

**STANDARDS OF CONDUCT  
FOR APPROVED COURSE PROVIDERS<sup>1</sup>**

**Approved February 4, 2010**

**By the  
Mortgage Testing and Education Board**

**acting on behalf of**

**State Regulatory Registry LLC (SRR)  
and  
Nationwide Mortgage Licensing System and Registry (NMLS)**

It is the intent of NMLS<sup>2</sup> to have all Approved Course Providers promote themselves and their course offerings in accordance with the highest ethical standards. As such, NMLS approval status is granted with the understanding that Course Providers will maintain the Standards of Conduct listed below. Additionally, Approved Course Providers are required to operate in accordance with NMLS provider and course approval policies to include:

- ***Policy on Criteria for Granting Approval for a Course to Become NMLS Approved***  
– Initially published June 16, 2009
- ***Policy on NMLS Approved Pre-Licensure and Continuing Education Classroom Formats and Standards*** – Initially published June 16, 2009
- ***Policy on Reporting (Banking) of Student Credits*** – Initially published June 16, 2009
- ***Policy on Business Arrangements, Reselling, and Marketing of NMLS Approved Courses*** – Initially published June 16, 2009 and updated March 25, 2014
- ***Approved Course Provider Standards of Conduct*** – Initially published February 4, 2010 and updated January 1, 2018.

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Standards of Conduct – Amended and effective 01/01/2018. Amended and effective 12/4/2014. Amended and effective 9/20/2012. Amended and effective 12/15/2011. Amended and effective 4/13/2011. Amended and effective 5/27/2010. Adopted and effective 02/04/2010.

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NMLS is the Nationwide Mortgage Licensing System & Registry.

- *Functional Specification for All NMLS Approved Courses* – Initially published March 15, 2010 and as updated annually.
- *NMLS Approved Course Data and Document Retention Policy* – Initially published May 18, 2018 and effective January 1, 2018.

Violation of any of these policies could result in sanctions or disciplinary action up to and including loss of NMLS approval status as provided by the Administrative Action Procedures for S.A.F.E.<sup>3</sup> Education Requirements.

### **1. Business and Marketing Standards:**

- A. All advertising and marketing must be truthful and be void of any misleading statements, promises, or guarantees. A course may not be promoted in such a way as to guarantee or imply that an individual will pass a test after completing the course.
- B. Provider must maintain appropriate business and other licenses as required by local and/or state laws. In the event of change of ownership, merger, acquisition, change of address or any other change, the provider has a responsibility to notify NMLS in writing within 10 business days of the change and to provide NMLS with copies of licenses or other documentation.
- C. All advertising and marketing must clearly state the identity of the course provider and must include the course provider’s address, telephone number, and NMLS Provider ID number.
- D. All e-mail marketing must be in accordance with the CAN-SPAM Act of 2003 which also includes a requirement for e-mail recipients to opt out of receiving e-mail.
- E. Course Providers may use the words “NMLS Approved” in marketing and advertising materials only if they have been approved by NMLS as a course provider, have one or more NMLS approved courses, and have received an NMLS Provider ID number.
- F. Courses may be marketed and promoted using the words “NMLS Approved” only if the course provider has been approved by NMLS, the course or courses have been evaluated and approved by NMLS and the course or courses have been assigned a course ID number.
- G. The word “accredited” must not be used in any marketing or promotional material.
- H. Only Approved Course Providers may offer courses approved by NMLS. A course provider cannot offer another course provider’s NMLS-approved course without approval from NMLS.

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The S.A.F.E. Act is the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, Title V of Public Law 110-289

- I. The phrases “SAFE Approved,” “SAFE Act Compliant,” or any similarly worded phrases must not be used in connection with the offering of any NMLS approved course.
- J. Course Providers may use the “NMLS Approved” course logo with embedded course ID number to market or promote their courses only after their provider and course application has been approved. The “NMLS Approved” logo may only be used to promote a course that has been approved by NMLS and issued an NMLS course ID number. The logo must not appear in conjunction with any course that has not been approved by NMLS.
- K. The Nationwide Mortgage Licensing System, Nationwide Mortgage Licensing System and Registry, NMLS, NMLS-R, NMLS Approved, and the NMLS Approved logo are all trademarks of the State Regulatory Registry LLC. The use of the term “NMLS” or any derivative thereof may not be used in any web URL, brand, title, or company name. The State Regulatory Registry LLC will enforce and defend any use of its trademarks which is inconsistent with these business standards.

