



General Policies

Royal Palm Coast REALTOR® Association, Inc.

Reviewed February 2022

Note

The purpose of this Administrative Policy Manual is to outline specific policies and procedures for the basic operation of the Royal Palm Coast REALTOR® Association, Inc. and to explain procedures for appropriating volunteers and funds.

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SECTION 1. Administration

1.1 Office Location The offices of the Royal Palm Coast REALTOR® Association are at 2840 Winkler Ave, Fort Myers, Florida 33916 (headquarters); and 918 SE 46th Ln, Cape Coral, FL 33904.

1.2 Tax Status Internal Revenue Service: The Royal Palm Coast REALTOR® Association is organized as a 501(c) 6 organization under the Internal Revenue Code.

1.3 References All references to committees, forums, officers, etc., in the document shall be considered to refer to the Royal Palm Coast REALTOR® Association unless otherwise noted.

SECTION 2. Strategic Plan



Strategic Plan 2019 - 2021

MISSION

The Royal Palm Coast Realtor® Association exists to advance the success of its Realtor® members; advocate for home ownership and property rights; elevate the skills and competencies of Realtors®; encourage, procure, and precipitate innovation; further civic and community engagement; and enable Members to provide a superior consumer experience.



With focus and effort the Association will **SUCCEED** by:

- Committing to the success of all Members
- Providing the best tools so Members can achieve life balance, financial independence, freedom, and happiness
- Professional development through: skills, competencies, and knowledge
- Providing Realtors® with the resources to deliver a superior consumer experience
- Supporting Broker members
- Enhancing the ethical behavior of Realtors



With inclusivity and intent the Association will **ADVOCATE** for:

- Protecting private property rights and property ownership (Residential & Commercial)
- Communicating the value of Realtors® to consumers
- Building better communities
- Educating and mobilizing Realtors®
- Participating/influencing public policy: Local, State, and National



With direction and commitment the Association will **LEAD** by:

- Identifying, encouraging, developing, training, and mentoring Realtor® leaders: Local, State and National
- Engaging, motivating and empowering membership
- Cultivating and supporting leaders within the community
- Advancing professional development for staff
- Being a positive example among Associations



With trust and respect the Association will **ENGAGE** by:

- Building relationships of relevance with Members
- Facilitating interactive communications with Members
- Communicating with Members efficiently in a manner of their choosing
- Empowering Realtors® - it is their Association
- Promoting the use of Local, State and National benefits to provide a superior Realtor® experience

SECTION 3. Chain of Command

President

The President is the elected presiding officer of the Organization and presides at its meetings and those of the Board of Directors. The President is the sole spokesperson for the Association and has primary responsibility for maintaining cooperative relationships with other organizations, and regulatory and legislative bodies. The President, in concert with the President-Elect work with their immediate successor to set coordinated goals and objectives, both short-term and long-term that will be carried forward. Except as otherwise provided in the Bylaws, the President is responsible for calling and conducting meetings of the Board, the Executive Committee, and membership, as well as establishing the agendas. The President is supported by a Chief Executive Officer who is responsible for day-to-day administrative and operations, so it is expected that the President will not be involved in administrative, and operations matters. CEO will focus efforts and attention on programs and activities designed to enhance the effectiveness and reputation of the profession. Interact on a regular basis with the CEO in the interests of sound administration to identify current professional issues and proposed resolutions, and work with the CEO to see that basic procedures and programs that further the goals and objectives of the Organization are planned, formulated, and executed.

- a. Support and direct implementation of policies and programs adopted by the Board of Directors
- b. Communicate to Board the progress in achieving the goals and objectives of the Organization
- c. Appoint committee chairs and all committee members in accordance with the bylaws
- d. Approve CEO's goals and objectives and, in conjunction with the President-Elect, evaluate the executive director's performance and determine the salary adjustment
- e. Serve in ex-officio capacity for all committees

President-Elect

The greatest responsibility of the President-Elect is to prepare to become the President. For this reason, the President-Elect is expected to attend meetings with the President. The President-Elect performs the duties of the presidency in the President's absence or when the President is unable to serve. The President Elect will assist the President with the duties as assigned. It is strongly encouraged for the President-Elect or his/her designee to participate in the Leadership Lee County Program to enhance leadership skills and network

- a. Assume the duties of the President in the event of his or her absence or disability
- b. Attend the national and state planning conferences
- c. Assume responsibilities delegated or assigned by the President
- d. Strategic Plan Implementation and oversight
- e. Responsible for the Leadership Development Academy
- f. Participating in training opportunities including attending the National Association of Realtors® Annual Conferences, Florida Realtors® Conferences, GARD in Tallahassee and the District Event.
- g. Serves as an officer and member of the Royal Palm Coast Realtor® Association and Board of Directors.
- h. Sits on Florida Realtors® Board of Directors
- i. Sits on the RPCRA Finance Committee
- j. Assist the President in evaluating and reviewing the goals and objectives of the CEO

Treasurer

The Treasurer presents the Association's financial statements to the Board of Directors. To do that, the Treasurer must become familiar with the financial position of the Association and should help prepare the Association's annual budget. The Treasurer is chairman of the

Association's Budget and Finance Committee, which reviews the budget and financial conditions. The Treasurer confirms that an annual audit is made by a certified accounting firm and may be called on to sign certain legal and banking documents as needed.

- a. Serve as Chair of the Finance Committee and oversees the financial health and budget of the Royal Palm Coast Realtor® Association.
- b. Attends all meetings of the Royal Palm Coast Realtor® Association Board of Directors and serves as an officer and member of the Board of Directors.
- c. May serve as a member of Investment & Reserves Committee.
- d. Leads the annual budget process and presents annual budget to the Finance Committee and Board of Directors for approval.
- e. Presents the Association's financial statements to the Board of Directors.
- f. Become familiar with the financial position of the Association.
- g. Confirms that an annual audit is made by a certified accounting firm and may be called on to sign certain legal and banking documents as needed.
- h. Participating in training opportunities including attending the Florida Realtors® Conferences, GARD in Tallahassee and the District Event.
- i. Sits on Florida Realtors® Board of Directors

Secretary

Secretary: the responsibilities of the Secretary are:

The Secretary of the Association is responsible for taking the minutes of all Board of Directors meetings. He/she is sometimes called on to sign certain legal documents. The Secretary should maintain a visible position and attend as many Association functions as possible.

- a. Responsible for the minutes and attends all meetings of the Royal Palm Coast Realtor® Association Board of Directors and serves as an officer and member of the Board of Directors.
- b. Maybe required to sign certain legal documents.
 - c. Responsible for taking minutes in executive sessions
- d. Participate in training opportunities including attending the Florida Realtors® Conferences, GARD in Tallahassee and the District Event.
 - e. Sits on Florida Realtors® Board of Directors
 - f. Sits on the RPCRA Finance Committee

Immediate Past President

In the event of the absence of the President and President-Elect, the Immediate Past President will perform the duties of the President. The President will automatically become Immediate Past President for the ensuing year. The Immediate Past President will serve a one-year term.

