



## What is NRMLA?

As the national voice for the reverse mortgage industry in Washington, D.C., National Reverse Mortgage Lenders Association, or NRMLA, serves as an educational resource, policy advocate and public affairs center for reverse mortgage lenders and related professionals.

NRMLA was established in 1997 to enhance the professionalism of the reverse mortgage business. In that capacity, NRMLA educates consumers, trains lenders to be sensitive to the needs of older Americans, enforces our Best Practices and Code of Conduct, and promotes reverse mortgages in the news media.

## What NRMLA Has Accomplished

- Spearheaded a hugely successful nationwide consumer awareness campaign to educate seniors, family members, and others about the pros and cons of reverse mortgages.
- Created a heavily visited web site, ReverseMortgage.org, featuring a Lender Locator that generates business for our members.
- Developed a Code of Conduct and Best Practices that has enhanced the industry's reputation and protects consumers.

## Key Membership Benefits

- **Complimentary lender listing(s) on ReverseMortgage.org.** Each day, NRMLA receives an estimated 2,000 unique visits to our web site, ReverseMortgage.org, from consumers who want to learn about reverse mortgages and locate a lender who can assist them. Seniors, especially, prefer working with a lender that abides by our strict Code of Conduct and Best Practices. As a result of the traffic generated, members tell us this "virtual" presence offers a solid source of business.
- **Complimentary Webinars.** NRMLA organizes complimentary webinars for members throughout the year covering important topics beneficial to the growth your reverse mortgage business. Even if you have a scheduling conflict, please register anyway because we do record every session and will send you a link to the recording.
- **The Monday Report.** Published every other Monday, The Monday Report is an email newsletter that covers market trends, senior issues, legislative and regulatory updates and other NRMLA activities.
- **Reverse Mortgage magazine.** Receive our print newsletter featuring in-depth stories on management and marketing issues, business trends, and other useful topics. Copies of our old newsletter, *Reverse Mortgage Advisor*, are archived on our trade site, NRMLAOnline.org.
- **NRMLAOnline.org.** In addition to our consumer site, NRMLA maintains NRMLAOnline.org as an informational resource for members. HECM statistics, FHA Mortgagee Letters, press releases, confidential memos, back issues of our newsletters, and other helpful links are posted.
- **Committees.** NRMLA maintains a Government Affairs Committee and Industry Affairs Committee to respond more effectively to the growing number of issues being addressed by the association, and create more opportunities for members to become actively involved. Under each Committee are various subcommittees that do most of the work. Under the Government Affairs Committee are the following Subcommittees: HUD Issues, Congressional Relations, State & Local Issues, Servicing, Risk Management & Compliance and Consumer Issues. Under the Industry Affairs Committee are the following subcommittees: Product Development & Capital Markets, Information & Technology, Professional Development and Strategic Relations.
- **Political advocacy.** Through our Reverse Mortgage Working Group, NRMLA works with HUD to make enhancements to the FHA reverse mortgage program. We have also forged strong ties with members of Congress to help shape federal policy beneficial to the growth of our industry.
- **Consumer Booklets.** NRMLA has developed informational booklets—including *Just the FAQs: Frequently Asked Questions About Reverse Mortgages*—that members can purchase at a discount to distribute to prospective borrowers. NRMLA also distributes thousands of copies each year directly to consumers who request information.
- **Discount on Conference Fees.** Our annual meeting and regional conferences enable you to network, discuss major issues, and exchange ideas on business development and management with the most knowledgeable people in the reverse mortgage business.

## What is a Reverse Mortgage?

A reverse mortgage is a unique loan that enables homeowners 62 and over to convert a portion of the equity in their homes into tax-free cash without having to sell the home, give up title, or take on a new monthly mortgage payment.

## Why Should I Originate Reverse Mortgages?

Lender interest in the reverse mortgage program has grown dramatically as rising interest rates have dampened conventional home loan originations and refinance activity.

Reverse mortgages not only provide additional fee income, they also offer financial institutions a way to promote community stability, receive favorable publicity, and credit under the Community Reinvestment Act (CRA).

