

Business Partner Code of Conduct

Frequently Asked Questions

April 25, 2023

Q1. What is the Business Partner Code of Conduct and why has Fannie Mae created it?

The Business Partner Code of Conduct (“Code”) is a principles-based expression of Fannie Mae’s expectations for our business partners. It is intended to help our business partners better understand our areas of focus and highlights our firm commitment to our mission to facilitate equitable and sustainable access to homeownership and quality affordable rental housing across America. We rely on our business partners to interact with our customers and advance our mission and shared goals.

Q2. Does this change how business partners work with Fannie Mae today?

No, the introduction of the Code doesn’t change how we work with our business partners today. Our business partners should already be aligned with the principles that are required by applicable laws, regulations, and Fannie Mae contracts. We will engage with our business partners over the next 12 - 18 months to understand their maturity against the established principles and will work with our business partners to help them align with the principles.

Q3. To whom does the Code apply?

The Code applies to all Fannie Mae business partners. A business partner is any third party, firm, or individual that provides a product or service to Fannie Mae including, without limitation, suppliers and counterparties. Some examples include sellers/servicers, DUS lenders, technology service providers, appraisers, law firms, or broker dealers.

We are committed to working with and providing flexibility to small and diverse-owned businesses that may be challenged to meet some of the principles outlined in the Code.

Q4. Is the Code a formal contract?

No, the Code is not a contract and does not amend a business partner’s existing contractual relationship with Fannie Mae.

Q5. How often will the Code be updated?

Fannie Mae expects to refresh the Code on a regular basis based on market and industry changes, as well as changes to our strategy, maturity, and learnings.

Q6. Will this result in changes to Fannie Mae’s Guides, policy, or contractual documents, or to Fannie Mae’s STAR™, MORA, third-party risk, or other assessment and certification processes?

The introduction of the Code will not result in any immediate changes to Fannie Mae’s Guides, policy, or contractual documents. As the Code evolves over time, additional questions may be incorporated into our existing assessment touchpoints to learn about our business partners’ maturity against the established principles and ensure a holistic approach to our relationship with business partners.



Q7. How does the Code differ from Fannie Mae's [Service Requirements for Contractors and Consultants: the Contingent Worker Code of Conduct](#)?

Fannie Mae's "[Service Requirements for Contractors and Consultants: the Contingent Worker Code of Conduct](#)" (SRCC) establishes requirements for certain contingent workers who have access to Fannie Mae facilities and/or systems. The SRCC is part of the contract between suppliers and Fannie Mae and contingent workers are expected to comply with its requirements as part of that contract. The Business Partner Code of Conduct's scope includes entities conducting business with Fannie Mae, not contingent workers in their individual capacity.

Q8. What are Fannie Mae's expectations for how business partners should comply with the principles in the Code?

We require business partners to comply with all applicable laws, regulations, and contractual requirements, just as we always have required pursuant to their contractual relationships with us. With respect to principles in the Code that may not be legally or contractually required, we expect our business partners to employ best practices and demonstrate continuous improvement toward the principles.

Q9. How will Fannie Mae evaluate business partners' alignment with the Code?

The Code includes certain principles that are already required by applicable laws, regulations, and Fannie Mae contracts. It is intended to reinforce business partners' understanding of their importance to Fannie Mae.

In addition, the Code sets forth new principles related to Diversity & Inclusion, Environmental Sustainability, and Equitable Housing that may not currently be required by existing laws, regulations, or contractual requirements. With respect to those principles, we will evaluate business partners for maturity against such principles and may ask for information from business partners to demonstrate their progress towards alignment.

At this time, the Code does not add any new requirements for our business partners. However, our approach to the Code is not static. As the program matures, Fannie Mae expects to enhance its assessment tools and may add new requirements. Any enhancements or new requirements will be communicated to business partners before going into effect.

Q10. How does a business partner contact Fannie Mae with questions regarding its alignment to the principles?

Business partners with questions or concerns should first contact their Fannie Mae relationship manager or primary point of contact. Questions may also be submitted through [email](#) or by calling us at 800-2FANNIE, option 4.

Q11. What happens if a business partner isn't able to demonstrate alignment to every principle?

The purpose of the Code is to drive positive change in the industry. We are happy to work with any business partner who is committed to the principles outlined in the Code but is challenged in aligning with every principle. We plan to share examples of best practices, training, and other resources to support our business partners along the journey.

Note that the principles outlined in the *Equitable and Sustainable Access to Housing* pillar are only applicable to business partners that are involved in housing, housing development, housing finance, mortgage lending, mortgage servicing, property management, appraisals, housing counseling, securitization, and other community-related services. With respect to business partners that are found to be out of compliance with applicable laws, regulations, and contractual requirements, Fannie Mae reserves the right to take action pursuant to its contractual relationship with the business partner.