Directors

Members of the Board of Directors are expected to represent the entire membership. When evaluating a position on the board, remember that the Board of Directors is responsible to all members and must place the welfare of the total Association ahead of geographic, factional, or personal consideration. Each Director must express their viewpoints and share their opinions. Constructive criticism can be important to the Association's growth and development. Directors should consider the needs and feelings of each other and face the issues and facts. More importance is attached to their remarks made on and off, the record. Directors should remember that discretion protects credibility and discourages rumors, gossip, and criticism. Directors must be familiar with antitrust laws, professional standards, and Association Bylaws. All Directors are obligated to support and carry out the decisions and directions of the Board. Additionally, Directors must be active members. Their attendance at Association functions facilitates a steady flow of communication with membership. Directors are expected to come to each meeting prepared by having read and examined the packet distributed in advance and

are encouraged to ask questions or request additional information prior to a Board meeting. Be conscious of this and try to keep the meetings moving.

- a. Support the mission statement and the strategic plan.
- b. Support all decisions of the Board of Directors
- c. Read and understand the financial statements and otherwise assist the Board in fulfilling its fiduciary responsibility.
- d. Come prepared to board meetings and actively participate in decision-making.
- e. Share your area of expertise with the Board and Staff.
- f. Be an advocate for the organization; promote it in ways appropriate to your profession and contacts
- g. Fulfill the duties of care, obedience and loyalty to the organization.
- h. Participate in regular assessments to improve board performance.
- i. Participate in strategic planning activities.
- j. **Prioritize and monitor programs and services.**
- k. Serve on at least one committee each year.
- l. Work to develop new leadership and recommend potential board members to the Leadership Development Academy
- m. Avoid even the appearance of conflict of interest and exemplify the Code of Ethics.
- n. Participate in the organization's conferences, meetings and events.

Chief Executive Officer

The Chief Executive Officer reports directly to the President.

There shall be a Chief Executive Officer, appointed by the Board of Directors, who shall be the chief administrative officer of the Association. The Chief Executive Officer shall have the authority to hire, supervise, evaluate, and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. CEO provides overall guidance on all Association matters for maintaining continuity of ongoing programs and initiating new programs as required.

NAR/Florida Directors

To be considered eligible for an appointment as a Florida Director by the President and ratified by the Association Board of Directors, you are required to currently serve on the local Board of Directors (Association or MLS) or have served on a local standing committee for 2 full years out of the last 3 years with a minimum of 75% attendance.

In addition, to be considered eligible for an appointment as a NAR Director by the President and ratified by the Association Board of Directors, you are required to currently serve on the local Board of Directors (Association or MLS) and/or serve on Florida Realtors® Committees.

If a Florida Director does not attend the Board meeting, there will be no reimbursement of expenses and can be subject to removal of their Florida Directors position. Florida Directors® are required to submit a report in order to receive reimbursements.

Committee Chair

Qualifications:

Interested in the particular work assigned to that committee.

Experience on the committee and/or willingness to gain familiarity with work carried on in the past.

Possess an open mind, free of an autocratic attitude. Keeps best interest of the Association at large in the forefront of his/her thinking and actions.

Able to keep group on the subject and avoid conversations about irrelevant matters.

Able to guide the group work in a minimum of time.

Able to refrain from favoritism.
Seeks the views of all present.
Handles people with tact and friendliness.
Willing to learn and become familiar with the problems to be solved.
Respects the opinions of others.
Willing to abide by the wishes of the majority and follow through to completion of the project.

Duties and Responsibilities

Chairs all committee meetings during appointed term.
Develops committee objectives for the year based, on the Strategic Plan.
Liaisons with elected Officers and Staff to develop annual committee objectives.
Oversees the progress of committee members in completing assigned projects.
Develops the final agenda for each meeting with the staff liaison.
Carries committee concerns, motions, and actions to the RPCRA Board of Directors.
Recommend to elected Officers potential committee leadership as required.
All Chairs are obligated to support and carry out the decisions and directions from the Board of Directors.

Staff Liaison

Each Committee/Sub-Committee/Special Committee/ will have a member of the Staff assigned to them as a "Staff" liaison.
The Staff liaison will render all possible assistance to the Committee but should not assume the committee's prerogative or be asked to assume the committee's responsibilities.
During a committee meeting, there will be a Staff liaison member present to answer questions, offer suggestions, and raise questions when appropriate.
If you would like a Staff liaison member to assist your committee in any other way, please channel your request through the Chief Executive Officer.
The Chief Executive Officer will coordinate the Staff liaison support for each committee.
The Staff liaison will keep a complete file on activities for each committee, sub-committee, special committee.
A staff liaison will attend each committee meeting for administrative input.
Requests for copy work, mailings, flyers, etc. should be received by staff early enough that the task may be finished in a timely manner.
All preparations for a seminar or activity should be made in advance and a current calendar should be available.

Meeting notices will be communicated to committee members by the Staff liaison.
The Staff liaison will record minutes of the meeting.
The Chair should assign committee members to aid in administration of events and committee projects.

Board of Directors Policies

If, more than two (2) members of the Board of Directors come to be affiliated with the same company, then one or more members must resign effective immediately, from the Board of Directors. If the members cannot agree as to who among them shall resign, then the member that created the conflict shall be deemed ineligible and shall automatically be removed from the Board. If two companies merge and the members cannot agree as to who among them shall resign the Board shall make the determination with the affected Directors abstaining from the vote.

The Board of Directors voted to adhere to the recommendation of the National Association of REALTOR® that Officers and Directors do not serve on the Grievance and Professional Standards Committees. (2/98)

The Association will not serve, or sponsor, alcoholic beverages at Association functions without a license. (10/01)

The Association will not participate in or sponsor a function if alcohol is sold or served at said function without a license. (02/14)

A disclosure statement will be added to Event documentation for members or Affiliates sponsoring alcoholic beverages at off-site events if the host does not cover liability or the Association does not obtain a license.

Officers and Directors of the Royal Palm Coast REALTOR Association, Inc. shall, in no event serve as an Officer, Director or Trustee in any of the subsidiaries of the Association except for the Florida Gulf Coast Multiple Listing Service, Inc. The President of the Royal Palm Coast REALTOR® Association, Inc. shall appoint the Officers, Directors and Trustees of the subsidiaries after the Election of the Officers and Directors of the Royal Palm Coast REALTOR® Association, Inc.

Conflict of Interest

The Conflict-of-Interest document will be required for all governing Boards and the Finance Committee with each new term of its members under a new President.

Disclosure of potential conflicts of interest and/or duality policy

Any duality of interest or possible conflict of interest on the part of any board member should be disclosed to the other board members and made a matter of record, either through an annual procedure or when the interest becomes a matter of board action.

