



Sample referrer agreement

A written agreement will need to be provided to the referrer that indicates the conditions that are required throughout the referral process. The agreement does not need to be signed, so a written offer and acceptance by conduct agreement (by referring a loan) is sufficient. However, while a signature is not required by legislation, a signed agreement would be the best alternative. *Copy and paste this agreement template into your own document.*

Example

[Name of Referrer]

[Referrer business address - line 1]

[Referrer business address - line 2]

[Date]

If you refer potential borrowers to [name of lender/broker] (us/we), you will be deemed to have agreed to the terms set out in this document.

You must:

- only engage in credit activities as a referrer incidentally to another business you are carrying on;
- not charge a fee to the consumer for the referral;
- only inform the consumer that we are able to arrange loans and leases but not specify any particular product, and not provide any recommendations or advice concerning loans or leases;
- inform the consumer of any commissions or other benefits you may receive;
- obtain the consent of the consumer to pass their name, contact details and a short description of the purpose for which the consumer may want the credit or lease; and
- pass the consumer's contact details to us within five business days of informing the consumer that we are able to arrange loans and leases but not any specified particular product.

Note: Signatures Optional

Broker Name

Broker Name

Signed

Signed

Date

Date



Sample Verbal Messaging

The referrer must begin the referral discussion with the consumer by statements to the following effect:

I have an associate / friend who is a mortgage broker [name of broker], and they would be able to assist you in obtaining finance for your objectives.

Would it be ok if I pass on your details to [name of broker] so they can contact you?

If the referrer is expected to receive remuneration for the referral, they should also state:

If the finance application is successful, I need to let you know that I may receive the following financial benefits [brief description] from [name of broker]. Are you happy if I pass on your details to them so they can contact you?

SAMPLE – Broker Contacting a Client who has been referred

Verbal example – when you are contacting a client who has been referred to you

The licensee must begin the discussion with the consumer (after the broker/lender has identified itself) by statements to the following effect:

I am contacting you because we have been provided with your contact details by [name of referrer]. Can you confirm that you agreed with [name of referrer] to have us contact you?

If a payment of commission may be given to the referrer:

Before we continue, I would like to let you know that if you take up any of our products or services, [name of referrer] may receive the following financial benefits [brief description]. Are you happy to continue this discussion?



Email or letter example - when you are contacting a client who has been referred to you

If the licensee contacts the consumer by letter or email, the letter or email must contain statements to the following effect at the start of the letter or email:

- the broker/lender is contacting the consumer as a result of being provided with their contact details by the referrer (identifying the referrer by name); and
- the referrer may receive a financial benefit or payment.

I am contacting you as your details were provided to me through [name of referrer]. They suggested that you were seeking finance for [insert description].

If the referrer is receiving a benefit:

I would like to let you know that if you take up any of our products or services, [name of referrer] may receive the following financial benefits [brief description].

Confirmation to continue:

To progress this further, we should schedule a time to discuss your situation. If you are happy to continue, please let me know any preferred times and your preferred method for further communication.