## **2. Consumer Protection and Service Standards:**

- A. Approved Course Providers will provide students with ready access to the organization’s course cancellation and refund policies. Providers conducting e-commerce will abide by best practices associated with conducting business online to include posting a privacy policy, business name and address, and contact information.
- B. Approved Course Providers will complete credit banking within seven (7) calendar days after the end of the course completion date.
- C. Credit banking may only be completed after the student has completed the entire number of hours for which the course was approved.
- D. Credits may only be banked for students who have actually completed a course. It will be considered a violation of the Standards of Conduct and will be considered fraud if an Approved Course Provider reports credits completed for a student who has not completed the entire course.
- E. Classroom courses are to be delivered in a physical environment that is appropriate for adult education needs in accordance with the *NMLS Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*.
- F. Course Providers are to ensure that instructors are knowledgeable in the course subject matter and possess and employ appropriate teaching skills as a result of either relevant academic and/or professional experience in accordance with the *NMLS Policy on Criteria for Granting Approval to Become an NMLS Approved Course Provider*.
- G. Course Providers must ensure that they have successfully met any and all conditions associated with a course approval prior to offering the course.

- H. Once a course is approved by NMLS, except for routine maintenance associated with updating content to reflect changes to Federal or State laws, content may not be changed without the express approval of NMLS.
- I. Course Providers must operate in accordance with all applicable Federal and State laws and regulations including but not limited to the Americans with Disabilities Act (ADA), and state Post-Secondary Higher Education Commission approval standards (where applicable).
- J. Course providers acknowledge and agree that as the approval authority for education that is to be administered to MLOs to comply with the SAFE Act, that NMLS may audit by any means it sees fit, and at any time and at any location, any course it has approved, to verify that it is being delivered in accordance with NMLS policies and the Functional Specification. Course providers further acknowledge that if a course is found by NMLS to be sufficiently deficient and/or not being delivered in accordance with NMLS policies, that NMLS may suspend or remove approval of the course.

### **3. Ethical and Legal Standards:**

- A. Approved Course Providers are prohibited from committing fraud or misrepresentation in the application or maintenance of their NMLS approval status.
- B. Approved course providers and their instructors are prohibited from engaging in any unlawful, misleading, or unethical activities or from engaging in any activity of moral turpitude under federal or state law. Additionally, all instructors must meet the minimum requirements for criminal background check as described in the SAFE Act (Sec 5104(b)(1-3)).
- C. Approved Course Providers and their employees must inform NMLS if they are the subject of any final regulatory or enforcement action related to compliance with applicable federal and state laws and regulations. Upon such notification, NMLS reserves the right to take action that could result in sanctions or disciplinary action up to and including loss of NMLS approval status.
- D. Approved Course Providers are prohibited from having their employees, agents, or other representatives take the SAFE Mortgage Loan Originator (MLO) Test for the purpose of learning about the test or any of its content. Course Providers are prohibited from receiving information from persons who have taken a SAFE MLO Test for the purpose of learning about or using the test or any of its contents. The SAFE MLO Test may only be taken for the purpose of acquiring an MLO license. The taking of the SAFE MLO Test for any other reason is a violation of these Standards of Conduct and may result in disciplinary actions up to and including the loss of NMLS Approval status.
- E. Because NMLS does not publicize any specific information pertaining to the content of the SAFE MLO Test other than the Content Outlines, Approved Course Providers

are prohibited from communicating with customers or prospective customers that they have special knowledge regarding the content or other non-public characteristics of the SAFE MLO Test.

- F. As a condition for achieving and maintaining NMLS approval status, Course Provider attests to having in place processes for the retention of data and documents associated with the delivery of NMLS approved courses for a period of five years. Further, the organization agrees that NMLS retains the ability to audit Course Data, as needed, to ensure Course Provider is properly administering courses and tracking student participation. Accordingly, Course Provider must make Course Data available to SRR within 14 calendar days of a written request from SRR.