Any board member having a duality of interest or possible conflict of interest on any matter should not vote or use his/her personal influence on the matter, and he/she should not be counted in determining the quorum for the meeting, even where permitted by law. The minutes of the meeting should reflect that a disclosure was made, the abstention from voting, and the quorum situation.

The foregoing requirements should not be construed as preventing the board member from briefly stating his/her position in the matter, nor from answering pertinent questions from other board members since his/her knowledge may be of great assistance.

It is further resolved that this policy be reviewed annually for the information and guidance of the board members. The board President and Executive Officer are authorized and directed to see that this policy is followed.

(02/14)

Confidentiality

The Confidentiality Agreement will be required for all governing Boards and the Finance Committee with each new term of its members under a new President. The agreement can be found in the Association Forms Manual.

“Confidential Information” means without limitation, any of the following information, documents, and things, whether disclosed orally, visually, by inspection of or at an office or facility, or through any other medium:

(a) all data, reports, analyses, notes, interpretations, records, documents, proprietary information, agreements, membership records, contracts, and information concerning the Association, or its business and operations which are not generally available to the public and which the Association or any of the Association’s members or representatives will provide or has previously provided to Member, whether or not expressly marked as proprietary or confidential, including, without limitation, the terms and conditions of any contract or agreement or proposed contract or agreement between any party and any third party; information obtained in connection with a lease or purchase within the Association, business projects or plans; business practices;

costs; any other confidential information of, about, or concerning the Association's business; the terms and conditions of any agreement or proposed agreement between the Association and any other party; financial information and other information of the Association, its members, suppliers, and/or Board of Directors or employees; and any oral, written or visual information obtained by meeting the Association or its representatives or personnel;

(b) all oral or written analyses, notes, compilations, studies, interpretations or other documents and all copies thereof prepared, in whole or in part, by the Association or its representative, attorneys, advisors or contractors, including, without limitation, any employees of any of the foregoing, which contain, reflect, or are based upon, in whole or in part, any of the information which is described in the preceding clause (a).

(c) content and substance of any discussions or negotiations between parties, or their respective representatives, and the fact that such discussions or negotiations have taken place; and

(d) any other documentation.

The term "**Confidential Information**" does not include, however, information which (i) is or becomes generally available through no breach of this Agreement, (ii) is already known to the receiving party at the time of disclosure by the other party or, (iii) is lawfully acquired by the receiving party from a third party having the legal right to transmit the same.

2. Member agrees that Member shall hold all Confidential Information in strict confidence, and that Member will not divulge, disclose, or communicate Confidential Information at any time, in any manner, unless expressly consented to in writing by the Association and unless said disclosure is made to the Association's Board of Directors, the Association's attorneys or accountants, or employees while carrying out Member's duties. All Confidential Information is and shall remain the exclusive property of the Association and Member shall not have any proprietary interest therein.

3. Member shall use Confidential Information solely in connection with Member's obligations and duties as outlined above and shall not use the Confidential Information in any way directly or indirectly detrimental to the Association, which shall be determined at the Association's sole discretion. Notwithstanding the above, the parties acknowledge that Royal Palm Coast Realtor® Association, Inc., Inc. and its subsidiaries is the umbrella organization that has a substantial interest and need to receive Confidential Information from Member or any of the other organizations (including any committees or task force organizations commissioned by Royal Palm Coast Realtor® Association, Inc., Inc. and its subsidiaries) listed in this Agreement and nothing shall prohibit the distribution, release, or communication of Confidential Information to Royal Palm Coast Realtor® Association, Inc., Inc. and its subsidiaries and it shall not be a violation of this Agreement to provide Confidential Information to Royal Palm Coast Realtor® Association, Inc., Inc. and its subsidiaries. It shall, however, be a breach of this Agreement for Member to distribute, release, disclose, or communicate any Confidential Information specifically related to Royal Palm Coast Realtor® Association, Inc., Inc., and its subsidiaries to any third party or to any other party to this Agreement.

4. The obligations hereunder regarding such information shall continue for so long as Member is a member of the Association. Documents or materials relating to the Confidential Information, and any copies thereof, in the possession of the Member shall be returned to the Association at the end of his or her membership in the Association.

Antitrust Statement

To be included on the meeting agendas as Antitrust statement:

Antitrust Avoidance: Meeting attendees are reminded that various state and federal laws prohibit the exchange of information among competitors regarding matters pertaining to price, refusals to deal, market division, tying relationships and other topics which might infringe upon antitrust regulations, that no exchange or discussion will be tolerated during this meeting. These

guidelines apply not only to the formal meeting sessions, but to informal discussions during breaks, meals or social gatherings. Thank you for your cooperation. (02/14)

Harassment Complaint Procedure

Complaint Procedure

Any Association employee or member who believes that he/she has suffered harassment by any member of the Association must bring the problem to the attention of the President or Chief Executive Officer. The complaint does not have to be in writing; however, it is helpful if details of dates, times, places, and witnesses, if any, to the harassment alleged can be provided.

All complaints will be investigated promptly and with strictest confidentiality by an investigatory team comprised of the President, President-Elect and one (1) member of the Board of Directors selected by the highest-ranking officer not named in the complaint after consultation with legal counsel for the Association. If the complaint involves the President, President-Elect, they shall be replaced on the investigatory team by the immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

Both the complainant and the accused will be provided a full opportunity to present their cases. Witnesses interviewed will be provided only such information as is necessary to elicit from them their observations and other relevant information.

Disciplinary action against any member found to have harassed an Association/ MLS employee or member may consist of any sanction authorized in the *Code of Ethics and Arbitration Manual*, such as verbal or written warning, probation, suspension, or expulsion depending on the gravity of the incident. Prior incidents of similar behavior shall be taken into consideration when determining the appropriate disciplinary action. Such decision shall be made by the investigatory team.

Clear, strong, and convincing shall be the standard of proof by which alleged allegations of harassment are determined. Clear, strong, and convincing shall be defined as that measure or degree of proof which will produce a firm belief as to the validity of the allegations sought to be established.

It is contrary to the policy of the Association for a member to retaliate against any employee or member who files a charge of harassment. All possible steps will be taken to eliminate the possibility of retaliation resulting from the filing of a complaint.

In the event a complaint of harassment is found to be totally and completely without basis, appropriate disciplinary measures may be taken against the employee according to the personnel Policy or member according to the Bylaws/Admin policy who brought the complaint. While this is in no way intended to discourage employees or members, who believe they have been the victim of harassment from bringing a complaint, the Association recognizes that a charge of harassment can cause serious damage to the personal reputation and professional career of the accused. (Revised 1/14)

Social Media Policy

Social Media Definition:

'Social media' is the term commonly given to websites and online tools that allow users to interact with each other in some way - by sharing information, opinions, knowledge, and interests. As the name implies, social media involves the building of communities or networks, encouraging participation and engagement.

