

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.
- 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.

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.

Planned review date	31 December 2024
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	23 January 2020	N/A

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>.

Comments on this unit standard

Please contact The Skills Organisation reviewcomments@skills.org.nz if you wish to suggest changes to the content of this unit standard.