



## **2 Hour SAFE CE: NRMLA's Code of Ethics & Its Impact on Your Daily Routine**

National Reverse Mortgage Lenders Association  
1400 16<sup>th</sup> St., NW  
Suite 420  
Washington, DC 20036

Course Provider ID: 1401098

Date of Course Content: November 16, 2016

Date of Course Approval: August 4, 2016

Attachments:

- 1) NMLS Rules of Conduct for Students (ROCS)
- 2) Syllabus





## Rules of Conduct for NMLS Approved Pre-Licensure (PE) and Continuing Education (CE) Courses

*The Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act), requires that state-licensed MLOs complete pre-licensing (PE) and continuing education (CE) courses as a condition to be licensed. The SAFE Act also requires that all education completed as a condition for state licensure be NMLS approved. Since 2009 NMLS has established course design, approval, and delivery standards which NMLS approved course providers are required to meet. To further ensure students meet the education requirements of the SAFE Act, NMLS has established a Rules of Conduct (ROC). The ROC, which have been approved by the NMLS Mortgage Testing & Education Board, and the NMLS Policy Committee, both of which are comprised of state regulators, are intended to stress that NMLS approved education be delivered and completed with integrity.*

### Rules of Conduct

As an individual completing either pre-licensure education (PE) or continuing education (CE), I agree to abide by the following rules of conduct:

1. I attest that I am the person who I say I am and that all my course registration information is accurate.
2. I acknowledge that I will be required to show a current government issued form of identification prior to, and during the course, and/or be required to answer questions that are intended to verify/validate my identity prior to, and during the course.
3. I understand that the SAFE Act and state laws require me to spend a specific amount of time in specific subject areas. Accordingly, I will not attempt to circumvent the requirements of any NMLS approved course.
4. I will not divulge my login ID or password or other login credential(s) to another individual for any online course.
5. I will not seek or attempt to seek outside assistance to complete the course.
6. I will not give or attempt to give assistance to any person who is registered to take an NMLS approved pre-licensure or continuing education course.
7. I will not engage in any conduct that creates a disturbance or interferes with the administration of the course or other students' learning.
8. I will not engage in any conduct that would be contrary to good character or reputation, or engage in any behavior that would cause the public to believe that I would not operate in the mortgage loan business lawfully, honestly or fairly.
9. I will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing and the conditions for which I am seeking licensure or renewal of licensure.

I understand that NMLS approved course providers are not authorized by NMLS to grant exceptions to these rules and that I alone am responsible for my conduct under these rules. I also understand that these rules are in addition to whatever applicable rules my course provider may have.

I understand that the course provider or others may report any alleged violations to NMLS and that NMLS may conduct an investigation into alleged violations and that it may report alleged violations to the state(s) in which I am seeking licensure or maintain licenses, or to other states.

I further understand that the results of any investigation into my alleged violation(s) may subject me to disciplinary actions by the state(s) or the State Regulatory Registry (SRR), including removal of any course from my NMLS record, and/or denial or revocation of my license(s).

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Course Number(s)

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Signature

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Date (mm/dd/yyyy)

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Print Name

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NMLS ID (If Known)



## 2 Hour SAFE CE – NRMLA’s Code of Ethics & Its Impact on Your Daily Routine

### Course Syllabus

#### Course Purpose:

The purpose of the course is to instill a sense of ethical behavior in the students, so that they can better serve their aging clients. The most devoted and ethical reverse mortgage professionals offer unlimited guidance, support and assistance throughout the reverse mortgage process, from the very first consultation until the loan pays off.

#### Course Description:

The course lasts two hours and provides vital knowledge that is critical to a student’s overall success in assisting potential reverse mortgage clients.

#### Course Dates and Times:

November 16, 2016 from 1:30 pm to 3:30 pm

This course is being offered during NRMLA’s Annual Meeting & Expo, at the Swissotel Chicago, 323 E Upper Wacker Dr., Chicago, IL 60601

#### Instructor #1 Contact Information

Instructor: James Brodsky  
Email: Brodsky@wbkfirm.com  
Phone number: 202-628-2000  
Office hours: M-F 9 am-5 pm EST

**Background:** Partner, Law firm of Weiner Brodsky Kider, PC, Washington, DC  
Serves as outside legal counsel to the National Reverse Mortgage Lenders Association

#### Instructor #2 Contact Information

Instructor: Dan Hultquist  
Email: dan@reversevision.com  
Phone number: (404) 992-7798  
Office hours: M-F 9 am-5 pm EST

**Background:** Director of Learning and Development at ReverseVision, a technology firm based in San Diego, CA  
Earned the Certified Reverse Mortgage Professional designation in 2012  
Serves on the Education Committee for the National Reverse Mortgage Lenders Association

### **Instructor #3 Contact Information**

Instructor: Jud Lyman  
Email: judson.lyman@libertyhomeequity.com  
Phone number: (916) 589-3343  
Office hours: M-F 9 am-5 pm PST

**Background:** Manager of Training, Liberty Home Equity Solutions, Rancho Cordova, CA

### **Instructor #4 Contact Information**

Instructor: Craig Barnes  
Email: cbarnes@reversefunding.com  
Phone number: (631) 887-4307  
Office hours: M-F 9 am-5 pm EST

**Background:** Manager of Training, Reverse Mortgage Funding LLC, Bloomfield, NJ

### **Instructor #5 Contact Information**

Instructor: Lorraine Geraci  
Email: lgeraci@fareverse.com  
Phone number: (845) 541-1147  
Office hours: M-F 9 am-5 pm EST