Principles:

These are the official guidelines for social media at Royal Palm Coast Realtor® Association, Inc. If you're an association employee, contractor, or volunteer creating or contributing to blogs, wikis, social networks, virtual worlds, or any other kind of social media both on and off our association website, these guidelines are for you. We expect all who participate in social media on behalf Royal Palm Coast REALTOR® Association, Inc. to understand and to follow these guidelines. These guidelines will continually evolve as new technologies and social networking tools emerge

Emerging social media platforms for online collaboration are fundamentally changing the way our association engages with customers/members, colleagues, and the world at large. As an association we believe social computing can help us build a stronger, more successful real estate community, and it's a way for staff, members, and the public to have conversations about matters important to our real estate environment

As a member of the Royal Palm Coast REALTOR® Association, Inc. staff, and volunteer keep the following principles in mind:

1. Be professional; remember that you are an ambassador for our organization both on and off the job. Wherever possible, disclose your position as a representative of Royal Palm Coast Realtor® Association, Inc.
2. Be always responsible and honest.
3. Be credible, accurate, fair, and thorough.
4. Post meaningful, respectful comments - in other words, no spam and no remarks that are off-topic or offensive.
5. Respect proprietary information and confidentiality both of our members, and of our internal operations.
6. When disagreeing with others' opinions, be objective and respectful.
7. Always remember that your online comments are permanently available to all and may be republished in other media.
8. Stay within the legal framework and be aware that anti-trust, libel, copyright and data protection laws apply. Don't plagiarize.
9. Don't disclose sensitive or "inside" information, make commitments or engage in activities on behalf of Royal Palm Coast REALTOR® Association, Inc. unless you are authorized to do so. If you are in doubt, avoid any contribution until you have received express permission from the CEO. In other words, "If in doubt, leave it out."
10. Even in your private communications, don't forget your day job. You are a representative of Royal Palm Coast Realtor® Association, Inc...
11. If you are representing the Association at conferences, conventions, and meetings, be professional and use discretion on what and where audio/or visual gets posted.

A more thorough explanation of these guidelines includes the following:

Be honest and transparent. Social Media is no place to hide. Use your real name if you are commenting about the association or its programs and identify yourself as a staff member. Don't violate Royal Palm Coast REALTOR® Association, Inc. privacy though, and protect your own personal privacy as well. Remember that what you post will be available for a long time, as will photos of you and your personal comments. In other words, think before you post.

Make a mistake? If you make a mistake, admit it. Be upfront and be quick with your correction. For example, if you're posting to a blog, you may choose to modify an earlier post—just make it clear that you have done so.

Be Fair. There can be a fine line between healthy debate and hysterical reaction. Do not badmouth ours or other associations and, even more importantly, other staff, our leaders, members, and their profession in general. See if you can invite differing points of view without inflaming others. Remember that once your words are online, you can't recall them. And once an inflammatory discussion gets going, it's hard to stop.

Add value. There's lots of traffic on today 's social media. The best way to get yours read is to contribute subjects or information your readers will value. Social communication from our association should help our members and co-workers. It should be thought-provoking and build a sense of community. If it helps people improve knowledge or skills, build their businesses, or

solve problems, or if it helps them understand our association better—then it's adding value. If you are tempted to post about your breakfast cereal or your new haircut...don't.

Be Conversational. Social Media is conversational, so talk to your readers like you would talk to real people in professional situations. Encourage comments. You can also broaden the conversation by citing other experts in your blogs, or by 're-Tweeting' others' comments.

Perception is reality. In online social networks, the lines between public and private, personal, and professional are blurred. Just by identifying yourself as a Royal Palm Coast REALTOR® Association, Inc. employee, you are creating perceptions about our association by our members and by the public.

Write what you know. Make sure you write and post about your areas of expertise. Use the first person. If you publish to a website outside Royal Palm Coast Realtor® Association, Inc., please use a disclaimer: "The postings on this site are my own and don't necessarily represent Royal Palm Coast REALTOR® Association, Inc. positions, strategies or opinions." Also, please respect brand, REALTOR® trademark, copyright, fair use, confidentiality, and financial disclosure laws. If you have any questions about these, see your CEO. Remember, you are personally responsible for your content.

Moderating Content: The Royal Palm Coast REALTOR® Association, Inc. encourages its staff to maintain a responsible and balanced online dialogue and respects each staff person's responsibility to maintain adherence to that principle. However, Royal Palm Coast REALTOR® Association, Inc. does reserve the right to moderate content of employee postings. Should Royal Palm Coast REALTOR® Association, Inc. staff exercise that prerogative, content moderation will be based solely on whether the content violates the law or is offensive and/or denigrating to the organization or to personalities involved.

Respecting Association Commitments: Unless specifically assigned, social media activities should not interfere with regular work commitments. Association staff is expected to respect other appropriate policies relating to work performance.

(02/14)

SECTION III Committees

Committees

All Committees develop goals and objectives based on the Associations current adopted strategic plan of the Royal Palm Coast REALTOR® Association, Inc. The President shall appoint, and the Board of Directors ratifies all committee chair appointments for their term.

Meeting Protocol

Agenda

There must be an agenda for every meeting of a committee to preserve the record of its action and to protect the organization's legal liability. An agenda will be filed in the Board office and reviewed by staff prior to the meeting.

Below is a "generic" agenda, meaning that each agenda should include at least those elements. You may want to add others, depending on the specific business to come before your committee. Using Robert's Rules:

Agenda

- I. Call to order / Declaration of Quorum
- II. Approval of minutes of previous meeting
- III. Presiding Chair Report
- III. Unfinished business
- IV. New Business
- V. Announcements
- VI. Adjournment

The Chairperson sets the agenda items, which will be prepared by the Staff Liaison, at least five (5) days in advance of the committee meeting so that the team liaisons can send the agenda with the meeting minutes and place the agenda on file in the Association Office.

In the absence of an agenda from the Chairperson (and to protect the organization), Staff liaisons will use the generic agenda, and the committee will vote on additional agenda items.

The Chair does not vote, except to break tie.

Minutes

A real measure of a committee is the minutes that communicate the investigation and work of the committee. No matter how thorough and effective the committee's work has been it needs to be made understandable to those who did not attend the meetings. All action items are to be in the minutes.

Meeting minutes are invaluable. They should include all motions. They are kept by the committee Staff liaison. Minutes record committee decisions and motions and become a permanent record for continued reference. Minutes will be prepared following a meeting, and sent to the Chairperson for approval. Minutes are sent to the committee members with the agenda for the following meeting prior to the next meeting.

Briefly, the minutes include date, time, and place of the meeting, members' attendance, formal motions, and discussion. A copy of the minutes is included in the Board of Directors packets for their monthly meetings.

