

Title	Interpret and explain provisions in the regulatory framework in a financial advice services context		
Level	5	Credits	10

Purpose	<p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – interpret and explain legislation and regulations applicable to financial advice and financial advice services; – interpret financial services consumer legislation and financial services compliance legislation in a general financial services context; – interpret the Code of Professional Conduct for Financial Advice Services; and – explain legislation and regulations applicable to complaints and disputes handling processes.
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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 Professional Conduct for Financial Advice Services;
 Consumer Guarantees Act 1993;
 Fair Trading Act 1986;
 Financial Markets Authority Act 2011;
 Financial Markets Conduct Act 2013;
 Financial Service Providers (Registration and Dispute Resolution) Act 2008;
 Financial Services Legislation Amendment Act 2019;
 Privacy Act 1993;
 and all subsequent amendments and replacements.

2 Definitions

Code – Code of Professional Conduct for Financial Advice Services.

FA – financial adviser; an individual who is registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 in relation to a financial advice service; but does not include a financial advice provider.

FAP – financial advice provider; a person that provides a financial advice service.

NR – nominated representative; an individual who is nominated by a financial advice provider under section 431T of the Financial Markets Conduct Act 2013.

Regulatory framework – legislation, regulations, codes of conduct and/or practice as they apply to financial services and the provision of financial advice services.

- 3 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

Interpret and explain legislation and regulations applicable to financial advice and financial advice services.

Performance criteria

- 1.1 Interpret terms used in financial advice legislation and regulations that apply to FAPs, FAs, and NRs.
- 1.2 Interpret the registration, licensing, and reporting requirements that apply to FAPs, FAs, and NRs.
- 1.3 Interpret disclosure and conduct obligations that apply to FAPs, FAs, and NRs.
- 1.4 Explain the legislative duties imposed on persons who give regulated financial advice and persons who engage others to give regulated financial advice.
- 1.5 Explain the consequences of non-compliance with financial advice legislation and regulations.

Outcome 2

Interpret financial services consumer legislation and financial services compliance legislation in a general financial services context.

Performance criteria

- 2.1 Interpret key provisions of financial services consumer legislation in terms of how they relate to the provision of financial advice services.

Range	includes – Financial Markets Conduct Act Part 2, Fair Trading Act, Consumer Guarantees Act, Privacy Act.
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- 2.2 Interpret key provisions of financial services compliance legislation in terms of how they relate to the provision of financial advice services.

Range	includes – Financial Markets Conduct Act Part 6 Subpart 5b, Anti Money Laundering and Countering Financing of Terrorism Act.
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Outcome 3

Interpret the Code of Professional Conduct for Financial Advice Services.

Performance criteria

- 3.1 Interpret the Code standards of ethical behaviour, conduct, and client care as they apply to FAPs, FAs, and NRs.
- 3.2 Interpret the Code in terms of standards of competence, knowledge, and skill; and continuing professional development as they apply to FAPs, FAs, and NRs.

Outcome 4

Explain legislation and regulations applicable to complaints and disputes handling processes.

Performance criteria

- 4.1 Explain participant roles and responsibilities in resolving complaints and handling disputes in accordance with financial services legislation and regulations.

Range participants may include but are not limited to – FAPs, FAs, NRs, consumers, internal complaints processes, dispute resolution scheme, regulators, Disciplinary Committee.

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	23 January 2020	31 December 2027
Review	2	29 May 2025	31 December 2027

Consent and Moderation Requirements (CMR) reference

0003

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