



Financial Rights

LEGAL CENTRE

KNOW YOUR RIGHTS CHECKLIST



CALL THE NATIONAL DEBT HELPLINE ON 1800 007 007

Financial Rights Legal Centre Inc.
ABN 40 506 635 273

We provide FREE legal and financial advice about loans, debts and money problems.

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USING A FINANCE/MORTGAGE BROKER

Using a broker to obtain finance or get a mortgage could end up costing you more than if you had obtained finance yourself!

REMEMBER

- You don't have to use a broker!
- You can deal with lenders directly!
- Brokers shouldn't be able to get you a loan you could not have gotten elsewhere!
- Shop around for the broker with the best deal!
- Do not assume that a broker is acting in your best interests and will get you the "best deal"!
- Brokers are in business and need to make money - that is their priority!
- Don't sign anything you do not understand!

BEFORE YOU SIGN UP THE BROKER MUST:

- Give you a CREDIT GUIDE that includes the broker's contact details and license, total fees payable, the credit providers they refer to most, and details about dispute resolution procedure.
- Give you a QUOTE in writing, which specifies the services being provided, specifies the total payable by you and states whether the fee is still payable if you do not proceed.

CLAWBACKS:

- Many brokers don't charge upfront fees - they get a commission. If you switch loans they may have a provision in their contract forcing you to pay it. If you might refinance or sell during this time, reconsider using a broker.

financialrights.org.au



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DO NOT PROCEED WITH USING A BROKER WHO IS NOT ARRANGING THE LOAN TERMS YOU WANT!

MAKER SURE YOU DISCUSS THE FOLLOWING:

- The total fees you have to pay (*if you have to pay*)
- The type of loan you are getting
- The loan amount
- The term of the loan
- The interest rate on the loan
- The total amount you will pay back

CHECK IF THERE IS A FEE TO PAY THE BROKER

- Shop around for a broker that *does not* charge fees.

CHECK THAT THE BROKER IS LICENSED!

- A broker arranging a mortgage, car or personal loan must have a licence.
- You can check to see if the broker is registered by calling 1300 300 630 or connectonline.asic.gov.au

For more information see our [I'm thinking of using a Finance/Mortgage Broker - what do I need to know?](#) factsheet.

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