



**WE BUILD FUTURES
ONE SUCCESS STORY
AT A TIME**

WORKPLACE SKILLS ASSESSMENT Derivatives

For Planners and Advisers

KAPLAN

PROFESSIONAL

THE SKILLS ASSESSMENT OVERVIEW

NOTE: This skills assessment is not valid for the award of a DFS(FP). In order to receive a Diploma of Financial Services (Financial Planning) DFS(FP) from Kaplan Professional the financial planning skills assessment must be undertaken.

Over the past 2 years ASIC has implemented new benchmarks for the level of knowledge required by authorised representatives. From January 2003 all training on the ASIC register must contain a skills element. ASIC recognise that, although knowledge is important, without the skills to implement that knowledge, the Authorised Representative is not truly competent.

Organisations supplying training to the Financial Services Industry must follow the Australian National Training Authority Training Package for Financial Services. This has the effect of standardising the qualifications awarded. Thus the Diploma of Financial Services (Financial Planning) offered by Kaplan Professional carries the same weight as the same qualification offered by any other Registered Training Organisation.

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The Transition to Skills Focussed Training

In line with ASIC requirements, Kaplan Professional have introduced skills into their courses and those skills can be assessed in 4 ways:

- 1 If you have been in the industry 5 of the past 8 years you may have a supervisor complete and sign a statement verifying your competence.
- 2 You may have a supervisor or an experienced practitioner observe and report on your skills in a client interview or role-play situation.
- 3 You can arrange for a Kaplan Professional assessor to observe and report on your skills in a client interview or role-play situation.
- 4 You can apply for Recognition of Prior Learning by providing evidence of your competency from past courses or experience.

These options can be used for students currently enrolled in Kaplan Professional training, or by those who require a 'stand alone' assessment to bring them in line with the new qualifications. A summary of the steps required to complete each option is on page 5 and page 6 of this brochure.

Option 1

Have a supervisor complete and sign a statement verifying your competence.

To be eligible to use this option the student must have worked 5 years in the past 8 in a relevant role in the financial services industry. The supervisor carrying out the assessment must meet the following criteria:

- They must meet the educational requirements as a responsible officer for an Australian Financial Services Licence holder or
- They must be RG 146 compliant and have at least 3 years experience in the industry.

The supervisor must complete the Supervisor Accreditation Form (S3) to confirm that they meet the supervisor requirements as well as the Supervisors Appraisal Form (S4). The student then sends the Skills Assessment Booking form; including payment details, and the 2 supervisor forms listed above to Kaplan Professional. Cost = \$130 per assessment

Option 2

Have a supervisor or an experienced practitioner observe and report on your skills in a client interview or role-play situation.

The supervisor carrying out the assessment must meet the following criteria:

- They must meet the educational requirements as a responsible officer for an Australian Financial Services Licence holder or
- They must be RG 146 compliant and have at least 3 years experience in the industry.

Students give the person supervising your assessment the Supervisor's Guides for conducting the role-play section of this brochure. The Supervisor Accreditation Form (S3) and a Supervisors Report Form (S8) can be found in the Forms Section of this brochure, which starts on page 12.

The supervisor can sit with the student in an actual interview with a client and record his or her observations on your skills or you can role-play the skills, with your supervisor taking the role of the client and recording the results. (Full student instructions for the role-play are included on pages 9 and 10).

When a supervisor has completed the Supervisor Accreditation Form (S3) and Supervisors Report Form (S8), the student then completes the Skills Assessment Booking Form (S2), which includes a payment facility and sends the 3 forms to Kaplan Professional. Cost = \$130 per assessment

Option 3

Arrange for a Kaplan Professional assessor to observe and report on your skills in a client interview or role-play situation.

- The Kaplan Professional assessor will be a qualified Certificate IV assessor.
- The assessment can be in an actual client interview or in a simulated role-play.

To arrange for this assessment you must complete the Skills Assessment Booking Form (S2), which includes payment details and submit it to Kaplan Professional. Cost = \$245 per assessment (Kaplan Professional offices), Cost = \$365 per assessment (if Kaplan Professional Assessor required offsite).

Please allow at least 2 weeks between submitting the form and the nominated date of assessment. Kaplan Professional have assessors in most areas of Australia, however, where the assessor incurs travel costs this may be passed on to the student.

Option 4

Apply for Recognition of Prior Learning by providing evidence of competency from past courses or experience.

When using this option students must complete the RPL (Recognition of Prior Learning) Form (S9) and return it to Kaplan Professional with the supporting evidence.

We have found that most students find it difficult to provide suitable evidence for skills such as verbal communication, questioning and listening skills. Kaplan Professional as an RTO will decide if the supporting evidence is of a sufficient standard to warrant issuing an exemption. Please read the RPL Evidence Form (S9) carefully before attempting this option.

If students have evidence that they have completed a sales training course (such as 'Counsellor Salesperson' or an 'In-House' course) submit the results of that course, together with the objectives or learning outcomes of the course. Kaplan Professional must be sure that the course covered the required competencies. As assessment of a wide range of evidence is required, there is a \$265 fee for this option.

Charges

As an RTO Kaplan Professional must validate any assessment and keep detailed records for each student. The charges associated with various skills assessments options are as follows:

Option 1 = \$130 per assessment

Option 2 = \$130 per assessment

Option 3 = \$245 per assessment (Kaplan Professional Premises).

Option 4 = \$365 per assessment (if Kaplan Professional Assessor is required to attend client's premises for assessment).

Option 5 = \$265 per assessment

Note: Kaplan Professional Assessors availability is limited to metropolitan areas only. Please post completed assessment to depending on option chosen to:

GPO Box 9995, Sydney NSW 2001

Note: Prices valid until 31 December 2009.

THE STEPS FOR COMPLETING THE ASSESSMENT

Important Points:

- To use option 1 the adviser must have 5 of the past 8 years in the industry
- Any person acting as supervisor must have at least three years experience in the industry and be either RG 146 compliant or be the nominated officer for a Financial Services Licence holder.

Steps in option 1

- a. Complete Skills Assessment Booking Form (S2).
- b. The supervisor completes the Supervisor Accreditation Form (S3).
- c. The supervisor completes the Supervisor Appraisal Form (S4).
- d. Send the Skills Assessment Booking form; including **\$130** payment (S2), the Supervisor Accreditation Form (S3) and the Supervisor Appraisal Form (S4) to Kaplan Professional.

