

**Obama's Commitment to Reforming Wall Street Speech**  
**NAMB Talking Points**  
**September 14, 2009**

**1. NAMB Supports Reform**

- a. Destructive Practices (CDO's, SIV's, credit default swaps) are root cause of financial meltdown.
- b. Close relationships between lenders and Wall Street investors have caused many of the problems facing the mortgage and housing industry today.

**2. Mortgage Broker Role**

- a. Does not create mortgage products or approve the consumer for such products.
- b. All loan approvals are decided by lenders.
- c. Brokers did not receive TARP money.

**3. Mortgage Brokers Regulated**

- a. Since 2001, NAMB has been advocating for a national mortgage licensing system to include all loan originators.
- b. State predatory lending laws have regulated mortgage brokers, yet lenders have been successful in using federal preemption to avoid being subject to such consumer protection laws.
- c. NAMB helped pass SAFE Act, creating NMLS&R
- d. Exemptions for Wall Street lenders on education and ethics training requirements remain a concern.

**4. Initial Concerns**

- a. NAMB cautions the formation of a new government agency with the power to approve all mortgage and other financial instruments.
- b. "Economic Death Panels" will favor large business over small business, which would have severe unintended consequences on the housing industry and gravely harm consumers.
  - i. State licensed entities vs. Federally Chartered entities