

Title	Demonstrate understanding of personal lending products and the borrowing needs they meet		
Level	5	Credits	5

Purpose	People credited with this unit standard are able to demonstrate understanding of personal lending products and the borrowing needs they meet.
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Classification	Financial Services > Financial Services - Professional Practice
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Available grade	Achieved
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Guidance Information

- 1 **References**
 Anti-Money Laundering and Countering Financing of Terrorism Act 2009;
 Code of Banking Practice;
 Consumer Guarantees Act 1993;
 Fair Trading Act 1986;
 KiwiSaver Act 2006;
 Reserve Bank of New Zealand Act 1989;
 Responsible Lending Guidelines. Published by Financial Services Federation, Wellington, 2011. Available at www.fsf.org.nz;
 relevant industry codes of practice;
 and all subsequent amendments and replacements.
- 2 **Definitions**
New loan context – application, assessment, and approval of new personal loans.
Existing loan context – management, reassessment, collections and recoveries of personal loans already made.
- 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.

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.

Outcomes and performance criteria

Outcome 1

Demonstrate understanding of personal lending products and the borrowing needs they meet.

Range borrowing needs may arise in a new loan or an existing loan context; products include but are not limited to –
flexible options – store cards, credit cards, revolving credit
fixed term options – instalment loans - retail finance, instalment loans - vehicle finance, personal loans, leases;
loan protection insurance.

Performance criteria

- 1.1 Explain the features, benefits, risks, and limitations of common lending products in terms of their suitability in meeting different borrowing needs.
- 1.2 Explain the features, benefits, risks, and limitations of common methods of access to different lending products in terms of their suitability in meeting different borrowing needs.

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

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