Meeting Attendance

According to the Association Bylaws, Article XIII – Committees, Section 6, Members of a committee who are absent from 3 meetings may be removed and notified by the Chairman at his/her discretion.

Committee Policies

Committee Communications

Committee Chairperson:

The Committee Chairperson will assign tasks.

All communications regarding assignments to committee members, questions regarding tasks will be directed to the Chairperson.

The Chairperson will assign another member in his or her absence.

Staff Members tasks will be:

Take minutes

Send out agenda

Keeps files of committee activities

Board Liaison

The Board Liaison will act as liaison to the Board of Directors, CEO and Staff assigned to a Committee, and is not an active Committee Chairperson however can be a member. The Board

Liaison is responsible to give guidance and oversee that the Committee goals align with the Strategic Plan. The Board Liaison acts as a representative of the Board of Directors and communicates between the Committee and the Board of Directors. Concerns and issues have to be brought to the attention of the Board Liaison.

Fundraising Budget

A budget must be established to oversee income and expenses

Expenses may not exceed income

All expenses have to be approved by the Committee Chair, initialed and given to the accounting department. Cash and checks will be copied (2 copies / one to the committee and one to the Association).

Committee Fundraising Guidelines

Monies are allocated as follows:

Each committee, other than RPAC, Crisis and Housing, to select charity of fundraising to be approved by the BOD and the net proceeds then to be split 50/25/25 with 50% to the Charity and the 25/25 to be RPCRA Housing and RPCRA Crisis foundations. (04/19)

Fundraising Activities Guidelines

Scheduling

Establishing meeting schedule including follow up meeting after the event.

Establishing event date, schedules including other organizations have to be checked for any overlapping events.

Schedule time and assign members to be at the location for set up and decorations.

Reserve location

Presentation of proposed charities

Event Concept, Contracts and Execution

Vendor contracts needed to set up an event (Banquet and Catering/Food and Beverage/Decorations etc....) have to be negotiated, approved and executed by the Association CEO or a staff member authorized by the CEO.

Establish Layout of the event (entertainment, menu, seating assignments, equipment needed, agenda, scripts, and auctions, etc.)

Establish Sponsorship levels (if applicable) and reasonable incentives for sponsorship.

Assign committee members to draft and execute letters to be sent out to sponsors.

Establish theme (if applicable) for the event and plan advertisement.

Assign committee members to contact the media if needed

Flyers and PR products will be produced by the Communication Director and information shall be given well in advance to ensure proper promotion, if produced internally, if items to be ordered from 3rd party vendors a minimum of 21 days to ensure timely delivery) to ensure proper branding of promotional items.

Professional Development Policy

The Passport program will be based on a calendar year beginning January. Passport membership will cost Association members for the year \$50 for non-members the Passport membership will cost \$100 for the year. Effective July 1 of every year, the amount will be prorated by 50%. (Member price will be \$25 and non-member price will be \$50 on or after July 1)

Professional Development Scholarship

The Association's Professional Development Committee began to see the need to establish a program that would benefit all members in furthering their education. The scholarship program

was designed to financially support those members who take the initiative to enhance their professionalism within the real estate industry.

The program was developed to assist members who are seeking to obtain industry related/NAR-Florida REALTORS® approved designations such as the GRI (Graduate REALTOR® Institute 2 & 3), CIPS (Certified International Property Specialist), CRS (Certified Residential Specialist), CRB (Certified Real Estate Brokerage Manager), ABR (Accredited Buyers Representative), FMS (Florida Military Specialist) and many more!

Recipients are chosen on a non-discriminatory basis without preference for employment or affiliation with any real estate firm, broker, or membership in a professional organization.

Applications will be reviewed and awarded quarterly by the Association and will reimburse members who seek to enhance their professionalism and obtain related designations like the ones listed above.

Paid Instructors may not be members of the Professional Development Committee. This is a conflict of interest which can lead to harmful misperceptions of members and other instructors. It may be difficult for the members and other instructors to be convinced that the resulting class schedule were not biased for personal gain.

Broker Managers are allowed to teach if they are licensed instructors or certified by Florida Realtors. (07/14)

Awards Committee Makeup

It is recommended that the Association President will be part of the Committee.

The committee should also include Committee Chairs, Immediate Past President and recipient of the REALTOR® of the Year award.

All Committee, Chairpersons will be serving on the committee.

The committee will consider repeated winners.

The decision to select award winner will have more weight on REALTOR® members.

A quorum has to be established to reach a decision.

Publicity for these awards has to clarify and promote Association Membership and the Association itself.

Each committee member must be present to vote.

Awards Meeting Procedure

The Chairperson shall be the preceding past REALTOR® of the Year (Must be a current member of the Association.) The immediate past REALTOR® of the Year will serve as Vice Chair. If they are unable to serve, the President of the Association shall appoint a chairperson, with the approval of the Board of Directors. It is recommended that the Association President be part of the Committee. All Committee, Task Force and Work Group Chairs will serve on the committee. Each Committee member must be present to vote.

The committee will consider repeat award winners. The decision to select award winners will have more weight on REALTOR® members. Publicity for these awards must clarify and promote the Association Membership and the Association itself.

If a quorum cannot be established the meeting shall be cancelled and rescheduled.

Meetings should be conducted in a courteous and professional manner.

After selection of award winners by the Awards Committee, the Awards Committee Chair and the Association President should attempt to make sure the winners will attend the Installation Banquet. Special invitation will be sent out to all nominees.

Due to the confidentiality issue of the decisions made by this committee a decision can be made by the committee with less than a quorum but more than three award winners and three chair or task force chairpersons present. Decisions cannot be e-mailed or given over the phone to other committee members to be voted on.

Annual Awards Timeline (sample)

Nomination Forms – Newsletter – Weekly Update
Committee meets for selection of Annual Award winners
Awards will be presented during the January Membership Meeting or a membership meeting designated by the President.

Awards Criteria

The New Member Participation Award will be given for contributions in a time frame of three (3) years or less.

The Honorary Lifetime Achievement Award is 20 years accumulative not consecutive.

The member roster for potential New Member nominees will be run from the date the nominations opened.

Public Policy / RPAC Policy

Committees' efforts should be directed to planning how to raise funds to meet our RPAC goals.

RPAC funds will be allocated as directed by Florida Realtors®

Membership Policies

Lists of new members will be provided to the Board of Directors for information purposes only.

Credentials Committee Policy

Structure and Procedures:

Committee Purpose and Composition

Officer and Directors Duties and Qualifications

Candidate Endorsement Policies

Nomination and Election Timeline and Endorsement

Credentials Committee

Structure and Procedures

The Credentials Committee's composition and duties are provided for in the Association Bylaws

Purpose: To review individuals, applications, qualifications, and credentials to serve the Royal Palm Coast Realtor® Association, Inc. in the capacity of President-Elect, Treasurer, Secretary and Directors.