## Who Belongs to NRMLA?

- State and federally-chartered banks
- Mortgage lenders and brokers
- Loan servicers
- Credit unions
- Investors
- Vendors, including attorneys, title insurance companies, doc prep companies, advertising and marketing firms, lead generation companies, appraisers, etc.

## How Much Does It Cost to Join?

Annual membership dues for Lenders vary based on the number of reverse mortgages produced during the previous year, ranging from \$1,100 to \$3,000.

Third-party vendors join as Associate Members at \$2,000 annual dues. Servicers join at \$2,000 annual dues. Public agencies and Non-Profits can join for \$350.

## NRMLA MEMBERSHIP APPLICATION

Membership is by firm, with each member firm designating an individual Primary Delegate and an Alternate Delegate to serve as an Individual Member of NRMLA. The Primary Delegate is the principal contact for the Member. Individual Members receive their own copies of the NRMLA newsletter, memoranda, and other communications, and vote. Only Individual Members may vote on NRMLA matters and for NRMLA Directors. NRMLA Members are required to comply with the NRMLA Code of Ethics and Professional Responsibility as it is amended from time to time. **YOUR MEMBERSHIP APPLICATION WILL NOT BE PROCESSED UNLESS WE HAVE A SIGNED COPY OF THE CODE OF ETHICS.**

CHOOSE 1	MEMBERSHIP CATEGORIES	Select Membership		
		CATEGORY DESCRIPTION	COMPLIMENTARY WEB SITE LISTINGS	ANNUAL DUES*
<input type="checkbox"/>	<b>Lender Members</b>	Firm that originates or services reverse mortgages in the capacity of a lender, correspondent or broker. Dues are based on reverse mortgage origination volume for the previous 12-month period. Lender Members are entitled to complimentary state listings in the Lender Locator on NRMLA's website.		
<input type="checkbox"/>	More than 50 loans		5	\$3,000/firm
<input type="checkbox"/>	25-50 loans		3	\$2,000/firm
<input type="checkbox"/>	Less than 25 loans		1	\$1,100/firm
<input type="checkbox"/>	<b>Servicer Member</b>	A firm that services reverse mortgages, whether directly or on a contractual basis for a Lender.	n/a	\$2,000/firm
<input type="checkbox"/>	<b>Associate Member</b>	Firm that provides products or services to a Lender or other organization qualifying for membership.	n/a	\$2,000/firm
<input type="checkbox"/>	<b>Public Member</b>	A government agency, whether federal, state or county.	n/a	\$350/firm
<input type="checkbox"/>	<b>Nonprofit Member</b>	A non-profit organization, including counseling agencies.	n/a	\$350/firm
<input type="checkbox"/>	<b>GSE/Investor Member</b>	Government-Sponsored Enterprises and investors, including investment banks.	n/a	\$10,000/firm

\* Effective January 1, 2011, NRMLA estimates its expenses for lobbying activities are 11% of the amount of NRMLA dues. Consequently, 89% of the dues you pay are deductible as a business expense.

### Primary Delegate Information

Firm \_\_\_\_\_ HUD Lender I.D.\*\* \_\_\_\_\_

First Name \_\_\_\_\_ Last Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

Web site \_\_\_\_\_

### Alternate Delegate Information

Firm \_\_\_\_\_

First Name \_\_\_\_\_ Last Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

Web site \_\_\_\_\_

\*\* (10-digit number provided by HUD. Applies to HUD approved lenders only.)

### PAYMENT INFORMATION

Total Amount Enclosed: \$ \_\_\_\_\_

- Check Payable to NRMLA  
 Visa     MasterCard     AmEx

Card Number \_\_\_\_\_ Exp. Date \_\_\_\_\_

Name on Card \_\_\_\_\_ Security Code \_\_\_\_\_

Card Holder Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_



## **NRMLA Code of Ethics & Professional Responsibility Ethics and Standards Complaint Procedures**

(NOTE: A PRINCIPAL EXECUTIVE OF YOUR COMPANY MUST REVIEW THIS DOCUMENT, INITIAL ON PAGE 6 AND RETURN TO NRMLA)

### **Preamble and Applicability**

The *NRMLA Code of Ethics and Professional Responsibility (Code of Ethics)* describes Values shared and Rules applicable to all NRMLA Members. Under the Code of Ethics, NRMLA Members generally are responsible and will be held responsible for the actions or failures to act of their officers, directors, employees, agents and representatives. NRMLA Members unable or unwilling to commit and to adhere to the Values and comply with the Rules, or that are determined by the NRMLA Ethics and Standards Committee not to have so complied, may not be NRMLA Members.