Steps in option 2

- a. Complete Skills Assessment Booking Form (S2).
- b. Select a supervisor who meets the criteria, detailed on page 3 of this brochure.
- c. The supervisor completes the Supervisor Accreditation Form (S3).
- d. The supervisor reads the Instructions for the Supervisor Assessing Skills section of this brochure.
- e. The student reads the Student Guide for Role-play section of this brochure.
- f. The supervisor reads the Supervisor Guide for Conducting the Role-play section of this brochure.
- g. The supervisor completes the Supervisors Report Form (S8) during the role-play.
- h. Send the Skills Assessment Booking Form (S2); including **\$130** payment and the Supervisor Accreditation Form (S3) and the Supervisors Report Form (S8) to Kaplan Professional.

Steps in option 3

- a. Complete Skills Assessment Booking Form (S2) nominating a Kaplan Professional assessor and send it to Kaplan Professional including **\$245** payment or **\$365** payment depending on location of assessment.
- b. The student will be notified by Kaplan Professional as to the name of the assessor and when the assessment will take place.
- c. The student reads the Student Guide for Role-play section of this brochure.
- d. The supervisor completes the Supervisors Report Form (S8) during the role-play.
- e. The student will receive verbal feedback on the assessment at the time of the assessment.
- f. The student will be notified in writing of the result of his or her assessment.

Steps in option 4

- a. Read the Recognition of Prior Learning Form (S9) carefully and gather the relevant evidence of competence.
- b. Complete the Recognition of Prior Learning Form (S9) including **\$265** payment and attach evidence of competence. Send forms plus evidence to Kaplan Professional.

Note: Prices valid until 31 December 2009.

Important Note:

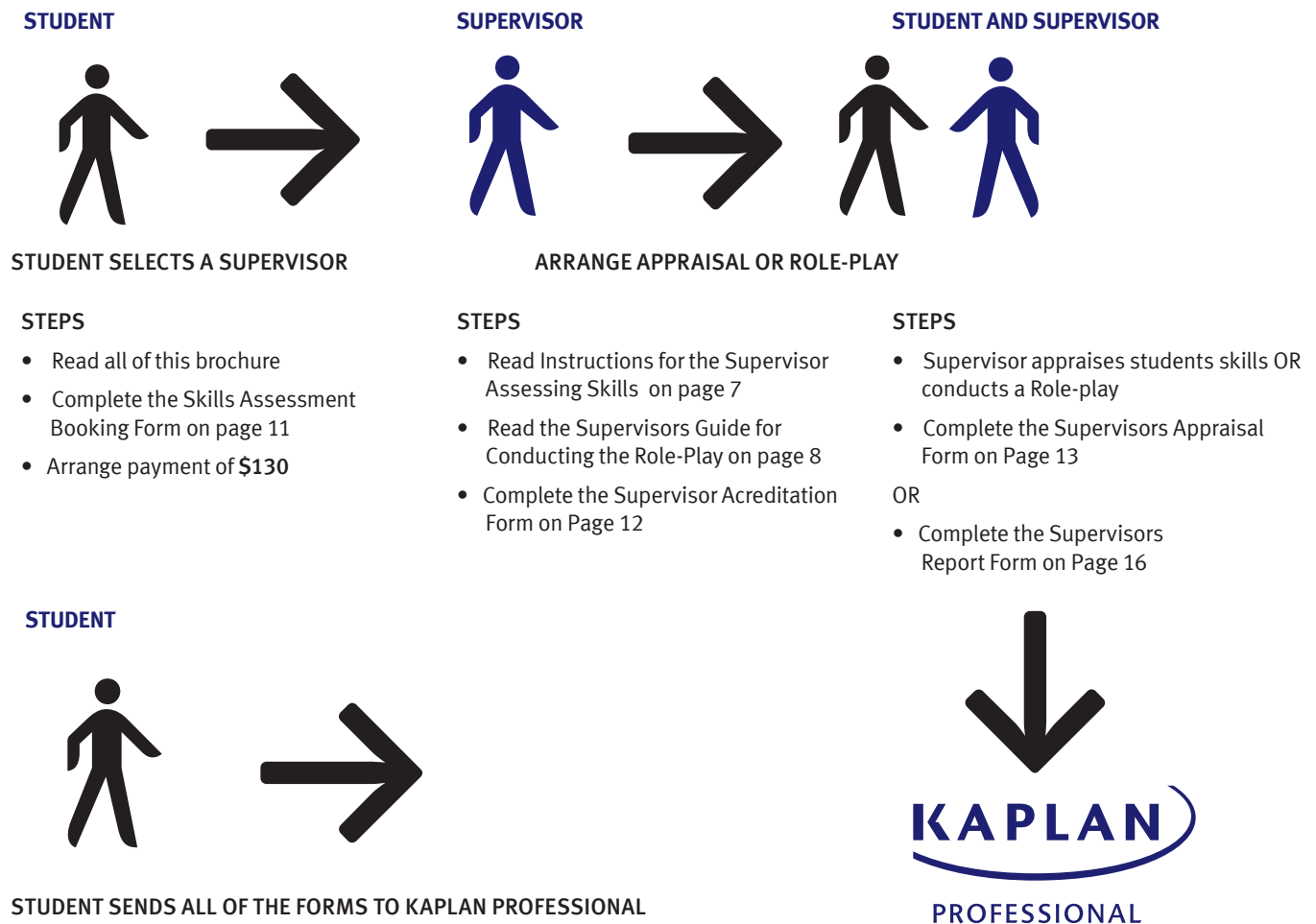
Only send copies of certificates etc as the evidence supplied will not be returned.

WORKPLACE SKILLS ASSESSMENT – DERIVATIVES

Important Note:

Only send copies of certificates etc. as the evidence supplied will not be returned.

Chart of Process for Options 1 & 2



INSTRUCTIONS FOR THE SUPERVISOR ASSESSING SKILLS

The course participant has nominated you to supervise and report on the skill demonstration elements of this training course.

As an RTO (Registered Training Organisation) Kaplan Professional has to confirm the qualifications of the assessor.

Background

The knowledge and skills requirements for advisers are clearly laid out in ASIC Regulatory Guide 146. Previously ASIC focused on the knowledge component of the statement. However, ASIC have now changed the course requirement. Courses on the register must now be aligned to a set of competencies nominated by ASIC. These competencies, in addition to the knowledge requirements have a strong emphasis on the skills of the adviser.

As an experienced practitioner in the industry you will understand that skills cannot be learned from a book; they must be practiced and demonstrated.