The committee shall not qualify more than two members from the same company.

The committee is required by the Bylaws to give to the membership of the Royal Palm Coast Realtor® Association, Inc. written notice of the ballot.

Credentials Committee Vacancies

In the event a member of the committee is not able to attend a Credentials Committee meeting, an alternate representative can be called upon to fill the vacancy. In the event the Chair is unable to serve, the most recent and available predecessor shall serve. In no case shall a Past President serve as Chair for two successive terms.

General

The Credentials Committee shall present a ballot of qualified candidates to the Board of Directors for ratification; in the event of a vacant position, the committee may select at least one candidate for each said position.

A ballot of candidates qualified by the Credentials Committee shall be forwarded to the members setting forth the time, place, and other pertinent conditions of the Annual Meeting. The notice to the members concerning the ballot of Officers and Directors to be voted on shall be communicated on a date at least 60 days prior to the Annual Meeting if an eligible candidate who applied for a position has been placed on the ballot to that position by the Credentials Committee, such candidate shall not be eligible to be placed on the ballot by petition, to any other position. Candidates shall not be permitted to run for more than one office or position. The Credentials Committee shall not arbitrarily change the position the candidate is seeking without the consent of the candidate.

(a) A candidate deemed not qualified has the option to appeal the decision of the Credentials Committee in writing, to the Board of Directors, within 5 business days of notification.

(b) The election of Officers and Directors shall take place before the Annual Meeting. Election shall be electronic voting which will begin seven (7) calendar days prior and will end by 3 PM EST the day before the Annual Meeting. The ballot shall contain the names of all candidates and the offices for which they are qualified. Winner(s) will be determined by majority vote. Voting may be by electronic means, on a website, or all methods of voting, allowed by the State of Florida. The Board of Directors shall designate the voting method.

(c) The President, with the approval of the Board of Directors, shall appoint an election task force of five REALTOR® members who are not on the ballot and were not on the Credentials Committee to oversee the election.

(d) Candidates shall be notified by members of the Election task force, after election is closed and before the election results are made public. The numeric results of the election will not be published but can be reviewed.

Candidates

In case of a vacancy of a Treasurer nominee:

Credentials Committee Action

In the event there are no qualified candidates for the position of Treasurer, the Credentials Committee may review and nominate for consideration as Treasurer a candidate who has served at least two (2) years as a Director within the last three (3) years, at least two (2) years [not required to be consecutive] on the Finance Committee and one (1) year as chair of a standing committee, within the last five (5) years.

In case of a vacancy of a Secretary Nominee:

Credentials Committee Action

In the event there are no qualified candidates for the position of Secretary, the Credentials Committee may review and nominate for consideration as Secretary a candidate who has served at least one (1) year as a Director within the last three (3) years, at least one (1) year on the Finance Committee and one (1) year as chair of a standing committee, within the last five (5) years.

Procedure

1. The Chair, in advance of the meetings of the committee, advises its members of significant communications that come to the Chair's attention, and carries on correspondence on behalf of the committee, but it is not customary for the committee to solicit suggestions.
2. Members of the committee are designated to represent the interest of the entire Association and are expected not to make or be bound by any personal commitments.
3. Members of the Committee must abide by the Candidate Endorsement Guidelines.
4. Members of the Board of Directors must abide by the Candidate Endorsement Guidelines outlined during his/her term.
5. Members of the Staff must abide by the Candidate Endorsement Guidelines
6. Service on the committee does not preclude a member of the committee being nominated for office, but if such proposal is made, the member takes leave of the committee during the discussion thereon.
7. Before presenting its report, the committee will ascertain that each nominee is eligible for election to the office for which nominated, in accordance with Bylaws provisions and/or through interviews. The committee must ascertain that its nominees, if elected, will serve to the best of their ability in their respective offices, including participation in the regularly scheduled meetings of the Board of Directors.

Preparations for the meetings of the committee is an administrative function of the Association. Sessions of the committee, being of a confidential nature, are closed. A staff member shall serve as staff executive for the purpose of recording information until the committee report is approved and filed.

The Credentials Committee shall meet to review and finalize qualified candidates and all qualified candidates shall be placed on the ballot to be presented to the Board of Directors for approval. The approved ballot shall be forwarded to the members setting forth the time, place, and other pertinent conditions of the Annual Meeting. The notice to the members concerning the ballot of Officers and Directors to be voted on shall be communicated on a date at least 60 days prior to the Annual Meeting.

Candidates shall not be permitted to run for more than one position. The Credentials Committee shall not arbitrarily change the position the nominee is seeking without the express written consent of the nominee.

It is at the discretion of the Credentials Committee to disqualify any candidate based on failing to appear before the committee unexcused. Every effort should be made to appear in person for the interview. The Chair may allow virtual interviews.

Board of Directors Vacancies

In the event of a vacancy in any officer or director position, the President shall have the authority to assign the duties of the vacant office temporarily to other officers until the vacancy has been filled by the following procedures. Assignment of duties to an officer position (except the President Elect position) must be either a member of the current Board of Directors or a member of a past Board of Directors and have served at least one year as an officer or director.

The Credentials Committee shall within 30 days of vacancy make recommendations to the Board of Directors of all qualified and interested candidates for the vacant position and provide a

candidate application/information packet of all qualified candidates to the board of directors for review. The board may request applicants to interview with the entire board within 10 days of being identified by the credentials committee.

The board of directors shall then vote, within 15 days of received candidates' packages or interview (whichever is later), on who will be appointed to occupy the open positions for the unexpired term.

Candidate Endorsement and Campaign Policies

a) Campaign Endorsement Policy for Credentials Committee Member

The Credentials Committee is one of the most important committees of the Association. It is essential that Credentials Committee members be well acquainted with the membership, be informed of the duties of the offices to be filled, understand the Association's mission and be willing to plan open-mindedly for its future progress by selecting the best possible nominees for each office.

Membership on the Credentials Committee carries with it certain duties and obligations. The Association's Bylaws prohibits members of the Credentials Committee from publicly endorsing any candidate. The prohibition means that members of the Committee:

Can attend events but cannot introduce or speak on behalf of a candidate or participate in photo opportunities with candidates. If events are attended, an effort should be made to attend events of all candidates so that there is no appearance of favoritism.

Cannot wear or distribute campaign paraphernalia (buttons, etc.)

Can view information on candidates' websites but not comment. Committee members should not "Like" or do anything else that may constitute an endorsement.

Must remove any past endorsements from websites, social networks, or future printing of written materials.

Cannot serve a candidate in an advisory or campaign function. Once appointed to the Credentials Committee, such action constitutes an endorsement.

b) Campaign Endorsement Policy for the Board of Directors

The Association's Bylaws prohibits members of the Leadership Team from publicly endorsing any candidate. The prohibition means that members of the Leadership Team:

Can attend events but cannot introduce or speak on behalf of a candidate or participate in photo opportunities with candidates. If events are attended, an effort should be made to attend events of all candidates so that there is no appearance of favoritism.