This Codes of Ethics does not describe, nor does it attempt to describe, the full range of conduct and behavior to which NRMLA Members may subscribe or adhere as they participate in the reverse mortgage marketplace and interact with consumers in an ethical, professionally responsible, and lawful manner. What the Code of Ethics does describe are the Values and Rules applicable to NRMLA Members if they are to be and remain NRMLA Members. Accordingly, the Code of Ethics does not define the standards and behavior of a NRMLA Member for the purpose of determining its civil or criminal liability.

This Code of Ethics also does not impose on NRMLA Members the duty of learning or disclosing technical facts pertaining to taxation, real estate law, retirement planning or financial advice involving the real estate or financial markets.

This Codes of Ethics also does not confer any rights upon any NRMLA Member or any complainant or third party.

### **Composition and Scope**

The Code of Ethics is divided into two parts: Part 1 – Values and Part II – Rules. The Values convey the ethical and professional principles that NRMLA Members are expected to portray in all business and professional interactions. The Rules address the guidelines and standards of ethical and professional behavior applicable to NRMLA Members.

## **Compliance**

Member organizations are required to adhere to the Values and comply with the Rules of the Code of Ethics if they are to be and remain NRMLA Members. The Ethics and Standards Committee will investigate, review and take appropriate action with respect to alleged violations of the Code of Ethics by NRMLA Members, under the policies and procedures set forth in Appendix A.

## **Part 1 – Values**

NRMLA Members are mindful that the soundness, usefulness, prosperity and future of our industry depend upon their honor and integrity, and on the manner in which they interact with each other and with the seniors whose interests they serve. Accordingly, each NRMLA Member agrees to observe and maintain and adhere to the following Values.

### **Value 1: Fairness**

*NRMLA Members shall treat consumers with respect and dignity, and in a manner that is fair, reasonable and as they would want to be treated.*

### **Value 2: Confidentiality**

*NRMLA Members shall appropriately respect, protect, preserve and safeguard the privacy and confidentiality of information obtained from and about consumers.*

### **Value 3: Integrity**

*NRMLA Members shall act with integrity by adhering to the letter and spirit of this Code of Ethics, which includes disclosing potential conflicts of interest to consumers in a timely basis..*

### **Value 4: Competence**

*NRMLA Members shall provide services to consumers in a competent manner, acquiring and maintaining necessary and appropriate knowledge, skills and experience to do so, and referring consumers to others who possess such knowledge, skills and experience when they are unable to do so.*

### **Value 5: Diligence**

*NRMLA Members shall provide services to consumers with diligence and due care, promptly, thoughtfully, in a manner considerate of the interests of consumers and fully in compliance with all applicable legal and regulatory requirements.*

### **Value 6: Professionalism**

*NRMLA Members' conduct shall reflect positively on NRMLA, the profession and the industry.*

## **Part II – Rules**

Consistent with the Values described in Part I, NRMLA Members agree to comply with the following Rules (as applicable).

### **Rules Related to the Value of Fairness**

#### *Rule 101*

NRMLA Members shall timely and accurately describe to consumers:

- Material information relevant to the relationship, including the Member's business affiliation, contact information, and the scope of and limitations on the Member's authority to act; and
- The information required by all laws applicable to the relationship in a manner complying with such laws, including counseling agency contact information, estimates of fees and charges, and relationships with others who may be assisting or providing related services.

#### *Rule 102*

NRMLA Members compensation shall be reasonable in amount and clearly and timely described to consumers. Estimates shall be clearly identified as such and be based on reasonable assumptions.

