FAQ for Issuance and Retention of ROCS

General Information about NMLS and Requirements of the ROC

Q. What are the Rules of Conduct for Students?

A. 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 is establishing Rules of Conduct for Students. 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 a certain level of integrity.

Q. Why is NMLS requiring an ROC?

A. The ROC serve to reinforce course attendance policies many course providers already have in place. Additionally, the ROC serves to define appropriate conduct for student and the possible consequences if the ROCs are found to be violated.

Q. Is the ROC published anywhere and how do I get the text or document?

A. A standard form in PDF format which can be downloaded and copied for classroom use is available on the Course Provider section of the NMLS Resource Center. Also available to course providers is uniform text which is to be published in the Learning Management System (LMS) as part of the click-through agreement (see details below). Course providers are not authorized to make changes to any of the text contained in the ROC.

Q. When is the ROC required to be implemented?

A. The ROC is required to be administered at the start of every course offering.

Q. Aren’t the ROCs also supposed to appear on course materials?

A. Yes, the ROC are also to be included as part of the cover page on primary course materials or a stand-alone second page on all primary course materials. Primary course materials are defined as the text book, course guide, or presentation. The ROC does not have to be included on such items a secondary hand-outs or other supplementary course material.
Administering the ROC

Q. What does it mean where the Functional Spec says that at the start of every course, the instructor or the course facilitator is required to explain the rules of conduct?

A. Along with covering administrative items that are typically reviewed at the start of any course, the instructor or facilitator should also take a minute to review the ROC. This review should not take more than a minute, and it will serve as a good opportunity to reinforce already existing course policies.

Q. Can this process of reviewing the ROC be included in the approved course time?

A. No. The explanation or click through of the ROC at the beginning of a course should only take a minute and can be incorporated into the usual “housekeeping” procedures.

Q. For online courses, what does “acknowledge” mean?

A. As part of the course login process, the student is required to be presented with the ROC in a text box in a font and format that is easy to read. Additionally, the student is required to be presented with an “I agree” or “I do not agree” option in the form of check boxes. As a condition to being able to begin the course, the student must agree; failure to agree will result in the student not being able to start or complete the course. Clicking the check box and clicking “I agree” will serve as a “digital signature.” The course provider is required to retain a log of this agreement for a period of five (5) years. The click-through is only required to be presented at the initial start of the course; it does not have to be presented on any subsequent login to the course. If a student is completing multiple courses with a course provider, the click-through is required to be acknowledged at the start of every course the student takes with the course provider.

Q. When does the ROC needs to be signed by the student?

A. For classroom courses the ROC must be signed by the student during the check-in process or at the start of the course.

For webinar courses, the ROC is required to be distributed with course materials and the course provider is required to collect a signed copy of the ROC prior at the start of the course via whatever means is available (fax, scanned e-mail, collected by a facilitator, etc.).

For Online Instructor-led and Online Self-Study course, the ROC must be acknowledged at the beginning of the course. The acknowledgment will essentially serve as a “digital signature” (see above).

Q. What happens if a student refuses to sign or acknowledge the ROC?

A. If the students does not sign or does not acknowledge the ROC, then he/she may not take the course for NMLS credit.
Q. Can the ROC be part of a course registration?

A. No. Because many students are registered by their company, compliance officer, or over the phone, the student/MLO would not see and/or agree to the ROC if it were included in the registration process.

Q. Can the students sign a form which is separate from the actual ROC to acknowledge their agreement with the ROC? For example, can the ROC be handed to each student and then can the students sign a single form e.g. a roster sheet?

A. Yes, this procedure would be acceptable as long as the form and a copy of the ROC are saved for each course.

Q. Does the course provider need to give a copy of the ROC to the student for his or her records?

A. A copy of the ROC must be included on primary course materials (see above).

Q. Will NMLS verify that I am requiring the ROC?

A. Yes. During the course provider renewal process, course exam process, or desk review process, NMLS will ask how the ROC is being administered and will verify that the signed/acknowledged ROCs are being retained.