Cannot wear or distribute campaign paraphernalia (buttons, etc.)

Can view information on candidates' websites but not comment. Leadership Team members should not "Like" or do anything else that may constitute an endorsement.

Must remove any past endorsements from websites, social networks, or future printing of written materials.

Cannot serve a candidate in an advisory or campaign function. Once appointed to the Credentials Committee, such action constitutes an endorsement.

c) Campaign Endorsement Policy for Staff Members

The Association's Bylaws prohibits members of the Association/MLS Staff from endorsing any candidate. The prohibition means that members of the Staff:

Can work at events but cannot introduce or speak on behalf of a candidate or participate in photo opportunities with candidates.
Cannot wear or distribute campaign paraphernalia (buttons, etc.)
Can view information on candidates' websites but not comment. Staff members should not "Like" or do anything else that may constitute an endorsement.
Cannot serve a candidate in an advisory or campaign function.

a) Campaign Policy for Candidates

Must work with the association to produce a candidate video to be shared with the membership.
Must participate in a candidate forum prior to election.
May campaign publicly and at association social events and meetings. Education classes are excluded.
Do not violate article 10.5 of the Code of Ethics.

SECTION IV

Budget and Finance Committee – Specific Duties
Budget and Finance Policies
Travel Expense and Reimbursement Policies
Crisis Foundation

Budget and Finance Committee – Specific Duties

Purpose

To ensure the organization's financial stability by providing oversight on the Association's budget and investments.

Members

The Treasurer of the Association shall serve as the Chairperson of the Budget and Finance Committee. The Association President shall serve as an ex-officio member. The Chief Executive Officer and the CFO/COO shall be represented at all Budget and Finance Committee meetings. The committee is comprised of a minimum of 5 and a maximum of 12 members selected by the Chairperson, approved by the Association President, and by the Board of Directors. Members must include the current year's President-Elect, Secretary and Treasurer.

Duties and Responsibilities:

Write and regularly update a long-range financial plan for the organization.

Work with the Chief Executive Officer and Chief Financial Officer to develop an annual budget and seek approval of the budget from the full Board of Directors.

Personally and actively support the budget to funding sources, provide needed figures and lobby for funding approval.

Establish an investment policy to maximize the organization's income and allow the Chief Executive Officer to implement the policy.

Ensure that generally accepted accounting principles (GAAP) are practiced by the organization.

Monitor reports on the organization's overall expenditures by reviewing financial data provided by the Chief Executive Officer and Chief Financial Officer.

Review monthly financial statements and financial analyses.

Review and approve key financial and operating policies, goals, and objectives.

Review all proposals that require a long-term commitment of the organization's resources and make recommendations to the Board relevant to the adoption of such policies.

Review annually the 990 form

Present the Association's recommendations on matters related to financial institutions, including loans, investments, bank accounts and specific funds established by the organization as recommended by the administrator.
Provide financial perspective and advice on issues being addressed by other Association committees as requested.
Provide advice and consultation to the Chief Financial Officer and Chief Executive Officer as requested.
With the approval of the Association President, organize and establish sub-committees as needed to fulfill the Finance Committee's duties and responsibilities.

Budget and Finance Policies

NSF Checks

Whenever a member's check is returned to the Association for insufficient funds, a \$35 fee will be charged to the member.

Financial Statement and Questions

By law the 990 form is open for public view without an appointment. When a Member asks for a review of the Association financial statements and/or asks questions regarding financial matters of the Association, they shall be invited to make an appointment to meet with at least two members of the Finance committee or the Board of Directors and CEO. No official documents can be removed from the Association premises.

Check Signing Authority

The five current standing officers, the Chief Financial Officer and Chief Executive Officer are authorized to sign checks for the corporations. Anything over \$10,000 must be signed by two of those six. The Chief Executive Officer is authorized to sign checks up to \$10,000.00. Checks over that amount require two signatures.

Past Due Accounts

If dues, fees, fines, or other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, the nonpaying Broker will receive a notification of dues and fees owed by certified mail with return receipt. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination. Association Bylaws, Section 4 (5/11)

Funds from Activities

Extra funds generated from all Association activities will be put in the General Fund. Unless they were earmarked for other purposes.

Association Funds

The Association and MLS funds are allocated according to the Investment and Reserve Policy which is updated annually.

Allocation of \$100,000 of the long-term reserve to fund capital improvements

A capital improvement fund is funded annually to cover expected capital improvement costs with the dollars funded by a long term reserve funds. (08/19)

Association Dues

Delinquent Members and/or their Brokers not paying dues, including late fees, will be sent a statement of notification. If not paid within ten (10) days they will be removed from membership. To regain membership will require a new application, application fees and membership orientation. Local, State and National dues are non-refundable.

Members who transfer their license to another association, or go inactive but return within the current calendar year, shall not pay an application fee.

MLS Participation Fees and Service Charges

The MLS Participation fee and service charge for brokers and participants will be billed in October for the following year.

Travel Expense and Reimbursement Policies

All members on Association and MLS Business related travel are required to submit a report in order to receive reimbursements in addition to the Expense Report (FR/NAR Basecamp)

A. Introduction

This manual provides information about approved business travel for the Association President, Association President-Elect, MLS President and MLS Vice President, Florida Realtor® Directors and National Association of Realtors® Directors.

The Royal Palm Coast Realtor® Association, Inc. will reimburse members, or pay certain outside vendors, for necessary and reasonable transportation and travel expenses incurred in connection with Royal Palm Coast Realtor® Association business travel that has been approved by the CEO under the following circumstances:

- The traveler has adhered to Royal Palm Coast Realtor® Association, Inc. policies and procedures.
- The travel expenses are reasonable and allowable.
- The expenses have a legitimate business purpose and are supported by appropriate documentation.

B. Traveler's Responsibilities

- Association President and Association President-Elect, MLS President and MLS Vice President, Florida Realtor® Directors should use discretion when expending funds and for ensuring that expenditures are necessary and appropriate for meeting business needs.
- Be familiar with, and follow, the policies and procedures specified in this manual.
- Provide receipts for all expenses).
- All expense reimbursement requests must be submitted within 45 days in the current year of occurrence or reimbursement will be forfeited.
- Submit travel expenses to CFO for approval, once approved it will be forward to Accounts Payable for review and reimbursement. Reimbursement will be issued in a check format and may take up to 5-7 business days to process.

C. Travel Policy

Travel policies pertaining to Royal Palm Coast Realtor® Association, Inc. approved business travel are summarized below.