Kaplan Professional will endeavour to make the experience rewarding for you and the participant by providing guidance and documentation that is easy to follow. If you are an experienced assessor the task will be familiar, but if you have not undertaken this role before, you will gain valuable experience in coaching and assessing staff.

As an RTO Kaplan Professional needs to record and justify your comments on the course participant's activities. To undertake this role you must meet the educational requirements as a responsible officer for an Australian Financial Services Licence holder or be

Instructions for the supervisor assessing skills

RG 146 compliant and have at least 3 years experience in the industry. Please complete the attached Supervisors Accreditation Form (S3) and the Supervisors Report Form (S8) and give it to the student who will return them together with the skills assessment booking form to Kaplan Professional.

The participant's ability to communicate with the client is the main area you will be asked to observe and comment on, in addition to the following:

- Building rapport with the client.
- Identifying the client's needs by asking questions and listening to the answers.
- Explaining the strategies and solutions in terms any client can understand.
- Answering the client's questions and discuss any concerns.
- Negotiating with the client for implementation of the plan.

Ideally the assessment should be based on an actual interview with a client. The assessment will not be over the whole client interview; it is limited to the following stages of the interview process:

- Presentation of the Financial Services Guide (FSG).
- The section of the interview after the client has completed the data gathering process.
- Negotiating the Statement of Advice implementation in the second interview phase.

However, Kaplan Professional realises that a number of factors may prevent observations being carried out during an actual interview with a client. Therefore instructions have been included for some short role-plays which will provide the participant with the opportunity to demonstrate their skills. The same Supervisors Report Form (S8) is used for an actual client interview or a role-play.

Details of the assessment

For the client to supply sufficient information for the adviser to produce a meaningful strategy there has to be a level of trust between the client and adviser.

The adviser must use communication skills to build that trust. He or she will use an array of statements, questions and listening skills to establish a trusting relationship. These skills are to be recorded on the Supervisors Report Form (S8).

This booklet contains information for you (ie: the supervisor) and the person being assessed (ie: the student). During the skills assessment, you will take the part of the client allowing the student, as the adviser, to demonstrate the skills required to build a relationship.

As stated earlier, it is not necessary to role-play a full interview. Supervisors are only asked to observe various sections of the interview process. In the first role-play the student will be presenting you with a Financial Services Guide (FSG) and explaining the services he or she offers. Throughout this process they will be asking questions and responding to your questions as 'the client'.

The other two role-plays are run on the same basis; full instructions are given. The Supervisors Guide to the role-play on the following pages and the Supervisors Report Form (S8) will guide you through the required competencies and allow you to comment on the skill demonstrated by the student.

Conducting the role-play

When conducting a role-play it can sometimes be difficult to adopt a prescribed role and observe at the same time. To simplify the process we ask you, quite simply, to play yourself. All we ask is that for a few minutes you adopt another occupation, eg a teacher, self-employed tradesmen or retail manager, but retain all your own details: name, age, marital status, etc. You will also retain all your own views on things financial. The student will play himself or herself as a financial adviser. Remember we are looking for the student's ability to communicate, not their ability to act.

Giving feedback

It is important to give feedback to the student after the role-play or client interview is completed; they will expect it. Much has been written on giving feedback, but if you follow the basic guidelines you should be fine.

It is often better to ask the student to critique his or her own efforts first. Your initial question could be: "If you could do that over again would you change anything?" Listen to the answer and comment on their self-appraisal.

WORKPLACE SKILLS ASSESSMENT – DERIVATIVES

- Be flexible and fair. Allow for differences in styles and personalities. Don't expect them to be at your standard, they need to show competence, not excellence.
- Start by finding something they did well and building on it.

Be specific. Don't comment on the total role-play by saying "that was good" or "that needed more work". They need to know which part was good and which part needed more work:

eg. "The part where you explained the fees was good. As a client I would feel comfortable dealing with you."

eg. "Your explanation of the fees was a little confusing (then explain why) it could do with more work in"

If you feel the assessment was successful tell the student and put your comments on the "Supervisor Report Form" (S8). If you feel the presentation was not satisfactory and needs more work, tell the student and ask them to practice before setting a time to try again.

SUPERVISORS GUIDE FOR CONDUCTING THE ROLE-PLAY

First role-play

Setting the scene

You 'the client' have been using this share broking company to trade in shares, but you would like to extend your trading to derivatives. Because this type of trading is new to you, you have agreed to see 'the adviser' (the student) and this is your first meeting.

- Use the attached Supervisors Report Form (S8) to record your comments as the interview progresses.
- The broker should introduce himself or herself in a professional manner.
- Did they address you correctly? Did they smile? Was the handshake firm? Look for all the things you would expect when meeting a professional adviser.
- The broker should confirm the services you currently receive and establish the reasons for moving into options.

Your answer should be non-committal. "I don't really know. I was talking to this bloke at work and he said derivatives were a good way of making money and reducing losses, he had seen an adviser and got good advice" or some other vague answer. Finish off by saying something like "I just wanted to see what it was all about".

- The broker should explain the role of a broker and explain any limitations of the advice he or she is authorised to give.
- The broker should present you with a Financial Services Guide (FSG) and explain its contents.
- The explanation should follow the topics in the order they appear on the document so they are easy for you the client to follow.
- Early in the broker's explanation you ask the question "what happens if I have a complaint about the service?"
- The broker should defer the question by explaining that it will be covered later or turn to the section of the FSG covering complaints, explain the content, and then return to the previous area of explanation.
- When the explanation is given, look for clear understandable language free of jargon.
- When the broker covers the section on fees, ask the question "How much is your advice going to cost me?"
- Continue to record your comments on the Supervisor's Report Form (S8).
- Finally, did you feel the broker had made positive steps towards forming a relationship?

Second role-play

Setting the scene

The broker is in the data-gathering phase of the planning process. You, acting as the client, in consultation with the broker are about to enter the strategic planning stage. It is important that you understand the risks involved in derivatives trading.

The broker's role is to explain the relationship between the underlying stock, the options and how options can be used to increase income, minimise loss or be used for speculative purposes. The objective of this part of the interview is to establish commonality between the client and broker on the interpretation of the word "risk". The broker should not assume that you 'the client' have the same view on risk. A person's view on risk is formed from, among other things, past life experience, and their current circumstance; one man's high-risk investment is medium risk to someone else.

By explaining the relationship between the stock and the option, the broker is giving you, the client, the information you will need to make decisions on the portfolio best suited to your personality and your need to sleep easily at night. Some people are born gamblers. Others don't want to consider anything riskier than a savings account. It is important that the broker uncovers your understanding of risk and does not try to impose his or her own values on the client.

