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Part time brokers get industry leg-up

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Part time brokers worried about the introduction of licensing and ongoing lender volume hurdles can rest easy.

I-Financial Group will soon allow selected brokers to be authorised representatives under its Australian Credit Licence.

Part time brokers who have struggled with lender volume hurdles, commercial office requirements and other 'filtering mechanisms', can maintain full accreditation to write loans from I-Financial Groups I-Loan suite as well as any other lenders where the broker chooses to meet that lender's requirements.

"Through an embedded referral process with our employed brokers the authorised representative will still be able to offer more than 25 lenders to their clients and receive a referral fee for doing so – while maintaining the all important client relationship," I-Financial Groups managing director Craig Morgan said.

According to Mr Morgan, it is becoming increasingly difficult for part-time operators in any financial services discipline to maintain the technical skills and product knowledge necessary to individually deliver a credible service offering.

"Even where the product knowledge of the individual is maintained at levels as high as, or higher than, their full-time counterparts – lender volume requirements and the time and money required to be spent on Continuing Professional Development, compliance and systems – may make it impractical for the vast majority to justify obtaining a license," he said.

Under the new group, a broker will have the opportunity to earn referral income for insurance, financial planning, property, commercial finance, leasing, SMSF loans, and plant and equipment finance.

"In short, most of these brokers will have a far broader financial services offering than they do now. And they will have dramatically increased their revenue streams," Mr Morgan said.

The I-Financial Group is currently calling for expressions of interest with a view to identifying potential authorised representatives in the pre-July registration period.