

Title	Demonstrate and apply knowledge of the general insurance services environment and concepts		
Level	5	Credits	5

Purpose	<p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – explain and apply knowledge of the regulatory framework when providing general insurance services; – explain key roles in general insurance organisations; – demonstrate knowledge of risk types and key general insurance principles and concepts; and – apply risk assessment and risk management approaches to general insurance situations.
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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 Insurance Code 2016;
 Fair Trading Act 1986;
 Financial Markets Conduct Act 2013;
 Financial Service Providers (Registration and Dispute Resolution) Act 2008;
 Financial Services Legislation Amendment Act 2019;
 Health and Safety at Work Act 2015;
 Insurance Intermediaries Act 1994;
 Insurance Law Reform Act 1977;
 Insurance Law Reform Act 1985;
 Privacy Act 1993;
 relevant industry codes of conduct;
 and all subsequent amendments and replacements.

2 Definition

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

3 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

Explain and apply knowledge of the regulatory framework when providing general insurance services.

Performance criteria

- 1.1 Explain key provisions of legislation, regulations, and codes of conduct that impact the daily operations of general insurance service providers.
- 1.2 Apply knowledge of key provisions of legislation, regulations, and codes of conduct when providing general insurance services.

Range evidence of three examples is required.

Outcome 2

Explain key roles in general insurance organisations.

Range key roles may include but are not limited to – underwriters, claims processing, loss adjustors and assessors, actuaries, complaints handlers, product developers, advisers and other distributors, reinsurers.

Performance criteria

- 2.1 Explain the purpose of key roles in general insurance organisations.
- 2.2 Explain the responsibilities of key roles in general insurance organisations.

Outcome 3

Demonstrate knowledge of risk types and key general insurance principles and concepts.

Performance criteria

- 3.1 Describe types of risk and the relevance of general insurance products to those risks.

Range general insurance risk types may include but are not limited to – pure risk, speculative risk, insurable risk.

3.2 Explain how key insurance principles and concepts relate to general insurance.

Range insurance principles and concepts may include but are not limited to – risk transferral through insurance, compensation not enrichment, reinsurance, correct policy ownership, tax implications.

3.3 Explain personal tolerance for risk in terms of attitude and capacity to cope with risk.

Outcome 4

Apply risk assessment and risk management approaches to general insurance situations.

Performance criteria

4.1 Evaluate exposures to risk in terms of probability of risk, and potential severity and impact of risk consequences.

Range exposures may include but are not limited to –direct losses, consequential losses, hidden losses.

4.2 Apply risk management approaches to general insurance situations.

Range evidence of three examples with a range of requirements and complexities;
must include one non-insurable risk;
risk management approaches may include but are not limited to – identification, avoidance, mitigation, financing, acceptance, transfer.

Replacement information	This unit standard was replaced by skill standard 40662.
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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	23 January 2020	31 December 2027
Review	2	29 May 2025	31 December 2027

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>.