Third role-play

Negotiate an investment solution to match the risk profile.

As part of your investment strategy the broker on 10 January, recommends you buy one ABC Mar 1450 Call @70 cents. ABC is trading at \$14.50 and the broker feels there could be an upward movement within the next 2 months.

You disagree, you feel this would expose you to too much risk, in particular the possibility that the Mar 1450 Call could get out of the money and may expire worthless. Your broker must now negotiate a solution.

Remember that it is the broker's ability to negotiate, not their ability to win that is being examined. Their answer may include:

- The time left until expiry of the March option
- The stock price required to keep the option in the money
- Other defensive actions the client may take; rolling the position up, down, or out (or a combination of the three); the benefits of taking this action and the risks of taking this action.

The position you eventually accept is up to you the client. If you feel the broker puts forward a strong argument then you may eventually agree with his strategy, however you may still insist on a less risky position. The amount accepted in this case is not important; you are assessing the broker's ability to negotiate a solution. It is important that in playing the role of the client that you are not too tough or too lenient but allow the broker to display his or her negotiation and communication skills.

Please use the Supervisors Report Form (S8) provided to record the results of the assessment.

THE STUDENT GUIDE FOR ROLE–PLAY

Assessment Objectives

Your ability to communicate with 'the client' is the main area on which you will be assessed by your nominated supervisor.

You are being assessed on your ability to:

- Build rapport with the client.
- Identify the client's needs by asking questions and listening to the answers.
- Explain the strategies and solutions in terms any client can understand.
- Answer the client's questions and discussing any concerns.
- Negotiate with the client for implementation of the plan.

The role-play will not cover the full interview with a client. It will cover 3 critical stages of the interview process:

1. Presentation of the Financial Services Guide to the client (There is a copy of an FSG under the heading Extra Material at the back of this document).
2. The section of the interview where the adviser explains the risks of options trading and establishes the risk profile of the client.
3. Negotiating the makeup of the portfolio.

Three short role-plays will provide you with the opportunity to demonstrate your skills.

Assessment

In Kaplan Professional's experience the use of elaborate role-plays can often detract from the skills demonstration. In the interests of simplicity, in the role-plays you will play yourself as a new broker and your client will be your assessor.

Your assessor will play himself or herself; the only difference will be that they will adopt a different occupation from their financial services role. Apart from that change they will use all their own information and values. This will allow you to concentrate on demonstrating the skills rather than remembering what role you are playing. Remember your supervisor will be looking for your demonstration of skills, not your ability to act.

For the client to supply sufficient information to the broker in order to produce a meaningful strategy there has to be a level of trust between the client and broker.

The broker must use communication skills to build that trust. He or she should use an array of statements, questions and listening skills to establish a trusting relationship. Your aim in the first assessment is to demonstrate the skills required to build a trusting relationship.

You will be asked role-play various sections of the interview process. In the first role-play you will be presenting your Financial Services Guide (FSG) to the client (ie. the supervisor). Explain the FSG and the services you and your organisation offers. Throughout this process you will be asking questions and responding to 'client' questions.

The other two role-plays are run on the same basis. Full instructions are given. The Student's Guide to the Role-Play will guide you through the required competencies and allow your assessor/supervisor to comment on the skill demonstrated.

First role-play

Setting the scene

The client has been using your brokerage company for some time but has expressed a desire to include derivatives in his portfolio. As this area of the market is new to him, he has been referred to you; this is your first meeting.

The adviser should:

- Introduce himself or herself in a professional manner.
- Answer any questions the client may have.
- Present the Financial Services Guide (FSG) and explain its contents.
- Answer any questions the client may ask during the presentation of the FSG. (There is a training copy of an FSG at the back of this student guide).
- Check for client understanding.

We have asked the supervisor to give you feedback on your demonstration of skills when you have completed the role-play.

Second role-play

Setting the scene

You are in the data-gathering phase of the planning process. You, as the adviser, in consultation with the client are about to enter the strategic planning stage. It is important that you explain the risks involved in derivatives trading and check that the client understands.

Your role is to explain the relationship between the underlying stock, the options and how options can be used to increase income, minimise loss or be useful for speculative purposes. The objective of this part of the interview is to establish commonality between you and the client on the interpretation of the word "risk". You should not assume that the client has the same view on risk. A person's view on risk is formed from, among other things, past life experience, and their current circumstance; one man's high-risk investment is medium risk to someone else.

WORKPLACE SKILLS ASSESSMENT – DERIVATIVES

By explaining the relationship between the stock and the option, you are giving the client the information they will need to make decisions on the portfolio best suited to their personality and the need to sleep easily at night. Some people are born gamblers. Others don't want to consider anything riskier than a savings account. It is important that you the adviser, uncover the clients understanding of risk and do not try to impose your own values on the client.

At the conclusion of the role-play ask yourself: "Do I feel that I understand what risk means to the client?"

Third role-play

Negotiate an investment solution to match that risk profile.

As part of your investment strategy on 10 January you recommend that the client buy one ABC Mar 1450 Call @70 cents. ABC is trading at \$14.50 and you feel there could be an upward movement within the next 2 months.

The client disagrees, he or she feels this would be exposure to unacceptable risk, in particular the possibility that the Mar 1450 Call could get out of the money and may expire worthless. You must now negotiate a solution.

Remember that it is your ability to negotiate not your ability to win an argument that is being examined. Your answer may include:

- The time left until expiry of the March option
- The stock price required to keep the option in the money
- Other defensive actions the client may take; rolling the position up, down, or out (or a combination of the three); the benefits of taking this action and the risks of taking this action.

The position eventually accepted is up to you and the client. If you put forward a strong argument then the client may eventually agree with this strategy, however the client may still insist on a less risky position. The amount accepted in this case is not important; you are being assessed on your ability to negotiate a solution.

You should justify the reasons for recommending the option, but it is not a contest; don't put your relationship with the client at risk by being too assertive.

The supervisor will complete the Supervisor Report Form (S8) provided to record the results of the assessment. The supervisor will give you feedback on your role-play.

