



## Brokers should charge fee Forsyth

- Brokers quite right to charge fee if commission is cut
- Funding likely to flow in from Asian countries
- Firstfolio board renews Forsyth's employment contract
- Hartigan praises Forsyth's contribution so far
- Plans for revenue growth and diversification
- Prioritises integration

Forthright Firstfolio chief executive officer, Mark Forsyth, has added fuel to the ongoing fee for service debate by saying that if the industry wanted to improve the level of work a broker would be required to do – which it says it does – then the brokers' rate of pay would need to be stepped up as well.

"And if commissions get cut, then quite rightly some brokers are going to say I'm going to have to charge you a fee for service," he said.

Forsyth felt that some brokers resisted the idea because it was an easier sell to the client for them to invoice the lender at the time of settlement, rather than the client at the time of the consultation. But on that basis,

Forsyth told *AB* that Firstfolio had no plans to cut broker commissions.

On the subject of funding, he felt the lack of it would still be an issue in 2009, although he said there was still a lot of cash around and it would begin to make a comeback in 2010.

"It's reasonably common knowledge that the Chinese or some of the big Asian players will look at Australia as a fairly attractive market," he said.

His comments come soon after the Firstfolio board showed its faith in his leadership by extending his employment agreement with the financial services group for an additional three years. The new agreement took effect on 1 July.

Commenting on the announcement, chairman of Firstfolio Tom Hartigan said: "Under Mark's leadership, Firstfolio has been built into a national mortgage and financial services distribution platform ... we look forward to continuing to work closely with him. We're excited by the business' future prospects under Mark's leadership."