



Code of Conduct

Members of the National Reverse Mortgage Lenders Association are mindful that the soundness, usefulness, prosperity, and future of our industry depends upon the honor and integrity of all persons engaged in the business. Each member of this association agrees to observe and maintain the following standards of conduct in dealing with the senior community and their families.

- 1) Treat all clients with respect and dignity.**
- 2) Protect the client's privacy and confidentiality and not distribute personal financial information to any third party without permission from the client.**
- 3) Encourage clients to discuss the loan transaction with family members and/or other trusted advisors.**
- 4) Inform clients at no charge about all of the member's reverse mortgage programs and assist each client to determine the program most suitable for his or her needs.**
- 5) When estimating potential reverse mortgage benefits, clearly and accurately identify all costs.**
- 6) Take reasonable steps to check out the background and procedures of third parties before accepting referrals of business from them, and refuse to accept referrals from those that are found unacceptable. Members shall disclose to clients any third party with a financial interest in the reverse mortgage transaction.**
- 7) Not imply to a borrower that he or she is obligated to purchase any other product or service offered by the member or any other company in order to obtain a reverse mortgage.**

8) Pay all loan proceeds directly to the borrower, except to retire existing debt, pay a contractor from the borrower's repair set-aside account, or pay property taxes or hazard insurance premiums from the borrower's set-aside account for taxes and insurance.

9) Employ individuals who have passed a background check and are found to be of good moral character.

10) Report any suspected violations of the Code of Conduct to the National Reverse Mortgage Lenders Association, and cooperate with all their investigations.

11) Make a good-faith effort to resolve concerns received from clients about a reverse mortgage transaction.

12) In all of their loan origination arrangements, comply (with the advice of qualified counsel as appropriate) with all applicable regulatory requirements including: (i) provisions of the federal Real Estate Settlement Procedures Act barring referral fees; (ii) state mortgage regulatory provisions requiring licensing by loan originators, if applicable; and (iii) with respect to FHA-insured HECM reverse mortgage loans, FHA provisions requiring licensing and restricting employment arrangement.

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