#### *Rule 103*

NRMLA Members directly or indirectly offering or providing goods or services to consumers (including, for example, insurance or investment products) in conjunction with or that are related to their reverse mortgage lending activities for such consumers, shall do so only in a manner consistent with applicable law and under terms and conditions that are clearly and timely described to such consumers.

#### *Rule 104*

NRMLA Members shall not, directly or indirectly, solicit or communicate with consumers through false or misleading or deceptive or unfair communications or advertisements or in any manner inconsistent with applicable law. In such communications and advertisements, NRMLA Members shall not refer to third parties (including, for example, HUD or the FHA or the federal government or the AARP) unless such third parties have agreed to be so referred to therein. A communication or advertisement on behalf of NRMLA Member clearly shall identify that NRMLA Member.

#### *Rule 105*

NRMLA Members shall not engage in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a material false or misleading statement to consumers or others.

*Rule 106*

NRMLA Members shall offer and provide their products and services to all consumers who may be eligible or qualified for them, and in compliance with all applicable fair housing and fair lending laws.

*Rule 107*

NRMLA Members shall describe to consumers the range of programs and products offered by the Member that may provide a bona fide advantage to such consumers.

*Rule 108*

In appropriate cases, NRMLA Members shall encourage consumers to review contemplated transactions with their family members or trusted advisors, and shall reasonably cooperate in such reviews.

*Rule 109*

NRMLA Members shall make a good-faith effort to resolve concerns received from consumers about the products and services they offer or provide to them.

**Rules Related to the Value of Confidentiality**

*Rule 201*

NRMLA Members shall take reasonable steps (including implementing appropriate training and compliance procedures) to help assure that the privacy of and confidentiality of information obtained from and about consumers is respected, protected, honored and safeguarded, and shall do so in a manner consistent with applicable law.

**Rules Related to the Value of Integrity**

*Rule 301*

NRMLA Members shall accurately describe both the costs and benefits of the products and services presented to consumers.

*Rule 302*

NRMLA Members shall not require directly or indirectly that products or services other than the reverse mortgage loans they offer or provide, also must be purchased by consumers in order to obtain reverse mortgage loans from or through them.

*Rule 303*

Other than as appropriate under the circumstances (including for example to pay third party costs, make prior loan payoffs or fund set-asides directly related to reverse mortgage transactions), NRMLA Members shall arrange for the disbursements of reverse mortgage loan proceeds directly to such consumers.

*Rule 304*

Material potential conflicts of interests involving NRMLA Members and consumers shall timely and accurately be described to consumers prior to the rendering of material services by such Member so that they, assisted as appropriate by family members, trusted advisors and counselors, reasonably may assess whether and the circumstances under which they may choose to do business with such NRMLA Members.

**Rules Related to the Value of Competence**

*Rule 401*

NRMLA Members shall acquire and maintain the necessary and appropriate knowledge, skills and experience required to competently offer and provide their products and services in a manner consistent with this Code of Ethics and applicable law, including, as applicable, in the origination, processing, underwriting, closing and servicing of reverse mortgage loans.

*Rule 402*

NRMLA Members shall advise consumers to seek legal, tax, and investment counsel and advice, if it may reasonable appears to be in the interests of such consumers that they do so, prior to making decisions involving reverse mortgages. NRMLA Members not qualified and appropriately licensed to provide such counsel and advice to consumers shall not do so, and shall, instead, refer such consumers to those who are.

**Rules Related to the Value of Diligence**

*Rule 501*

NRMLA Members shall exercise reasonable efforts to secure sufficient information to determine the consumer's needs and objectives.

*Rule 502*

NRMLA Members shall provide their products and services to consumers with diligence and due care and in a manner considerate of the interests of such consumers.

**Rules Related to the Value of Professionalism**

*Rule 601*

NRMLA Members shall take reasonable steps to help assure that their employees understand and act in a manner consistent with the requirements of this Code of Ethics.

*Rule 602*

NRMLA Members shall neither accept nor condone actions or failures to act of other NRMLA Members that are inconsistent with this Code of Conduct. NRMLA Members knowledgeable about potential material violations of this Code of Ethics by others subject to its provisions strongly are encouraged to bring such potential violations to the attention of NRMLA in the manner described in this Code of Ethics.