Retaining Signed/Acknowledge ROCs

Q. In what format can the signed ROCS be retained in and for how long?

A. The signed or acknowledge ROC may be retained in a hardcopy, electronic, or other format such that the signed or agreed to document may be readily accessed and made available in a reasonable amount of time upon request by NMLS or a state regulator (typically three to five business days). Consistent with the NMLS Policy on Document and Data Protection, the signed or acknowledged ROC is to be retained for period of five (5) years from the course start date.

Q. Am I required to retain the ROC for longer than five (5) years?

A. After five (5) years from the course start date, the course provider may destroy or delete any hard copy or electronic files of the ROC.

Q. What if I lose or fail to retain signed ROCs for the required amount of time?

A. Course providers are advised to treat signed ROCs in the same manner in which they treat all other records that are of importance to their business. Depending on the circumstances, NMLS may take some sort of administrative action if it is discovered a course provider has lost or not retained signed/acknowledged ROCs due to negligence or lax business practices.
Reporting Violations of the ROC

Q. What role is the course provider expected to play in enforcing the ROC?

A. Course providers are required to report to NMLS known or suspected violations of the ROC along with any evidence to support the claim. Note that the Rules of Conduct are intended to enhance and preserve the overall integrity of the MLO education program as intended by the SAFE Act. They are also intended to reinforce, but not replace, existing classroom policies or rules that a course provider may already have in place. Course providers are encouraged to enforce their own policies and to report to NMLS only those violations contained in the ROC which may reasonably be determined to potentially undermine the integrity of the SAFE Act’s education requirements.

Q. How do I go about reporting a violation of the ROC?

A. Suspected violations of the ROC are to be reported to nmls.ed@stateregulatoryregistry.org. Reports of an alleged violation should contain as many details as possible to include name(s), NMLS ID number if known, dates, which ROC was violated, and any other known details. Supporting information or files may be submitted as an e-mail attachment.

Q. Who should the course provider contact if there is reason to believe a student has violated the ROCS?

A. Suspected violations of the ROC are to be reported to nmls.ed@stateregulatoryregistry.org.

Q. Who should a student contact if they believe a violation of the ROC has occurred?

A. Students should be directed to report suspected violations of the ROC to nmls.ed@stateregulatoryregistry.org.

Q. What if I am not sure there was a violation of the ROC?

A. Course providers are encouraged to contact Michelle VanderNaalt, Sr. Manager, Education Compliance, (mvandernaalt@csbs.org / 202.595.4081).

Q. If I report a violation of a ROC, should I still report the course completion?

A. Yes. Even if you have reported a suspected violation of the ROC, you are still required to report a course completion within seven (7) calendar days of the course completion date. However, if the student has not completed a course, for whatever reason, then a course completion is not to be reported.
Q. How is a course provider expected to handle questions from students regarding the ROC?

A. The ROC and the rules themselves are basic and largely self-explanatory. However, if a student has questions or concerns they should be directed to contact NMLS at nmls.ed@stateregulatoryregistry.org

Q. Who should a course provider contact if they have questions about the ROC?

A. Questions regarding the ROC should be directed to Michelle VanderNaalt, Sr. Manager, Education Compliance, (mvandernaalt@csbs.org / 202.595.4081)

Q. How are the Rules of Conduct different than the Standards of Conduct for Course Providers?

A. The ROC is intended for those individuals taking PE or CE courses intended to satisfy SAFE Act requirements for state MLO licensing. The Standards of Conduct (SOC) for Course Providers specifically addressed conduct and business standards that course providers are required to maintain as a condition for NMLS approval. Information about how to report a violation of the SOC is available here.
Model Language for Signed Forms and Click-Through Acknowledgement

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 has 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
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 these rules are in addition to whatever applicable rules the course provider may have set.

