

Title	Provide advice in a life, disability, and health insurance context using the Six Step Process		
Level	5	Credits	5

Purpose	People credited with this unit standard are able to provide advice in a life, disability, and health insurance context using the Six Step Process.
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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
 - Code of Professional Conduct for Financial Advice Services;
 - Consumer Guarantees Act 1993;
 - Fair Trading Act 1986;
 - Financial Markets Conduct Act 2013;
 - Financial Service Providers (Registration and Dispute Resolution) Act 2008;
 - Insurance Intermediaries Act 1994;
 - Insurance Law Reform Act 1977;
 - Insurance Law Reform Act 1985;
 - ISO 22222:2005 *Personal Financial Planning – Requirements for personal financial planners*, available from <https://www.iso.org>;
 - Privacy Act 1993;
 - relevant industry codes of conduct;
 - and all subsequent amendments and replacements.
- 2 Definition
 - Six Step Process* – the financial services industry standard for the provision of personal financial advice internationally, derived from ISO 22222 *Personal Financial Planning*.
- 3 All tasks must be carried out in accordance with industry good practice based on:
 - a ISO 22222 *Personal Financial Planning*, at a similar level to that described in the many summarised forms that are published by local and international financial planning industry participants;
 - b legislation, regulations, and best practice, including any guidance notes published by the agency responsible for the relevant enactment or code; and
 - c the Code of Professional Conduct for Financial Advice Services.

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

- 4 Assessments of any aspects of the Six Step Process do not require candidates to be familiar with the formal terms of ISO 22222.
- 5 This unit standard is intended to build on the technical competency articulated in unit standard 31865 to unit standard 31868. Candidates need to be able to develop and deliver advice, using the skills covered in these standards, according to a recognised process and sequence.

Outcomes and performance criteria

Outcome 1

Provide advice in a life, disability, and health insurance context using the Six Step Process.

Performance criteria

- 1.1 Establish and define the relationship with the life, disability, and health insurance client.

Range may include but is not limited to – meeting disclosure requirements, privacy acknowledgements, nature and scope of the advice, any known limitations to the service, agreement on the nature of remuneration for the service, obligations of parties.
- 1.2 Collect relevant qualitative and quantitative information for the agreed nature and scope of advice.

Range may include but is not limited to – client’s objectives, risk tolerance, personal and financial circumstances, needs, priorities.
- 1.3 Research, analyse, and evaluate client information to determine client’s financial situation and possible solutions.

Range may include but is not limited to – client circumstances that impact on advice, existing cover, new cover options, availability of other support, areas requiring other specialist advice, calculation and modelling of alternative structures or strategies, ownership considerations.
- 1.4 Develop life, disability, and health insurance recommendations based on selected strategies and present to the client.

Range may include but is not limited to –communicating how the advice meets the client’s needs and objectives, the cost of the recommendations, outlining risks and/or disadvantages of recommendations, responsibilities of the parties.

1.5 Implement agreed life, disability, and health insurance recommendations.

Range may include but is not limited to – variations required for implementation, client acceptance and sign off, communication with client through the application process.

1.6 Monitor and review life, disability, and health insurance recommendations.

Range may include but is not limited to – triggers for a review, timetable for review, responsibilities of the parties, identifying any changes to client circumstances, identifying any changes to insurance needs and structures, implementing any agreed changes.

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.