*Rule 603*

NRMLA Members shall not bring or threaten to bring complaints under this Code of Ethics, or make or threaten to make use of this Code of Ethics, for no substantial purpose other than to harass, maliciously injure, embarrass and/or unfairly burden another NRMLA Member.

*Rule 604*

NRMLA Members shall pay to NRMLA amounts due and owing to it related to their membership in NRMLA on a timely basis.

*Rule 605*

NRMLA Members shall comply with all applicable regulatory requirements include provisions of the Federal Real Estate Settlement Procedures Act barring among other things referral fees and kickbacks, state mortgage regulatory provisions requiring licensing, and, with respect to FHA-insured HECM reverse mortgage loans, FHA requirements regarding licensing and employees and restricting arrangements with third parties.

*Rule 606*

NRMLA Members reasonably shall cooperate with NRMLA and its Standards and Ethics Committee in their consideration of complaints under this Code of Ethics made against or involving them. NRMLA Members shall honor the confidentiality requirements described in Appendix A of the Code of Ethics that are applicable to them.

*Rule 607*

NRMLA Members shall employ individuals who have passed a background check and are determined by them to be of good moral character.

*On behalf of \_\_\_\_\_(company name), I hereby agree to abide by these terms of the NRMLA Code of Conduct*

\_\_\_\_\_

PRINCIPAL EXECUTIVE SIGNATURE

## Appendix “A”

### **NRMLA’s Policies and Procedures: Code of Ethics Complaints Against Members**

The President of NRMLA will receive and review complaints that NRMLA Members have violated the NRMLA Code of Ethics and take action, including referring complaints to the Co-Chairs of the NRMLA Ethics and Standards Committee for consideration by the Committee, pursuant to the following policies and procedures. The President of NRMLA, in consultation with the General Counsel of NRMLA as appropriate, shall have the discretion to vary these procedures when it is determined that to do so would be in the best interests of NRMLA and its Members. These policies and procedures do not confer any rights upon any NRMLA Member or any complainant or third party.

#### ***I. Source of Complaints***

##### *A. Complaints May Originate From:*

1. Members (including but not limited to the President of NRMLA and the Co-Chairs and Members of the Ethics and Standards Committee),  
or
2. Non-Members (including consumers)

##### *B. Complaints May Be Against:*

1. Members, or
2. Non-Members

#### ***II. Receipt and Review of Complaints***

A. Complaints initially will be referred to and reviewed by the President of NRMLA.

B. NRMLA shall not review or act upon anonymous complaints. (However, in limited circumstances, as described below, NRMLA may respond to complaints without further identifying the complainant.)

### C. Complaints against Non-Members

NRMLA will respond to complaints against Non-Members by informing the complainant that NRMLA is unable to take action in response to such complaints, and, where appropriate, refer the complaining party to an appropriate agency or authority if it appears that they may be able to be of assistance.

### D. Complaints against Members

1. Complaints against Members should contain sufficient facts to permit an “initial determination” to be made by the President of NRMLA.

- (a) If, in the judgment of the President, the complaint contains sufficient facts upon which the President may make an “initial determination,” the President shall take one of two actions:
  - (i) If the complainant does not state a complaint against a Member of the type or scope that warrants further action, the President shall inform the complainant of that determination by the President and the decision of the President shall be final. The President concurrently shall report all such determinations to the Co-Chairs of the Ethics and Standards Committee, including a brief statement of the reasons for the determination.
  - (ii) If the complainant states a complaint against a Member of the type and scope that warrants further action, the President shall seek and secure from the complainant the complainant’s agreement that the written complaint or any statements contained or information included therein (including but not limited to the identity of the complainant) may be shared with the Member that is the subject of the complaint or any other party deemed necessary and appropriate to assist in better understanding or resolving the complaint, including members of the Ethics and Standards Committee, the Board of Directors, and General Counsel.
- (b) If, in the judgment of the President, the complainant does not recite and include sufficient facts or allegations upon which the President may make an “initial determination,” NRMLA will notify the complaining party that additional facts are required and provide an additional ten (10) business days from the date of such letter for the complainant to supplement the complaint. In any event, before forwarding a complaint to the Ethics and Standards Committee or any other person or entity, the President shall

