

BEST INTERESTS DUTY MARKETING GUIDE

The opportunity of the Best Interests Duty

From 1 January 2021, mortgage brokers will operate under an unrivalled Best Interests Duty when providing credit assistance to consumers, which provides yet another compelling reason to use a broker.

This new legal duty will offer consumers the peace of mind of knowing that their mortgage broker is legally required to act in their best interests and put their interests first.

The MFAA believes this represents a terrific opportunity for mortgage brokers to engage with the consumers they serve to highlight the benefits of the Best Interests Duty.

With that conversation in mind, we have created the following guide including 50 statements that mortgage brokers can use in their marketing material **from 1 January 2021**.

Please read the following paragraphs before considering the 50 Best Interest Duty related statements listed below.

The mortgage broking channel has traditionally differentiated itself on choice, experience, and convenience. From 1 January 2021, our channel will be further differentiated by an unrivalled best interests duty which we believe will increase trust and confidence, particularly amongst those that are yet to use a mortgage broker.

The team at the MFAA has spent some time considering how brokers may be able to best convey the benefits of the Best Interests Duty to the consumers you serve and we have come up with a selection of 50 statements that have been through our internal processes and have also been reviewed externally by our legal advisers.

Whilst these statements do contain the word “best” in them, it has only been used in the context of the “Best Interests Duty” and members must still avoid using the word “best” in other circumstances. The reason for this is that we have been advised that it could still be seen as misleading in suggesting the availability of an outcome that is beyond that available from the broker’s panel.

Please note: It is important that mortgage brokers’ statements and promotional materials are not misleading. When claiming that acting in a consumer’s best interests is a legal duty, it is important that this promise is limited to providing consumer credit assistance only. Claims should not be made, verbally or in writing, that the best interests duty extends to other products and assistance the mortgage broker may provide e.g. insurance.

The following phrases are positive statements that the MFAA believes are appropriate for use after 1 January 2021 when communicating with a consumer only, but the use of any of them will also need to be considered in the context of the statement being made and the conduct of your business. We would like to stress that the below statements **should not be used prior to 1 January 2021 under any circumstances**.

Those mortgage brokers that service both regulated and unregulated customers need to ensure that if any of the below statements are used in marketing material, that they are appropriately adjusted to make it clear that you are only referring to consumer business and not implying that you also have a Best Interests Duty on your unregulated/commercial business.

It should further be noted that the below statements should not be adjusted (other than for reasons outlined above) or added together when using them as this can change the meaning of the sentences created.

Finally, please note that the below list of statements will be adjusted from time to time and we strongly recommend that you review this list on a regular basis to update yourself on how our guidance may have changed.

The statements we believe are appropriate **for use by a mortgage broker on or after 1 January 2021** when communicating with a consumer (regulated customer) are as follows:

1. I act for you; a lender sells you products
2. I act for you; a lender sells you their products
3. As a mortgage broker, I act for you; a lender sells you products
4. I act in your best interests when providing credit assistance to you
5. I act in your best interests when making a credit recommendation
6. I act in your best interests when recommending a home loan
7. I put your best interests first when providing credit assistance
8. I put your best interests first when making a credit recommendation
9. I put your best interests first when recommending a home loan
10. When providing credit assistance, a mortgage broker acts in your best interests
11. When providing credit assistance, a mortgage broker is legally required to act in your best interests
12. When seeking credit assistance, use a mortgage broker to protect your best interests
13. When arranging a home loan, use a mortgage broker to protect your best interests
14. Arranging a home loan? Use a mortgage broker to protect your best interests
15. Looking for credit assistance? Use a mortgage broker to protect your best interests

16. Looking for a home loan? Use a mortgage broker to protect your best interests
17. As a mortgage broker, I have a legal obligation to act in your best interests when providing credit assistance
18. As a mortgage broker, I have a legal obligation to act in your best interests when making a credit recommendation
19. As a mortgage broker, I have a legal obligation to act in your best interests when recommending a home loan
20. As a mortgage broker, I act in your best interests when providing credit assistance and have a legal obligation to do so
21. As a mortgage broker, I act in your best interests when making a credit recommendation and have a legal obligation to do so
22. As a mortgage broker, I act in your best interests when recommending a home loan and have a legal obligation to do so
23. As a mortgage broker, I am proud to provide you with a credit recommendation that is in your best interests
24. As a mortgage broker, I proudly act in your best interests when providing credit assistance
25. As a mortgage broker, I proudly act in your best interests when providing a credit recommendation
26. As a mortgage broker, I proudly act in your best interests when recommending a home loan
27. Mortgage brokers offer choice, experience and have a legal duty to make credit recommendations that are in your best interests
28. Mortgage brokers offer choice, experience and have a legal duty to act in your best interests when providing credit assistance
29. When providing you with credit assistance on your loan, mortgage brokers are legally obliged to put your interests first
30. Mortgage brokers have a legal duty to put your interests first when providing credit assistance
31. Mortgage brokers have a legal duty to put your interests first when making a credit recommendation
32. Mortgage brokers have a legal duty to put your interests first when recommending a home loan
33. As a mortgage broker, I have a legal duty to put your interests first when providing credit assistance