SKILLS ASSESSMENT REGISTRATION/BOOKING FORM (DERIVATIVES) – S2

Upon payment please treat this form as a tax invoice – Kaplan Education Pty Ltd. ABN 54 089 002 371

- We require fourteen-business days notice to book Skills Assessments and all students are required to bring photo identification.
- Please complete only the fields with numbers next to them.
- All amendments/cancellations or failure to attend an exam/assessment as per nominated on exam/assessment booking form will incur a **\$50** fee if exam was booked at a Kaplan Professional office or with five or more participants. External exams will incur a **\$100** amendment/cancellation fee.
- Assessments must be sat at a Kaplan Professional office, business address or a public venue (ie. library), not a residential address.
- Assessments must be sat during business hours **9am–5pm, Monday–Friday**.

Please note: If your assessment booking has not been confirmed at least a week prior to your assessment date, contact Client Contact Centre immediately on **1300 662 203**. Kaplan Professional assessors will only conduct assessments in metropolitan areas.

Personal Details

Name of person being assessed _____

Job Title _____ Organisation _____

Address _____

Suburb _____ State _____ Postcode _____

Tel (w) _____ (m) _____ Fax _____

Email _____ D.O.B. _____

Yes, please send me Kaplan Professional’s quarterly e-newsletter and updates via email.

Do you wish to book a Kaplan Professional assessor? Yes No

Assessment venue _____ Assessment time _____

Assessment address _____

Suburb _____ State _____ Postcode _____

Contact at venue _____ Contact number _____

The cost of this service is **\$130**. If you require a Kaplan Professional Assessor the cost is **\$245** (if assessment is held at Kaplan Professional premises). If you require a Kaplan Professional Assessor the cost is **\$365** (if assessment is held at client’s premises). Prices valid until 31 December 2009.

Payment Details

Invoice Company Only available to approved companies. Invoices will be sent to the address specified on your debtor card.

Name: _____ Phone Number: _____ Debtor ID: _____

Email Address: _____ Signature*: _____

*To authorise this invoice request you must be an existing contact on your company debtor card with Kaplan Professional. In the absence of an authorised signature an email will be sent for approval of enrolment.

Cheque (Please make cheque payable to Kaplan Education Pty Ltd) Cheque No. _____

Mastercard **Visa**

Card Number _____ Expiry Date ____ / ____ Total \$ _____

Cardholder’s Name _____ Cardholder’s Signature _____

.....

mail to GPO Box 9995, Sydney NSW 2001

fax to 1300 137 802

SUPERVISOR ACCREDITATION FORM (DERIVATIVES) – S3

Name of the person nominated as Supervisor _____

Address of Supervisor _____

Tel _____ Email _____

1. Have you had more than three years relevant experience in the finance industry? Yes No

Please provide details _____

If the answer to question 1 is “No” you are not eligible to be a supervisor for this skills assessment

2. Are you currently RG 146 compliant (Tier 1)? Yes No

OR

3. Are you the nominated responsible officer for an Australian Financial Services licensee? Yes No

If the answer to question 2 and 3 are both “No” you are not eligible to be a supervisor for this skills assessment

4. Names of candidates being assessed by you (if more than 4 please use an separate sheet)

5. Do you hold the Certificate IV in Assessment and Workplace Training? Yes No

(this is not compulsory but helps Kaplan Professional in the evaluation)

Please provide details _____

Date Certified / / _____

Institution _____

I confirm that the information given on this form is true and accurate.

Signed _____ Date / / _____

Office Use Only

Assessment reference number:	Database entry:
Completed by:	R.O.C number:

SUPERVISOR APPRAISAL FORM (DERIVATIVES) – S4

- Appraisal by a supervisor can only be accepted if the student has been in the industry for 5 out of the past 8 years.
- Before using this form the supervisor must complete the Supervisors Accreditation Form (S3).
- The skills listed below are preceded by a Skill Check List, Please use this list to verify the elements that make up the skill have been considered before the confirming the students competence.

The comments section at the end of the form is not mandatory but Kaplan Professional values any comments you make on the students level of skill.

The form should be signed by the assessor and returned to Kaplan Professional.

Establish relationship with client

Skill Check

- Can the student use a range of communication and interpersonal skills to establish the knowledge level of the client?
- Is the student able to respond to enquiries in relation to products and services by explaining the range of products and services available and their relevant fee and charging methodology?
- Is the student able to inform the client of the role of the adviser and the licensee/principal responsible for the adviser's conduct?
- Does the student demonstrate a familiarity with the procedures for complaints handling and the circumstances in which they should be engaged?

Identify clients objectives, needs and financial situation

Skill Check

- Is the student able to use a range of communication and interpersonal skills to gather clients' personal, financial and business details?
- Is the student able to identify clients needs by encouraging expression of their objectives and goals (short, medium and long term goals as relevant to the product)?
- Is the student able to identify the product risk profile of the client?
- Can the student uncover the client's expectations of cash flow and relevant taxation obligations?

Analyse clients objective, needs, financial situation and risk profile

Skill Check

- Is the student able to undertake an assessment of the client needs, utilising all information gathered and taking into account client's product expectations and specific needs?
- Is the student able to consult with the clients throughout the analysis for further clarification where necessary?
- Is the student able to recognise when a higher level/specialist advice is required?

ARE YOU SATISFIED THAT THE STUDENT IS COMPETENT IN THE FOLLOWING SKILL ELEMENTS?

Yes No

Yes No

Yes No

WORKPLACE SKILLS ASSESSMENT – DERIVATIVES

Develop appropriate strategies and solutions

Skill Check

- Is the student able to provide an appropriate strategy for the identified needs and outcomes determined from analysis of products client risk profile and assessment of client needs?
- Is the student able to conduct relevant research, analysis and product modelling?
- Is the student able to draft an appropriate solution (plan, policy or transaction) for presentation to client?

Present appropriate strategies and solutions to the client

Skill Check

- Is the student able to demonstrate an appropriate product knowledge for the service or product offered when presenting the product?
- Is the student able to explain and discuss the proposed transaction with the client in a clear and unambiguous way?
- Is the student able to reinforce the relevant details, terms and conditions of product/service with the client?
- Is the student able to disclose in a clear and concise manner the impacts and possible risks of the solution offered to the client?
- Is the student able to guide the client through the key aspects of the supporting documentation provided to the client?

Negotiate financial plan, policy or transaction with client

Skill Check

- Is the student able to discuss and clarify any concerns and/or issues the client has regarding the proposed plan, policy or transaction?
- Is the student able to seek confirmation from the client that they understand the proposed plan, policy or transaction?

Co-ordinate implementation of agreed plan, policy or transaction

Skill Check

- Is the student able to clearly explain the associated fee and cost structures and confirm the clients understanding?
- Is the student able to clearly explain the time frames for execution and processing and seek confirmation of client understanding?