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

As an individual completing either pre-licensure education (PE) or continuing education (CE) I attest the course format I am being credit banked for has been entirely completed be myself alone and have met required below:

Classroom (live)
- Completed sign-in by providing my signature prior to the start of the course
  - Provided government issued ID at time of sign-in of the course to verify who I say I am
- Engaged with other students and instructor(s)
- Returned from breaks and lunches on time as required
- Participated and was engaged throughout the entire course
  - Properly completed the entire seat-time the SAFE Act required for the approved NMLS course in order to receive an end-of-course completion certificate

Classroom Equivalent (webinar)
- Provided at the time of entering the webinar platform:
  - Government issued ID
  - Knowledge-Based Authentication
  - Returned from breaks and lunches on time as required
- Properly completed the entire seat-time the SAFE Act required for the approved NMLS course in order to receive an end-of-course completion certificate by the following means:
  - Use of camera for the entire duration of the course and visible from the shoulders up
• Understand that if I fail to maintain camera presence for a period of greater than 10 minutes I will be removed from the class and not receive credit
• Engaged and completed all course quizzes and case studies
• Engaged and completed all polls
• Understand at various times during the CEQ/webinar course, I will be required to authenticate my identity and engagement.
• Engaged with other students and facilitators/instructor(s)

**Online Instructor-Led (online with instructor)**
• Provided at the time of entering the Learning Management System (LMS):
  • Met the personal identification requirements set forth by the provider
  • Will not divulge my login ID or password or login credentials to another individual for any online course
  • Used my own personal login information to complete the NMLS approved online course
  • Properly completed the entire seat-time the SAFE Act required for the approved NMLS course in order to receive an end-of-course completion certificate by the following means:
  • Engaged and completed all course quizzes and case studies
  • Engaged with other students and facilitators/instructor(s)

**Online Self-Study (online without instructor)**
• Provided at the time of entering the Learning Management System (LMS):
  • Met the personal identification requirements set forth by the provider
  • Used and authenticated my own personal login for BioSig to enter and complete the NMLS approved online course
  • Will not divulge my login ID or password or login credentials to another individual for any online course
  • Understand at various times during the online course, I will be required to authenticate my identity through a biometric system.
  • Properly completed the entire seat-time the SAFE Act required for the approved NMLS course in order to receive an end-of-course completion certificate by the following means:
  • Engaged with all the course content and completed all course quizzes and case studies

Additionally, I

1. Attest that I am the person who I say I am and that all my course registration information is accurate.
2. Acknowledge that I am required to show a current government issued form of identification prior to class entry and that the name on the identification matches the name as it appears on this course registration.
3. 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. Will not give or attempt to give assistance to any other person who is registered to take an NMLS approved pre-licensure or continuing education course

5. Understand that the course provider has the right to dismiss anyone from class that creates a disturbance or interferes with the administration of the course or other students‘ learning, including, but not limited to cell phone/smart watch usage.

6. Acknowledge that any outside activities are prohibited while attending class and grounds for immediate removal from class.

7. 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.

8. Will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing or the conditions for which I am seeking licensure or renewal of licensure.

9. Understand and acknowledge my responsibility to report any violations or misconduct involving any of the above Rules of Conduct to the Mortgage Testing and Education Board (MTEB).

10. Understand the CSBS Privacy Notice is applicable to these Rules of Conduct. The CSBS Privacy Notice can be found here: https://nationwidelicensingsystem.org/about/policies/NMLS%20Document%20Library/CSBS%20External%20Privacy%20Notice-6.18%20(1).pdf

By signing below, I understand the Rules of Conduct listed above, and that any violations to these rules will be subject to an investigation by the state(s) in which I am seeking licensure in or maintaining licenses in. The results of any investigation may subject me to disciplinary actions by the state(s) or the State Regulatory Registry (SRR), including but not limited to:

- Revocation, suspension, or denial of license
- Disqualification from receiving class credit
- Retraction of class credit
- Fines
- Additional education

Print Name: ________________________________  Course Number(s): _______________

Signature: ________________________________  Date (mm/dd/yyyy): ________________

Email: ________________________________  NMLS ID# ____________________