

Range *Life and Health* insurance products include but are not limited to – life, trauma, disability, income protection, health;  
*Fire and General* products include but are not limited to – house, contents, motor vehicle.

- 2.3 Recognise when an enquiry or task requires a commercial product or service, and refer to an appropriate specialist.

### Outcome 3

Outline influences on availability and pricing of insurance products and services.

#### Performance criteria

- 3.1 Outline client or risk-specific influences on availability, pricing, and terms and conditions of products and services.

Range specific influences in *Life and Health* may include but are not limited to – age, gender, smoker/non-smoker, medical history (personal and family), occupation;  
specific influences in *Fire and General* may include but are not limited to – construction materials, security and alarms, property location, driving history, claims history.  
a minimum of three influences for each of *Life and Health*, and *Fire and General* is required.

- 3.2 Outline possible wider influences that affect general availability and pricing of products and services.

Range may include but is not limited to – local and international major claims events, global economic events, regulatory changes, access to capital;  
a minimum of three examples is required.

**This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.**

#### Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	18 June 2014	31 December 2023
Review	2	25 March 2021	31 December 2023

<b>Consent and Moderation Requirements (CMR) reference</b>	0003
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.