Complete and maintain necessary documentation

Skill Check

- Is the student able to complete the Statement of Advice and all other statutory and transactional documents and have them signed off by the client?

ARE YOU SATISFIED THAT THE STUDENT IS COMPETENT IN THE FOLLOWING SKILL ELEMENTS?

Yes No

Yes No

Yes No

Yes No

Yes No

WORKPLACE SKILLS ASSESSMENT – DERIVATIVES

Provide ongoing service where requested by client

Skill Check

- Is the student able to seek agreement with the client on type and form of ongoing service; including reporting on performance and review of the Statement of Advice, policy or transaction?
- Is the student able to explain the fees and costs for ongoing and specifically defined service? Are they able to clearly explain and confirm the understanding of the client?

ARE YOU SATISFIED THAT THE STUDENT IS COMPETENT IN THE FOLLOWING SKILL ELEMENTS?

Yes No

Comments

I confirm that the information given on this form is true and accurate.

Signed

Date

Student Name

Student Number

SUPERVISOR REPORT FORM (DERIVATIVES) SKILLS – S8

This form is used for Recording the Assessment of Skills for the Requirements of RG 146 (Financial Planning)

Please read the 'Instructions for the Supervisor Assessing Skills' on page 7 and complete the Supervisor Accreditation Form (S3) before completing the assessment.

Supervisor Information:

Name _____

Supervisor Accreditation Form (S3) completed and attached Yes No

Student Information:

Name of the student being assessed _____

Student Number _____

Date of assessment: _____

When complete, forward to Kaplan Professional at the below address:

Kaplan Professional
GPO Box 9995
Sydney NSW 2001

SUPERVISOR REPORT FORM – S8

(for role-play one presentation of the Financial Services Guide FSG)

Establish relationship with ‘the client’	Comments
a) Was the student polite? Did they introduce themselves and observe an acceptable level of courtesy you would expect from a business professional?	
b) Did he/she ask what services you, ‘the client’ required?	
c) Did he/she respond to your questions in a satisfactory manner?	
d) Were the responsibilities of an ‘adviser’ clearly explained?	
e) Did the adviser explain how they intended to give that service without the use of jargon and in clear, easily understood language?	
f) Did the ‘adviser’ check for ‘the clients’ understanding?	
g) If this were a genuine adviser client interview, would the ‘adviser’ have built a level of trust with you? <input type="checkbox"/> Yes <input type="checkbox"/> No	Please give reasons for your answer.

Assessor

(Please Print)

Signature

SUPERVISOR REPORT FORM – S8

(for role–play two – explanation of risk)

Identify the client’s objectives, needs and financial situation	Comments
a) Did ‘the adviser’ encourage ‘the client’ to express his/her views on investment risk?	
b) Did ‘the adviser’ make it clear that there are no good or bad levels of risk, just the one that is comfortable for you?	
c) Did ‘the adviser’ explain the risks inherent in the 4 basic investments? Cash, fixed interest, property and shares?	
d) Did ‘the adviser’ explain how diversification is used to reduce risk?	
e) Did you feel that ‘the adviser’ asked sufficient questions to understand your views on the risks you face?	
f) Did ‘the adviser’ check for ‘the clients’ understanding?	
g) If this were a genuine adviser/client interview would ‘the adviser’ have built an understanding of your views on risk, which would give you trust in his/her ability to plan for your needs? <input type="checkbox"/> Yes <input type="checkbox"/> No	Please give reasons for your answer

Assessor

(Please Print)

Signature

SUPERVISOR REPORT FORM – S8

(for role–play presentation of the Statement of Advice)

Analyse client’s objectives, needs and financial situation.	Comments
a) Did ‘the adviser’ encourage ‘the client’ to express his/her views on the level of cover?	
b) Did ‘the adviser’ clearly explain the reasons why the cover was calculated in that way and the advantages of setting the cover at that level?	
c) Did ‘the adviser’ listen to your point of view and show empathy?	
d) Did the ‘adviser’ successfully negotiate an acceptable strategy?	
e) Were the negotiations free of conflict?	
f) Did the ‘adviser’ explain that the he/she would require a signed ‘authority to proceed’?	
g) If this were a genuine adviser/client interview, would you feel comfortable with the negotiation process? <input type="checkbox"/> Yes <input type="checkbox"/> No	Please give reasons for your answer

Assessor _____

(Please Print)

Signature _____

RECOGNITION OF PRIOR LEARNING (RPL) – S9 FOR RECORDING THE ASSESSMENT OF SKILLS FOR THE REQUIREMENTS OF RG 146

Upon payment please treat this form as a tax invoice – Kaplan Education Pty Ltd. ABN 54 089 002 371

This form allows you to submit evidence to Kaplan Professional of your competence in the skills listed on the following pages. The charge is \$265.00*.

Note: this charge applies whether or not you are assessed as being competent in all areas, so please ensure that complete documentary evidence is provided for each competency listed.

Do not send original documents – material received with this form will not be returned.

Personal Details

First Name	Last Name	
Job Title	Organisation	
Address		
Suburb	State	Postcode
Tel (w)	(h)	(m) Fax
Email	D.O.B.	

Yes, please send me Kaplan Professional's quarterly e-newsletter and updates via email

Payment Details

Invoice Company Only available to approved companies. Invoices will be sent to the address specified on your debtor card.

Name:	Phone Number:	Debtor ID:
Email Address:	Signature*:	

*To authorise this invoice request you must be an existing contact on your company debtor card with Kaplan Professional. In the absence of an authorised signature an email will be sent for approval of enrolment.

