

<b>Title</b>	<b>Demonstrate understanding of financial services best practice, professionalism, and recognised advice process</b>		
<b>Level</b>	<b>5</b>	<b>Credits</b>	<b>10</b>

<b>Purpose</b>	People credited with this unit standard are able to demonstrate understanding of: <ul style="list-style-type: none"> <li>– best practice and professionalism in respect of client care, ethical behaviour, and process</li> <li>– common estate planning and taxation concepts, and</li> <li>– the financial advice Six Step Process and its applicability in achieving appropriate solutions for clients.</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 References

Code of Banking Practice 2012  
 Consumer Guarantees Act 1993;  
 Fair Trading Act 1986;  
 Financial Advisers Act 2008;  
 Financial Advisers (Disclosure) Regulations 2010;  
 Financial Service Providers (Registration and Dispute Resolution) Act 2008;  
 Privacy Act 1993;  
 Trustee Act 1956;  
 and all subsequent amendments and replacements.

#### 2 Definition

*Six Step Process* – the industry standard for the provision of personal financial advice internationally, derived from ISO 22222 *Personal Financial Planning*.

#### 3 Range

Assessments requiring application or demonstration of skills and knowledge may be performed using workplace evidence or evidence derived from simulation or scenario based activities.

Assessments of any aspects of the Six Step Process require that candidates can describe the process at a similar level to the many summarised forms that are published by local and international financial planning industry participants. Candidates are not required to be familiar with the formal terms of ISO 22222.

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.

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## Outcomes and performance criteria

### Outcome 1

Demonstrate knowledge of and, where appropriate, comply with best practice and professionalism in respect of client care, ethical behaviour, and advice process.

#### Performance criteria

- 1.1 Demonstrate how best practice and professionalism are adopted when providing services to clients.
- Range includes but is not limited to – adopting best practice processes, maintaining confidentiality, meeting duty of care, adopting non-discriminatory practices, making full disclosure of remuneration/fees and other conflicts of interest that may influence any recommendation where required, acting in good faith, remaining within one's field of competence.
- 1.2 Explain how client information is managed to meet appropriate standards of best practice and professionalism.
- Range management of information includes protection from loss, protection from inappropriate access both internal and external, having ready availability when needed, updating information where required.
- 1.3 Present information to clients in a format appropriate for the audience and the nature of the information.

### Outcome 2

Demonstrate understanding of common estate planning tools and taxation measures.

#### Performance criteria

- 2.1 Outline key aspects of the creation, operation, and uses of common estate planning tools and demonstrate the ability to recognise when additional specialist advice is required.
- Range Will, asset ownership (Individual, Company, Trust), Enduring Power of Attorney.

- 2.2 Outline key aspects of the applicability and calculation of tax measures applicable to retail financial services and demonstrate the ability to recognise when additional specialist advice is required.

Range PAYE, withholding tax, GST, personal tax rates, company tax, Prescribed Investor Rate.

### Outcome 3

Demonstrate understanding of the financial advice Six Step Process and its applicability in achieving appropriate solutions for clients.

#### Performance criteria

- 3.1 Describe the activities that take place in each step of the Six Step Process.

Range the six steps in the Six Step Process are – establish and define the relationship, collect information and determine goals, analyse and evaluate the information, develop recommendations and present them to the client, implement the recommendations, monitor and review the recommendations.

- 3.2 Explain the importance of the relevant activities and the contribution they make to providing fit for purpose client solutions.

**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	19 February 2015	31 December 2022
Review	2	23 January 2020	31 December 2022

<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>.