

Appendix “A”

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

(As Revised June 16, 2009)

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. In addition, or as an alternative, NRMLA itself may bring such complaints to the attention of such agencies or authorities with a request that they make such further inquiries and take such further steps, in response to such complaints, as they deem appropriate.

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, and subject to the provisions of Section C immediately below, 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, subject to the provisions of Section C immediately below.
- C. In addition, in circumstances in which the Ethics and Standards Committee determines it to be appropriate, the Committee may decide publicly to: (i) describe the actions taken by the Committee; (ii) describe the Committee's reasoning; (iii) describe the facts and circumstances that prompted the Committee to act; and/or (iv), subject to additional safeguards described immediately below (the "Additional Safeguards"), identify the NRMLA Member subject its action, by name (with (iv) referred to in these Policies and Procedures as "Naming the Respondent"). Among the circumstances in which the Ethics and Standards Committee may determine it appropriate to Name the Respondent are when it concludes that doing so may serve the Values for which the NRMLA Code of Ethics has been published. Those Values include an express recognition by NRMLA's Members that "the soundness, usefulness, prosperity and future of our industry depend on the manner in which they interact with each other and with the seniors whose interests they serve."

As Additional Safeguards, when the Committee determines it to be appropriate to Name the Respondent, it shall notify the NRMLA Member of that determination, and of the intention of NRMLA to do so unless the affected NRMLA Member timely appeals that determination (and describes the basis for its appeal), to NRMLA , in writing, within ten (10) days of that notification. A timely appeal shall be decided by a special three-person Appeals Committee comprised of three (3) Directors appointed by the Co-Chairs of NRMLA, none of whom shall have been members of the Standards and Ethics Committee that made the determination to Name the Respondent. There is no requirement that the Appeals Committee be a "standing" committee of NRMLA. Neither the NRMLA Member nor its lawyer or representative may appear before, argue before, or contact the Appeals

Committee; the appeal shall be in writing, only. The Appeals Committee, in its discretion, may uphold or reverse the decision of the Standards and Ethics Committee to Name the Respondent. Decisions of the Appeals Committee are final decisions of NRMLA.

- D. 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.
- E. 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, except as otherwise expressly provide in this NRMLA 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.