Cheque (Please make cheque payable to Kaplan Education Pty Ltd) Cheque No. _____

Mastercard **Visa**

Card Number _____ Expiry Date ____ / ____ Total \$ _____

Cardholder's Name _____ Cardholder's Signature _____

*Prices valid until 31 December 2009

Office Use Only

Date entered into database:	Assessment reference number:	
Confirmation sent:	R.O.C number:	Assessor confirmed:

mail to GPO Box 9995, Sydney NSW 2001

fax to 1300 137 802

RECOGNITION OF PRIOR LEARNING (RPL) – S9

For recording and assessment of skills for the requirements of RG 146

Skill competency	Elements of competency (tasks which make up the competency)	Evidence guide (this is only a guide; any relevant evidence of competency will be considered)	Evidence attached
Establish relationship with client	<ul style="list-style-type: none"> <input type="checkbox"/> Explaining the advisers role <input type="checkbox"/> Establishing the knowledge level of clients <input type="checkbox"/> Explaining the services offered <input type="checkbox"/> Identifying the licensee responsible for the conduct of the representative <input type="checkbox"/> Explaining fee and charging methodology <input type="checkbox"/> Explaining the procedures for complaints handling 	<ul style="list-style-type: none"> • Letters of support and evidence of relevant skill from clients and/or employer • Copies of relevant documentation prepared for clients • Production of client list and communication strategy used to inform clients on an ongoing basis • Production of client relationship history demonstrating the number of clients and the number of years each has been retained 	
Identify client objectives, needs and financial situation	<p>Collection of the following types of information from the client:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Relevant personal, financial and business details <input type="checkbox"/> Client objectives and goals <input type="checkbox"/> Risk profile of client <input type="checkbox"/> Cash flows (required and projected) <input type="checkbox"/> Relevant taxation obligations 	<ul style="list-style-type: none"> • Production of the fact finder and methodology used to gather relevant information from client • Letters of support and evidence of relevant knowledge and skill from clients and/or employer • Production of samples of client histories (files) used to record client transactions 	
Analyse client objectives, needs, financial situation and risk profile	<ul style="list-style-type: none"> <input type="checkbox"/> Analysing all relevant information <input type="checkbox"/> Assessing if specialist advice is required <input type="checkbox"/> Assessing risk profile of the client <input type="checkbox"/> Identifying and assessing available options via the above analysis 	<ul style="list-style-type: none"> • Copies of relevant documentation/reports prepared for client • Documented evidence of strategies and practices of referring clients to other specialists for advice • Production of samples of client histories (files) used to record client transactions • Copies of relevant documentation/reports prepared for client, showing a range of differing client, financial and personal situations and the offering of tailored solutions 	

RECOGNITION OF PRIOR LEARNING (RPL) – S9

For recording and assessment of skills for the requirements of RG 146

Skill competency	Elements of competency (tasks which make up the competency)	Evidence guide (this is only a guide; any relevant evidence of competency will be considered)	Evidence attached
Develop appropriate strategies and solutions	<ul style="list-style-type: none"> ☐ Identifying and assessing available options via the above analysis ☐ Conducting relevant research/analysis modelling ☐ Drafting plan/policy/transaction for presentation to the client ☐ Ability to underwrite and accept the transfer of risk subject to risk profile of client 	<ul style="list-style-type: none"> • Copies of relevant documentation/reports prepared for client, showing a range of differing client, financial and personal situations and the offering of tailored solutions • Completion of formal course or modules of courses • Completion of information programs run by insurance companies and/or industry associations • Letters of support and evidence of relevant practice, knowledge and skills from underwriters 	
Present appropriate strategies and solutions to the client	<ul style="list-style-type: none"> ☐ Explaining in plain language the proposed transaction (s) ☐ Explaining the nature of the underlying financial products ☐ Explaining the possible risks ☐ Providing written supporting documentation 	<ul style="list-style-type: none"> • Copies of relevant documentation/reports prepared for clients 	
Negotiate financial plan/policy/transaction with the client	<ul style="list-style-type: none"> ☐ Discussing any concerns/issues of the client regarding the proposed plan/policy/transaction ☐ Confirming with the client the preferred plan/policy/transaction 	<ul style="list-style-type: none"> • Completion of relevant courses or programs such as a selling skills course • Copies of relevant documentation/reports prepared for clients • Letters of support and evidence of relevant knowledge and skills from clients 	
Co-ordinate implementation of agreed plan, policy or transaction	<ul style="list-style-type: none"> ☐ Gaining agreement regarding the proposed plan/policy/transaction ☐ Explaining associated fee and cost structures ☐ Explaining time frame for execution 	<ul style="list-style-type: none"> • Production of samples of client histories (files) used to record and track client transactions • Production of evidence of the use of software to provide audit or ‘paper trails’ 	

RECOGNITION OF PRIOR LEARNING (RPL) – S9

For recording and assessment of skills for the requirements of RG 146

Skill competency	Elements of competency (tasks which make up the competency)	Evidence guide (this is only a guide; any relevant evidence of competency will be considered)	Evidence attached
Complete and maintain necessary documentation	<ul style="list-style-type: none"> ☐ Signing formal agreement ☐ Exchanging signed agreement 	<ul style="list-style-type: none"> • Production of samples of client histories (files) used to record and track client transactions • Production of evidence of the use of software to provide audit or ‘paper trails’ 	
Provide ongoing service	<ul style="list-style-type: none"> ☐ Explaining ongoing fees and costs for ongoing and specifically defined service ☐ Providing ongoing service to client as required and agreed ☐ Providing client with reports regarding performance of plan/ policy/transaction ☐ Conducting a review of plan/ policy/transaction with clients if parameters change 	<ul style="list-style-type: none"> • Production of evidence of a client communication/ information strategy • Production of newsletters written for client information • Production of evidence of a ‘plan review’ strategy • Production of evidence of a re-interview strategy to track changes in client life cycle and respond to changing personal needs 	

**This FSG was prepared on Wednesday, 12 May 2004 and issued
with the authority of XYZ Pty Ltd
This FSG is to be used for training purposes only**

FINANCIAL SERVICES GUIDE

Note: This FSG is applicable to authorised representatives.

You have the right to ask us about our charges, the type of advice we will provide you, and what you can do if you have a complaint about our services.

This Financial Services Guide (FSG) is intended to inform you of certain basic matters relating to our relationship, prior to us providing you with a financial service. The matters covered by the FSG include, who we are, how we can be contacted, what services we are authorised to provide to you, how we (and any other relevant parties) are remunerated, details of any potential conflicts of interest, and details of our internal and external dispute resolution procedures, along with how you can access them.

It is intended that this FSG should assist you in determining whether to use any of the services described in this document. Please note, that as an authorised representative of XYZ Pty Ltd, the distribution of this FSG has been authorised by, XYZ Pty Ltd, the authorising licensee.

You should also be aware that you are entitled to receive a Statement of Advice whenever we provide you with any advice, which takes into account your objectives, financial situation and needs. The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice.

In the event we make a recommendation to acquire a particular financial product (other than securities) a financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product, which will enable you to make an informed decision in relation to the acquisition of that product.

YOUR QUESTIONS

Before you receive our advice

Who will be providing the financial service to me?

