**Response to ASIC Review of Mortgage Broker Remuneration**

 Dear Sir/Madam,

 Loan Market supports regulatory oversight of our industry to deliver quality and objective credit assistance in accordance with the responsible lending obligations. We also support initiatives from the Regulator in relation to gaining further insight and understanding of the interaction with customers in the provision of credit assistance advice.

 Loan Market recognises that enquiry and review into Mortgage Broking is appropriate given more than half of all residential mortgages in Australia are introduced via Mortgage Brokers.

 We believe optimum outcomes can be achieved via industry self-regulation and feel the best way to achieve this is through broad industry consultation. This has provided the basis for which we have sought to respond to the Review of Mortgage Broker Remuneration.

 We have adopted the approach of working with the lead industry association - the Mortgage and Finance Association of Australia (MFAA) which has facilitated discussion across a range of industry stakeholders, representing a large portion of industry participants. The MFAA will present a response that is representative of feedback from various groups in which Loan Market was an active contributor.

 As with any response that incorporates such a wide range of inputs this has been a process of collaboration, compromise and debate. We are confident that the response is both representative of our contributions and representative of the feedback from the community of participants.

 We are also aware that some elements of the response are not definitive as they still require further analysis. We look forward to continuing to work with industry stakeholders, the MFAA and ASIC in order to achieve solutions that support good customer outcomes and a sustainable mortgage broking industry which has driven tremendous competition and choice for so many Australian consumers.

 We reiterate our commitment to this program of work and extend the invitation to call upon us should you have any queries or require further inputs into this review.

 Sincerely

Stephen Scahill

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| **Stephen Scahill** Chief Operating Officer | Loan Market |
| **M** 0404 007 795  **W** <http://www.loanmarket.com.au>  **A** Level 17, 135 King Street,Sydney, NSW 2000 |  |