

Title	Demonstrate understanding of trustee concepts, legislation, and regulations		
Level	5	Credits	10

Purpose	<p>People credited with this unit standard are able to demonstrate understanding of:</p> <ul style="list-style-type: none"> – the special status of a trustee and the application of this in the performance of trustee roles – the implications of the unique nature of individual trustee appointments – the purpose and establishment requirements of trustee products and services, and – the legislative and regulatory framework applicable to the provision of trustee services.
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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

Administration Act 1969;
 Family Protection Act 1955;
 Law Reform (Testamentary Promises) Act 1949;
 Property Law Act 2007
 Property (Relationships) Act 1976;
 Protection of Personal and Property Rights Act 1988;
 Social Security Regulations (Long-term Residential Care) Regulations 2005;
 Status of Children Act 1969;
 Te Ture Whenua Maori Act 1993;
 Trustee Act 1956;
 Trustee Companies Act 1967;
 Wills Act 2007;
 Relevant trustee sector codes of conduct and practice;
 and all subsequent amendments and replacements.
 For detailed information on specific requirements in relation to legislation and regulations refer to the Legislation Matrix available at www.skills.org.nz/resources-for-training-providers.

2 Definitions

Trustee or fiduciary – generic term covering situations where the individual is acting in any role as Trustee, Executor, Administrator, Attorney, Property Manager or Agent as the context or nature of the appointment may require.

Legislation Matrix – a reference list of legislation, regulations, and codes of practice, including specific sections or areas that candidates need to be familiar with for the purposes of assessment against this unit standard. It is available at:
www.skills.org.nz/resources-for-training-providers.

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 knowledge of the special status of a trustee and its impact in the performance of the role.

Performance criteria

- 1.1 Explain the concept of common fiduciary appointments and when they take effect.
- 1.2 Explain the duties and responsibilities of a trustee as set out in relevant legislation in the administration of a trust or estate, and how these duties are discharged in performing the role, including common exemptions.

Range duties of a trustee include but are not limited to – to know and understand the terms of the trust, to adhere to the terms of the trust, to be impartial and even-handed, to keep and render accounts, to act diligently and prudently, not delegate duties to others, not to profit from trust property, to invest trust funds prudently, to act in good faith, duty of efficient management, to act personally, duty of loyalty;
duties of an executor include but are not limited to – bury the deceased; make an inventory of assets; pay all duties, testamentary expenses, and debts; pay legacies; distribute the residue to the persons entitled; keep accounts.

- 1.3 Explain the liability of a trustee for the consequences of their actions in the performance of the role of a trustee.

Outcome 2

Demonstrate understanding of the implications of each trustee appointment being unique to the particular set of circumstances.

Performance criteria

- 2.1 Identify the parties to common fiduciary appointments and describe their role.
- 2.2 Describe the implications of having a unique prime document as the basis of each specific trustee appointment.
- 2.3 Explain the requirements and principals involved in balancing the competing rights of different beneficiaries.

Outcome 3

Demonstrate understanding of the purpose of trustee products and services and the requirements for establishment of those.

Range products and services include but are not limited to – Will, Trust, Enduring Power of Attorney (Property and Personal Care and Welfare), welfare guardian by court order.

Performance criteria

- 3.1 Explain the purpose of trustee products in terms of the typical objectives for establishing the arrangements.
- 3.2 Describe the requirements that must be met to create a valid instrument and the implications of having an invalid instrument.
- 3.3 Explain key ownership structures and the implications of those structures for the establishment and or management of trustee products and services.

Range ownership structures includes but is not limited to – tenants in common, joint tenants, company, partnership.

Outcome 4

Demonstrate knowledge of the legislative and regulatory framework applicable to the provision of trustee services.

Performance criteria

- 4.1 Explain and where relevant apply key provisions of legislation and/or regulations listed in the legislation matrix that impact the daily operations of a provider of fiduciary services.
- 4.2 Explain specific exemptions from common legislation and regulations that apply to fiduciary appointments.

Replacement information	This unit standard was replaced by unit standard 31887.
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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>.

This unit standard is Expiring