34. As a mortgage broker, I have a legal duty to put your interests first when making a credit recommendation
35. As a mortgage broker, I have a legal duty to put your interests first when recommending a home loan
36. Looking for a home loan recommendation but don't know whom to trust? Mortgage brokers put your best interests first
37. Your mortgage broker is on your side, and has a legal duty to put your interests first when providing credit assistance
38. Your mortgage broker is on your side, and has a legal duty to put your interests first when making a credit recommendation
39. Your mortgage broker is on your side, and has a legal duty to put your interests first when recommending a home loan
40. When recommending a home loan, your mortgage broker is on your side and has a legal duty to put your interests first
41. As a mortgage broker, I have a legal duty to put your interests first
42. As a mortgage broker, I act in your best interests when providing credit assistance
43. As a mortgage broker, I act in your best interests when recommending a home loan
44. As a mortgage broker, I act in your best interests when making a credit recommendation
45. As a mortgage broker, I act in your best interests when providing credit assistance whereas a lender sells you their products
46. As a mortgage broker, I act in your best interests when providing credit assistance whereas a lender has no legal obligation to do so
47. As a mortgage broker, I act in your best interests when making a credit recommendation whereas a lender sells you their products
48. As a mortgage broker, I act in your best interests when making a credit recommendation whereas a lender has no legal obligation to do so
49. As a mortgage broker, I act in your best interests when recommending a home loan whereas a lender sells you their products
50. As a mortgage broker, I act in your best interests when recommending a home loan, whereas a lender has no legal obligation to do so

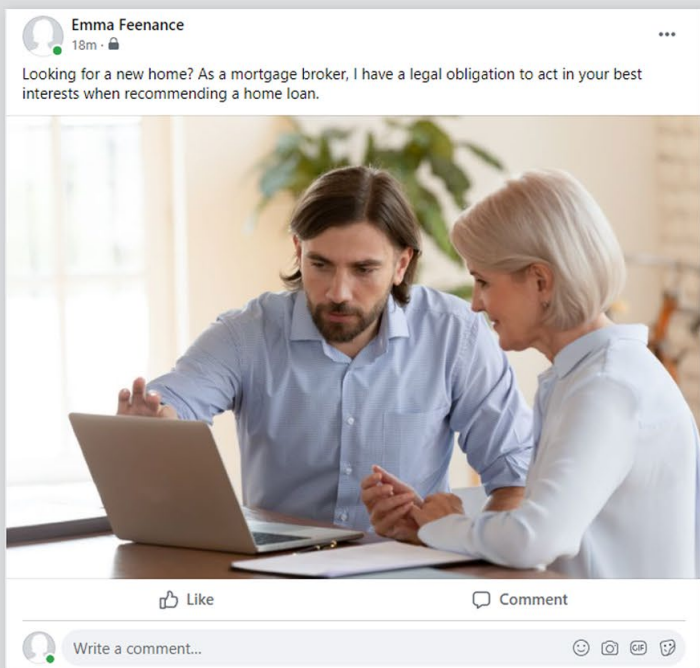
Just a reminder: The above listing will be adjusted from time to time and we strongly recommend that you review this list on a regular basis to update yourself on how our guidance may have changed.

For examples of how to use the listed statements in your marketing, please see the following page.

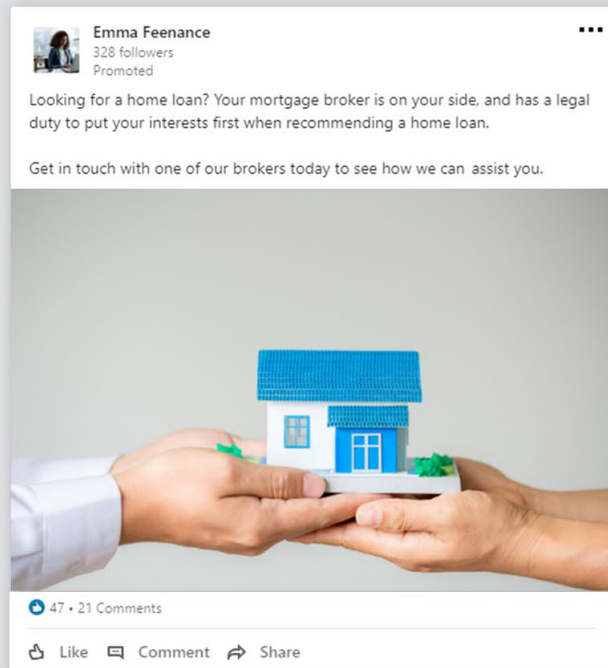
Examples of statement use

Below are several examples of how the statements can be used on social and other platforms.

Facebook Post Example



LinkedIn Post Example



EDM Feature Example

