

CODE OF ETHICS AND STANDARD OF PRACTICE OF NEBRASKA MORTGAGE ASSOCIATION



Preamble

WHEREAS, the purpose for which the Nebraska Mortgage Association was organized as stated in the Constitution and By-Laws are:

- To encourage among its members sound and ethical business practices and methods in making, marketing and servicing real estate mortgage loans, equities, investments, and other related practices.
- To inform its members of changes of mortgage laws and of pending legislation affecting the real estate mortgage business.
- To sponsor meetings for the discussion of real estate mortgage related problems. To cooperate with public and private agencies in the establishment of sound real estate mortgage practices.

WHEREAS, the Members of the Association are mindful that the soundness, usefulness, prosperity and the future of Mortgage lending depends upon the honor, integrity and fidelity of personnel engaged in this business.

THEREFORE, BE IT RESOLVED, that each Member of this Association pledges to observe and maintain the following standards of conduct in dealing with the public and with other members.

CANON 1

Members shall conduct their business in a professional manner, ensuring that their personnel are knowledgeable in the areas of mortgage lending in which they participate and are acting in compliance with sound industry practices.

CANON 2

Members shall act in conformity with applicable laws and regulations and shall cooperate in every appropriate way with all government bodies in the interest of establishing and maintaining an efficient and fair framework for mortgage credit.

CANON 3

Members shall act in a manner that recognizes integrity and confidence as essential in the mortgage lending business.

CANON 4

Members shall encourage healthy competition in the mortgage lending business.

CANON 5

Members shall conduct their business in accordance with all Federal and State Regulations- (Equal Credit Opportunity Act, Regulation B, Do not call List, Respa, HUD Guidelines.)

CANON 6

Members shall preserve the integrity of all parts of a loan submission and appraisal report and make full disclosure of all pertinent facts including any in the loan project, property or development.

CANON 7

Members shall use all efforts available in servicing loan investments entrusted to their care to effectively discharge their obligations to both investor and debtor.

CANON 8

Members shall maintain all monies which are received as escrow reserve or impound accounts in a prudent and identifiable manner and shall disburse these funds for the purpose for which they were received.

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CANON 9

Members shall cooperate with Board of Directors of the Association in furnishing information relative to any investigation of a possible violation of the Code of Ethics and Standards of Practice. Violations of, and complaints concerning, the Code of Ethics shall be filed in writing with the Board of Directors of the Association, The Board of Directors of the Association will designate a Committee known as the Ethics Standards and Practices Committee which will review all complaints filed with the Association.

The Ethics Standards and Practices Committee will review the complaint and will act on it within two weeks, on the following basis:

1. Reject the complaint
2. Write a letter of reprimand to the Member requesting correction of the problem, with a report back to the Board of Directors of the Association
3. Recommend to the Board of Directors suspension or termination of membership in the Nebraska Mortgage Association. The degree of seriousness and validity of the complaint will be the determining factor in all instances for actions recommended by the Ethics Standards and Practices Committee.
4. If violation warrants, a report will be submitted to the Nebraska Department of Banking.