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| **5** | **Apply knowledge of insurance policy structure to interpret policy coverage and policy response for clients** |

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| **Kaupae |** Level | 5 |
| **Whiwhinga |** Credit | 5 |
| **Whāinga |** Purpose | The purpose of this skill standard is for people who want to work as a financial adviser in the provision of general insurance advice services.  This skill standard will provide learners with the knowledge and skills to apply knowledge of insurance policy structure to interpret policy and policy response for clients.  This skill standard has been developed primarily for the assessment within programmes leading to the New Zealand Certificate in Financial Services (Level 5) with strand in General Insurance. |

**Hua o te ako me Paearu aromatawai |** Learning outcomes and assessment criteria

| **Hua o te ako |** Learning outcomes | **Paearu aromatawai |** Assessment criteria |
| --- | --- |
| 1. Apply knowledge of insurance policy structure to interpret policy coverage and policy response for clients. | 1. Explain how a policy operates and the hierarchy of the policy sections. |
| b. Determine if cover is provided for a loss scenario under the policy and explain why. |
| c. Apply knowledge of policy structure and explain the policy response to the client including next steps in claims process. |

**Pārongo aromatawai me te taumata paearu |** Assessment information and grade criteria

*Assessment specifications:*

Assessment should use real or realistic documentation where appropriate. Simulated examples are permitted.

Learners are not expected to use tools and systems that are only available to a licenced financial advice provider or having a licence to use.

Any use of digital advice tools or artificial intelligence will need to be used in accordance with relevant organisational and industry codes of conduct and practice.

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.

*Client* also includes potential clients. Clients include Trust, business, individual, family.

*Client* is intentionally broad to capture all types and include, individuals, partnerships, businesses, families, companies, trusts, charities, organisations, body corporates, and associations as current examples.

Evidence of three different loss scenarios is required. Loss scenarios must include one of each policy response - Fully, Partially and Not Covered.

For the purposes of this standard, the final decision of any policy response will remain the insurer claims handler. Any response the learner is giving should be in line with their role in the process.

***Ngā momo whiwhinga |*** *Grades available*

Achieved

**Ihirangi waitohu |** Indicative content

Policy structure

* operative or insuring clause
* extensions
* exclusions
* definitions
* conditions
* endorsements
* warranties
* schedule
* limits and sub-limits
* excesses
* deductibles.

**Rauemi |** Resources

* [Code of Professional Conduct for Financial Advice Services](https://financialadvicecode.govt.nz/wp-content/uploads/2021/03/codeofprofessionalconduct-march2021.pdf)
* Consumer Guarantees Act 1993
* Contracts of Insurance Act 2024 Contracts of Insurance (Repeals and Amendments) Act 2024
* Customer vulnerability and expectations for providers - [CustomerVulnerability-ourexpectationsforproviders.pdf (fma.govt.nz)](https://www.fma.govt.nz/assets/Reports/CustomerVulnerability-ourexpectationsforproviders.pdf)
* Fair Insurance Code 2016
* Fair Trading Act 1986
* [Financial Markets Authority - Developing cyber resilience for financial advice providers (July 2024)](https://www.fma.govt.nz/assets/Information-sheets/Developing-cyber-resilience-for-financial-advice-providers.pdf)
* Financial Markets Authority- [Understanding Artificial Intelligence in Financial Services (July 2024)](https://www.fma.govt.nz/assets/Research/Understanding-Artificial-Intelligence-in-Financial-Services.pdf) by Mikayla Pakinga-Lawson, Amie White, Stuart Johnson
* Financial Markets Conduct Act 2013
* Financial Services Legislation Amendment Act 2019 Financial Services Providers (Registration and Dispute Resolution) Act 2008
* Health and Safety at Work Act 2015
* Insurance Intermediaries Act 1994
* Insurance Law Reform Act 1977
* Insurance Law Reform Act 1985 Life Insurance Act 1908
* Privacy Act 2020
* Fire and Emergency New Zealand Act 2017
* Insurance Prudential Supervision Act 2010
* Law Reform Act 1936
* Financial Market (Conduct of Institutions) Amendment Act 2022
* Natural Hazards Insurance Act 2023
* Relevant industry codes of conduct;

and their subsequent amendments or replacements.

**Pārongo Whakaū Kounga |** Quality assurance information

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| **Ngā rōpū whakatau-paerewa |** Standard Setting Body | Ringa Hora Services Workforce Development Council |
| **Whakaritenga Rārangi Paetae Aromatawai |** DASS classification | Service Sector> Financial Services> Professional Practice |
| **Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga |** CMR | 0003 |

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| **Hātepe |** Process | **Putanga |** Version | **Rā whakaputa |** ReviewDate | **Rā whakamutunga mō te aromatawai |** Last date for assessment |
| **Rēhitatanga |** Registration | 1 | [dd mm yyyy] | N/A |
| **Kōrero whakakapinga |** Replacement information | N/A | | |
| **Rā arotake |** Planned review date | 2030 | | |

Please contact Ringa Hora Services Workforce Development Council at [qualifications@ringahora.nz](mailto:qualifications@ringahora.nz) to suggest changes to the content of this skill standard.