secure the agreement of the complainant that the written complaint and any statements contained or information included therein (including but not limited to the identity of the complainant) may be shared with the Member that is the subject of the complaint or any other party deemed necessary and appropriate to assist in better understanding or resolving the complaint, including members of the Ethics and Standards Committee, the Board of Directors, and General Counsel. Absent special circumstances, a refusal by a complainant to agree to such sharing of the complaint (with the identify of the complainant redacted as requested and appropriate) will result in an initial determination by the President that NRMLA will take no further action in response to the complaint, and the notification to the complainant (and the Ethics and Standards Committee Co-Chairs) of that final determination by the President

2. Upon receipt of the complainant's affirmative response to a NRMLA acknowledgement and letter of agreement, the President generally shall provide the Member about which the complaint has been made with an opportunity to respond to the complaint.
3. Ordinarily, the President will provide the respondent Member ten (10) business days to respond in writing. Absent special circumstances, the failure of a respondent to deny or explain any material fact alleged in the complaint within the established response period will be deemed an admission of such fact.
4. The President, based on the complaint and/or the response thereto, and other investigation and consideration of the matter as the President deems necessary and appropriate, shall decide either:
  - (a) to take no further action in regards to the complaint, having concluded that it is not of the type or scope to warrant further NMRLA action (in which event the President shall so notify the complainant and the respondent Member, and the Ethics and Standards Committee Co-Chairs (accompanied by a brief explanation of the basis for the President's determination); or
  - (b) to refer the complaint and response and related materials to the Co-Chairs of the Ethics and Standards Committee, accompanied by a brief explanation of the President's reasons for so referring the complaint.

### ***III. Review and Action by the Ethics and Standards Committee***

- A. Unless either Ethics and Standards Committee Co-Chair disagrees with President (in which case the Ethics and Standards Committee Co-Chair shall so notify the President and Chair of the Board of Directors), the Ethics and Standards Committee shall review the complaint, response and related information referred for action by the President.

- B. On the basis thereof, and other investigation and consideration of the matter as the Ethics and Standards Committee deems necessary and appropriate, the NRMLA Ethics and Standards Committee shall determine whether the NRMLA Code of Ethics has been violated by the Member that is the subject of the complaint, and, if so, the Ethics and Standards Committee shall determine the action of NRMLA in response thereto. In general, actions by the Ethics and Standards Committee against a Member shall be limited to probation (for a specified period, during which another Code of Ethics violation will lead to suspension or withdrawal of NRMLA Member membership), suspension of NRMLA Member membership (for a specified period of time), or withdrawal of NRMLA Member membership for at least three years. A copy of the opinion shall be provided to the complainant, the Member respondent (with redaction of the complainant's name, as appropriate), the President, and the Co-Chairs of the NRMLA Board of Directors. Opinions of the NRMLA Ethics and Standards Committee are final decisions of NRMLA.
- C. The Ethics Committee shall confer with the President and the General Counsel, as appropriate, and no adverse action shall be taken against a Member without the prior concurrence of the General Counsel that it is action that NRMLA may take against such Member under applicable law and NRMLA's policies and procedures and this Code of Ethics.
- D. The President of NRMLA and the Co-Chairs of the Ethics and Standards Committee shall submit written quarterly reports to the Board of Directors as to the actions taken or not taken with respect to complaints received by the President, and as to recommendations with respect to appropriate amendments to these Policies and Procedures, and the Code of Ethics, as appropriate.

#### ***IV. Confidentiality***

All Members and NRMLA staff, including but not limited to the President; the Co-Chairs and members of the Ethics and Standards Committee; and members of the Board of Directors, shall maintain the strict confidentiality of all complaints, responses, recommendations and opinions related to any complaints subject to these Policies and Procedures and the Code of Ethics. A violation by any Member of this requirement for maintaining strict confidentiality shall be considered by NRMLA to be a violation by such Member of the Code of Ethics.