**Background:** Vice President of Learning and Development, Finance of America Reverse, Tulsa, OK

### **Required Course Material:**

- [Code of Ethics & Professional Responsibility](#)
- [Ethics Advisory 2016-1: Unethical Planned Prepayment HECM Loans](#)
- [Ethics Advisory Opinion 2015-2: Ethical Refinancing of HECM Reverse Mortgage Loans and Anti-Churning Considerations—New Requirements](#)
- [Ethics Advisory 2015-01: Freedom Of Choice Remaining Draw Options After 12 Months/Ethical Obligations and Restrictions](#)
- [Ethics Advisory Opinion 2014-1— Ethical Refinancing of HECM Reverse Mortgage Loans and Anti-Churning Considerations](#)
- [Ethics Advisory Opinion 2013-4: Ethical Considerations Affecting HECM Loan MIP Premium Decisions](#)
- [Ethics Advisory Opinion 2013-3: Ethical Refinancing of HECM Single Disbursement Lump Sum Payment Option Loans and Anti-Churning Practices](#)
- [Ethics Advisory 2013-02: Full Draw HECM Loan Repayment Considerations](#)
- [Ethics Advisory 2013-1: Ethical Product Offerings](#)
- [Ethics Advisory 2012-1: Ethical Advertising Practice Requirements](#)
- [Ethics Advisory 2011-2: Ethical Refinancing of Reverse Mortgage Loans](#)
- [Ethics Advisory 2011-1: Wholesale Lenders, TPOs and Ethical Advertising](#)
- [Ethics Advisory 2010-2: Additional Ethical Advertising Practice Requirements](#)
- [Ethics Advisory 2010-1: Ethical HECM to HECM Refinancing and Anti-Churning Practices](#)
- [Ethics Advisory 2009-2: Lead Generation State Licensing Requirements and Ethical Advertising](#)
- [Ethics Advisory 2009-01: Ethical Offers of Other Financial and Insurance Products and Services](#)
- [Ethics Advisory 2008-01: Ethical Advertising](#)

- [Federal Trade Commission Act](#)
- [Regulation Z, Truth In Lending Act](#)
- [Regulation N – Mortgage Acts and Practices \(MAP\)](#)
- [Gramm Leach Bliley Act](#)
- [Unfair, deceptive, or abusive acts and practices \(UDAAP\)](#), as defined by the Dodd-Frank Act of 2010
- [FHA Mortgagee Letter 2013-27: Changes to the HECM Program Requirements](#)
- [FHA Mortgage Letter 2014-10: HECM Prohibits Misleading or Deceptive Program Descriptions or Advertising and Prohibits Restriction of Mortgagor Freedom of Choice](#)
- [FHA Mortgagee Letter 2014-11: HECM Limit on Insurability of Fixed Interest Rate Products](#)

### **Grading Policy:**

To successfully complete the course, students must attend the course for the full duration and sign the attendance sheet. A brief exam will be given at the conclusion. Passing score is 70 percent. Students may retake one additional time. Upon completion all students will receive a course completion certificate and 2 hours of continuing education credit.

### **Course Policies:**

All students must be honest and forthright in their academic studies. To falsify the results of one's research, to steal the words or ideas of another, to cheat on an assignment, or to allow or assist another to commit these acts corrupts the educational process. Students are expected to do their own work and neither give nor receive unauthorized assistance. Any violation of this standard could lead to automatic withdrawal from the course without credit or refund.

### **Course Outline:**

#### **Introduction:**

This course is a live, instructor-led course. Instructors facilitate and encourage interaction between the students, which fosters a sense of community and helps them learn from one another.

#### Module 1—Jim Brodsky (25 minutes)

- Professional Responsibility-The “Law” of the NRMLA Code of Ethics
  - NRMLA Values
  - The “Why, How, What” of the NRMLA Code of Ethics
  - Federal laws and regulations that impact policies in NRMLA’s Code of Ethics
- Ethics Advisory Opinion 2015-2
  - Seasoning requirement
  - Closing cost test
  - Loan proceeds test
  - Loan type test

#### Module 2—Lorraine Geraci (30 minutes)

- Advertising Guidelines
  - The “Dirty Dozen”
  - Items to avoid
  - Case Studies 1 and 2 – What’s wrong with these two advertisements?
    - a. Students are shown two advertisements, break into teams to examine the ads, and reconvene as a group and discuss how they violate NRMLA’s Code of Ethics

- Lead Generation
  - Working with lead vendors
    - Licensing
    - Broker responsibilities
  - Following-up with leads
    - Government regulations
    - Setting expectations

#### Module 3—Craig Barnes (20 minutes)

- Counseling
  - Distributing counselor lists
  - Steering
  - Prepping clients
- Assessing a Borrower's Needs
  - Reverse mortgages are not for everyone
  - Code of Ethics addresses product and program issues in several sections
  - Determining which product best suits your client
  - Case Study #3
    - a. Students are presented with real life borrower scenarios and asked to share with the other students questions they would ask the borrower to assess whether a reverse mortgage is an appropriate option.

#### Module 4—Jud Lyman (10 minutes)

- Professional Competence
  - Students have an ethical responsibility to educate borrowers about the process of mortgage lending, and set reasonable and informed expectations
- Professional Responsibility

#### Module 5—Dan Hultquist (20 minutes)

- Borrower Competency
  - Senility/dementia
  - Elder abuse
  - Courses of action
- Cross-Selling
  - Originator rules (HUD guidelines)
  - NRMLA's Code of Ethics

#### **End of Course Assessment**

Students will have 15 minutes to complete a 15-question multiple choice exam. Students must receive a 70% score to pass. Students will be notified of their test scores within three business days.

If a student fails the exam, he or she may retake the exam one additional time. NRMLA will email a different set of questions to the student and then the student will email back the responses. NRMLA will notify the student of the results within three business days.