

ESTABLISH CREDIT COLLETERAL

UNIT CODE: BUS/OS/BF/CR/04/6/A

UNIT DESCRIPTION

This unit specifies the competencies required to establish credit collateral. It involves identifying security options, determining sufficiency of collateral, executing legal document, conducting security perfection and Maintaining credit security documents.

ELEMENTS AND PERFORMANCE CRITERIA

ELEMENT These describe the key outcomes which make up workplace function (to be stated in active)	PERFORMANCE CRITERIA These are assessable statements which specify the required level of performance for each of the elements (to be stated in passive voice) <i>Bold and italicized terms are elaborated in the Range</i>
1. Identify security options	1.1 Type of collateral is determined as per credit category 1.2 Exposure is determined as per the credit policy. 1.3 Exposure is matched with collateral as per the credit policy.
2. Determine sufficiency of collateral	2.1 Security ownership is determined as per law 2.2 Security caveat is determined as per law 2.3 Use of collateral elsewhere is determined as per law 2.4 Security valuation is conducted as per credit policy
3. Execute legal documents	3.1 Customer is issued with offer letter and other legal documents as per credit policy 3.2 Offer letter and other legal documents are signed as per banking policy 3.3 Offer letter and other legal documents are confirmed as per credit policy 3.4 Offer letter and other legal documents are signed by advocate as per credit policy 3.5 Legal documents are witnessed as per credit policy
4. Conduct security perfection	4.1 Security documents are obtained as per credit policy 4.2 Security documents are compiled as per joint registration legal requirement 4.3 Legal charge on property is obtained as per banking policy

5. Maintain credit security documents	5.1 Legal documents are filed as per standard operating procedures 5.2 Security documents are stored as per standard operating procedures 5.3 Security documents register is maintained as per credit policy 5.4 Insurance register is maintained as the credit policy 5.5 Valuation report is maintained as per credit policy
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RANGE

This section provides work environments and conditions to which the performance criteria apply. It allows for different work environments and situations that will affect performance.

VARIABLE	RANGE
1. Securities may include but not limited to:	<ul style="list-style-type: none"> • Personal real estate. • Home equity. • Personal vehicles. • Paychecks. • Cash or savings accounts. • Investment accounts. • Paper investments.
2. Legal documents may include but not limited to:	<ul style="list-style-type: none"> • Guarantee • 3rd party guarantee • Letter of hypothecation • Chattels mortgage • Director’s guarantee

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit of competency.

Required Skills

The individual needs to demonstrate the following skills:

- Communication
- Reporting
- Complaint handling
- Leadership skills

- Team player
- Organizing
- Time management
- Problem solving
- Analytical

Required Knowledge

The individual needs to demonstrate knowledge of:

- Computer packages
- Bank operational procedures
- Legal operating environment
- Banking policies and procedures
- Security management

EVIDENCE GUIDE

This provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge and range.

1. Critical Aspects of Competency	Assessment requires evidence that the candidate: 1.1 Match exposure with collateral. 1.2 Determine Sufficiency of the collateral. 1.3 Sign and witness the legal documents 1.4 Conduct joint registration 1.5 Maintain credit security documents
2. Resource Implications	The following resources should be provided: 2.1 Access to relevant workplace where assessment can take place 2.2 Appropriately simulated environment where assessment can take place
3. Methods of Assessment	Competency in this unit may be assessed through: 3.1 Written 3.2 Oral questioning 3.3 Third party reports 3.4 Case studies
4. Context of Assessment	Competency may be assessed 4.1 Off the job 4.2 on the job 4.3 During industrial attachment
5. Guidance information	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

for assessment	
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