

**From:** Hussain Mufti  
**To:** [Consumer Credit](#)  
**Subject:** Consultation input on NCCP Amendment (Mortgage Brokers) Bill 2019  
**Date:** Tuesday, 1 October 2019 9:45:29 AM

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Dear Sir/Madam,

I would like to provide my input for the above NCCP Amendment for mortgage brokers.

My main point is around clawbacks of commissions from lenders.

I don't think a time of 2 years is fair for the lender to implement clawbacks and I believe it should be reduced down to a maximum 12 months on a pro rata basis.

The main reason for this argument is because lenders are offering "Cash rebates" to borrowers to entice them to refinance from one lender to another.

There is nothing stopping the customer from moving lender to lender every six months and getting paid for it while brokers are clawed back. This is a waste of time and resources for the whole industry and not adding to productivity.

The average exit fees are under \$1000 (inc govt charges) and lenders are offering up to \$3500 cash per refinance to borrowers. It may not even be in the best interest of the customer however consumers are being confused by these cash rebates from the banks and not looking at the long term cost of the loan.

My point is if lenders are willing to take a risk on such huge amounts per customer without any sort of repercussions to the borrower (if they leave a month down the line), then why are brokers being subjected to such a long clawback period of 2 years?

My request would be either the cash rebates from lenders need to be banned or else lender clawback policies need to be re-visited and reduced down to a period of 12 months on a pro rata basis (month by month).

Please kindly take this request into consideration and discussion. This is in the best interest of consumers and the mortgage broking industry.

Thank you.

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**Hussain Mufti**  
Financial Consultant



**Tel:** [\(02\) 9675 4393](tel:(02)96754393)

**Mob:** [0423 656 921](tel:0423656921)

**Email:** [hussain@muftifinance.com](mailto:hussain@muftifinance.com)

**Web:** [www.muftifinance.com](http://www.muftifinance.com)

