

IPPP initiative is to protect against unforeseen events

From Victor J Jannels

I'd like to respond to some of the points made by Mark Leaper of Vesta Packaging in *Mortgage Strategy's* article on April 18 regarding the PMPA's Intermediary Payment Protection Plan initiative.

Unfortunately he seems to have missed the point of the plan, falling straight into the trap of assuming that because the PMPA has taken a positive step toward ensuring introducer protection, it follows there must be members who are in trouble.

The truth is far from this. In fact, his thought process leads me to ask a silly question – is the reason clients take life assurance that they know they are going to fall under a bus tomorrow or is it sensible protection against unforeseen events?

I strongly suspect it is the latter and this is exactly why PMPA will offer certainty to introducers now and in the future, both ensuring they receive their rightful payment and also in an effort to counteract comments from some quarters of the mortgage business who should know better.

I bet Mark has taken buildings insurance on his home. Did he do this because he is worried his house is about to fall down or to protect it against the unknown? I think I know which, and so does he.

The PMPA IPPP was written for the same reason and is, without doubt, a sensible protection which is likely to be taken up by other packagers before too long.

It makes sense for mortgage introducers to use PMPA members who have this protection benefit to package cases for them.

I know I would.

Victor Jannels

Managing director

All Types of Mortgages

By email