Smith & Jones Management Pty Ltd

Business Address:

Level 106, 26 Upton Street, Somewhere

Tel No: 05 4321 1234

Fax No: 05 4321 1235

Email: advice@som.net.au

ASIC authorised representative number: 12345

Is an authorised representative of:

XYZ Pty Ltd. ABN: 112233 Australian Financial Services Licence Number: 221933

Address: Level 41, 56 Down Street, Lancaster

Tel: 01 1234 5678

Fax: 01 1234 5679

Email: Advice@aim.net.au

Who is my adviser?

Your adviser will be Sam Student who is authorised to act on behalf of the Authorised Representative and the licensee. Include education and qualifications

What kinds of financial services are you authorised to provide me and what kinds of products do those services relate to?

Authorised Representative is authorised by XYZ Pty Ltd to offer you the following services: Provide financial product advice and to deal in a financial product by arranging for a financial product to be acquired, disposed of, or varied.

We can provide advice on the following products:

- Basic deposit products
- Deposit products other than basic deposit products
- Non-cash payment products
- Government debentures, stocks & bonds
- General insurance
- Life insurance investment products
- Life insurance risk products
- Managed investment schemes
- Securities
- Retirement savings account products and Superannuation.

We can deal in the following products:

- Basic deposit products
- Deposit products other than basic deposit products
- Non-cash payment products
- Government debentures, stocks & bonds
- General insurance
- Life insurance investment products
- Managed investment schemes
- Securities
- Retirement savings account products and superannuations.

We can advise you in respect of securities however we cannot provide a service to buy or sell securities. We are able to refer you to a stockbroker who will arrange for your purchase or sale of securities.

Portfolio Monitoring: Internal databases are maintained detailing client's investments that were recommended by XYZ Pty Ltd.

This does not constitute portfolio monitoring. Portfolios are reviewed on an annual basis, subject to the client's discretion.

Who do you act for when you provide financial services for me?

XYZ Pty Ltd is responsible for the financial services provided to you.

How will I pay for the service?

XYZ Pty Ltd operates on a fee-for-service basis. Fees will be charged at the rate of **\$100** per hour or part thereof. We, in turn, rebate managed investment initial fees which are payable on products that have been approved by XYZ Pty Ltd. Where we recommend a life insurance product we will be paid a commission by the life insurance company.

or if it commission only:

XYZ Pty Ltd will receive commissions from the issuers of the products approved by XYZ Pty Ltd and that I recommend.

Do you receive remuneration, commission, fees or other benefits in relation to providing the financial services to me and how is that commission calculated?

Include all required disclosures

1. I receive a salary from XYZ Pty Ltd. or I will receive STATE PERCENTAGE of all fees and commissions received by XYZ Pty Ltd.
2. The managers of the products I recommend pay the XYZ Pty Ltd an initial commission. This commission which can vary depending on the product and manager is in a range of between 0.55% and 1.06% and calculated on your investment amount.
3. The managers of the products I recommend pay the XYZ Pty Ltd an ongoing commission. This commission which can vary depending on the product and manager is calculated in a range of between 0.55% and 1.06% on the balance in your account. This commission is paid each quarter.
4. Where a life insurance company product has been recommended the issuer of the product will pay XYZ Pty Ltd a commission. This commission ranges between 0.55% and 1.06% of your first years premium.
5. Where a life insurance company product has been recommended the issuer of the product will pay the XYZ Pty Ltd an ongoing commission. This commission which can vary depending on the product is calculated in a range of between 2.3% and 12%. This commission is paid each quarter.
6. Where the services of a stockbroker are utilised to deal in shares the licensee will receive between 0.6% and 5% of the brokerage amount paid to the stockbroker.
7. I may be entitled to a bonus from the licensee based on income generated by me. At this time I am not aware if I will receive that bonus. I am not aware of any other incentive that I may receive from the licensee or any product issuer.

8. If you have been referred to me by another party I may pay that party a fee of 3%.
9. The exact amounts of any fees, commissions, bonuses or other incentives received by me and the licensee will be in Financial Services Guide included in a Statement of Advice that I will provide to you.

When you receive our advice

Will you provide me advice, which is suitable to my needs and financial circumstances?

Yes. But to do so we need to find out your individual objectives, financial situation and needs before we recommend any financial products or services to you. You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

What should I know about the risks of the financial products or strategies you recommend to me?

We will explain to you any significant risks of financial products and strategies which we recommend to you. If we do not do so, you should ask us to explain those risks to you.

What information do you maintain in my file and can I examine my file?

We maintain a record of your personal profile, which includes details of your objectives, financial situation and needs.

We also maintain records of any recommendations made to you. We are committed to implementing and promoting a privacy policy which will ensure the privacy and security of your personal information. A copy of our privacy policy is enclosed for your information. If you wish to examine your file, we ask that you make a request in writing and allow up to fourteen (14) working days for the information to be forwarded. We may charge a fee to cover the cost of verifying the application and locating, retrieving, reviewing and copying any material requested. If the information sought is extensive, we will advise of the likely cost in advance and can help to refine your request if required.

Can I provide you with instructions and tell you how I wish to instruct you to buy or sell my financial products?

Yes. You may specify how you would like to give us instructions, for example by telephone, fax, or other means OR specify how the instructions are to be given.

If you have any complaints

Who can I complain to if I have a complaint about the provision of the financial services to me?

If you have any complaint about the service provided to you, you should take the following steps:

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within three days, please contact the XYZ Pty Ltd or put your complaint in writing and send it to level 41, 56 Down Street, Lancaster. We will seek to resolve your complaint quickly and fairly.
3. If the complaint cannot be satisfied to your satisfaction you have the right to complain to the Financial Ombudsman Service (FOS). They can be contacted on 1800 335 405. This service is provided to you free of charge.

Stage 1 of the FOS process is where FOS facilitates discussions

and negotiations between the parties. All relevant documents are exchanged and the issues in dispute are identified.

Stage 2 is conciliation and the parties come face to face with a conciliator from the FOS national panel. The role of the conciliator is to assist the parties to explore options for settlement of the dispute and to help parties to agree on their own outcome.

Stage 3 is where the independent adjudicator is requested to make a decision “on the papers” taking into account the relevant law, fairness and reasonableness. If you accept the adjudicator’s decision it is binding on the member. If your concerns involve ethical conduct you may wish to consider raising your concerns in writing with the Financial Planning Association of Australia. They can be contacted at PO Box 109, Collins Street West, Melbourne VIC 8007. The Australian Securities and Investments commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

Kaplan Education Pty Ltd.
ABN 54 089 002 371
1300 662 203
www.kaplanprofessional.edu.au

KAPLAN
PROFESSIONAL