- **Airfare** – Only coach class or promotional fares will be paid by Royal Palm Coast Realtor® Association, Inc. First class air is not an allowable expense.
- **Approval for Reimbursing Travel Related Expenses** – All reimbursements for Association President and Association President-Elect, MLS President and MLS Vice President, Florida Realtor® Directors and National Association of Realtors® Director must be approved by the CEO/CFO.
- **Documentation** – receipts for all Association related Business expenses must be submitted attached to the expense report.
- **Mileage Reimbursement Rate** – Reimbursement for mileage is made at the business mileage IRS approved rate.
- **Non-Reimbursable Expenses** – Travel expenditures that are not reimbursable include:
 - Additional travel insurance, travel accident insurance or trip cancellation premiums.
 - Insurance (both Collision Damage Waiver and Liability) from a car rental agency/personal card.
 - Childcare and babysitting expenses.
 - Costs for personal medications.
 - Costs incurred by your failure to cancel transportation or hotel reservations.
 - Costs incurred by your spouse or other dependents traveling with you.
 - Entertainment expenses, including movies in your hotel room or mini bar.
 - Gasoline expenses when automobile mileage reimbursement rate is claimed.
 - Hair styling and haircut expenses.
 - Kennel/boarding expenses for pets.
 - Laundry or dry-cleaning expenses for the trip.
 - Magazines or newspaper expenses.
 - Alcohol and alcoholic beverages.
- **Reimbursable Expenses** – Travel expenses that are reimbursable include:
 - Airline Baggage Fees – Royal Palm Coast Realtor® Association, Inc. will reimburse you for the cost associated with one (1) checked bag.
 - Automobile rentals – no mileage reimbursement.
 - Fees to confirm your seat on a flight.
 - Lodging expense – Business related for scheduled meetings.
 - Meal expenses up to \$130 per day.
 - Transportation – Royal Palm Coast Realtor® Association will reimburse you for expenses for taxis or shuttle services for your travel between the airport and your hotel or between hotel and conference locations. Obtain receipts for all such transportation.
 - Parking and tolls are reimbursed at actual cost; provide receipts.

D. Travel Procedures

The following travel procedures are standard within Royal Palm Coast Realtor® Association, Inc. As a general rule, Florida Realtor® Directors and National Association of Realtors® Directors will book their own air fare, reserve hotel, car rental (if needed) and convention registrations. Arrangements may be made for the Association President and Association President Elect/MLS President and MLS Vice President.

- **Air Travel** – Book airfare through an online site. All tickets are now ticket-less.
 - Book flights on the normally traveled route to your destination.
 - While some restrictions or penalties may apply, advance reservations secure the lowest fare.

- **Automobile Travel** – Use your private automobile for business travel if it is the most practical method of travel.
- Royal Palm Coast Realtor® Association will reimburse you for costs associated with automobile travel for business based upon the current IRS approved mileage rate for dates of travel.
- The mileage rate is intended to reimburse you for gasoline, oil, normal maintenance, insurance, etc. It is not intended to reimburse full costs; it is to cover the incremental costs incurred when using your private vehicle for business related travel.
- Expenses incurred due to automobile mechanical failure or accidents, including personal automobile insurance deductions, are not reimbursable, nor are fines for parking or traffic violations.
- **Cancellations and Refunds** – You are responsible for obtaining a refund of an advance payment if there is a cancellation. All charges, cancellations, and refunds associated with Royal Palm Coast Realtor® Association approved travel is the responsibility of the individual to be reimbursed.
- **Lodging** – When traveling, stay in reasonably priced, commercial class hotels.
 - To ensure the lowest possible rates, make your lodging arrangements in advance.
 - Ask for educational or corporate discounts at all hotels, many of which charge a reduced rate to those who identify themselves as a “Director”.
 - You will be reimbursed for the actual reasonable expense of lodging for each night that you are traveling away from home.
 - Lodging accommodations for five (5) nights at Florida Realtors® designated hotel. Hotel accommodations will not be paid to extend before or past the state meeting dates and only actual hotel expenses will be reimbursed.
- **Meals** – Up to \$130.00 per day, including non-alcoholic beverages for five (5) nights. Receipts are required for all meals.
- **Convention Registration Fees** – The “Director” will be responsible to purchase Florida Realtors® Convention fees and National Association of Realtors® Convention fees. If you are bringing a spouse or dependent you will be responsible for their convention fees – Royal Palm Coast Realtor® Association, Inc. will not reimburse for spouse or dependents.
- **Travel Expense Report** – Complete an Expense Report for reimbursement for travel related expenditures. All receipts are required and must be submitted – no copies will be allowed.

Dress Code: Business Attire Policy

Royal Palm Coast Realtor® Association Board of Directors, Florida Realtor® Directors and National Association of Realtors® Directors contribute culture and reputation in the way they represent themselves.

A professional appearance is essential to a favorable impression with Association members, staff, and instructors. Good grooming and appropriate dress reflect “Director” pride and inspire confidence on the part of such person.

Business casual dress is the minimum standard that must be observed when you are representing the Association or interacting with customers and potential customers.

Basic Guidelines for Appropriate Attire

The appearance and hygiene of the “Directors” is important to the Association. Directors are expected to maintain a good personal appearance and give consideration to neatness and cleanliness. Directors should always dress in a manner befitting the job.

All Directors should always be in keeping with customary acceptable attire for the (association, association meetings, committee meetings, events at the Association and outside of the association, meeting vendors, clients, FR and NAR conventions).

Directors should wear their “Association Name Badges” while attending board meetings, events at the Association and offsite, and at all FR & NAR Conventions. Wearing your personal company name badge is not permitted.

Clothing that is not allowed to be worn listed below:

- tattered jeans or shorts
- shirts with language or graphics that are vulgar, sexually explicit, discriminatory, or may otherwise be offensive
- attire that is reveling or provocative
- sweat suits; sweatpants
- see-through blouses or shirts
- sports bra, halter tops, tube tops or similar attire
- bathing suits or bathing shorts
- tank tops
- clothing that allows bare midriffs
- sports jerseys or muscle shirts
- baseball caps
- strapless dresses, blouses or shirts
- bra straps must not show
- no undergarments may show

Business Meeting Etiquette

Be on time – make sure you come on time and prepare for the meeting ahead of time.

Come prepared – know what the meeting is covering beforehand and know your part. Be prepared to ask and answer questions.

Make introductions – if everyone doesn’t know one another in the meeting room, make introductions by starting with the person of the highest rank first.

Dress appropriately – clothing can enhance a person’s professional reputation or detract from his or her credibility. Always find out what the dress code is and make sure your attire falls within the guidelines.

Listen – you may find that many of the questions you have about a topic are answered by the content of the meeting. Listen attentively to the meeting and take notes.

Speak up – when people speak in meetings, they need to speak loudly enough so that everyone hears what they’re saying.

Understand the unwritten speaking rules –it’s not polite to interrupt others, but in some meetings, you have to interrupt at some point, or you won’t be heard. Understand the rules so that you can have productive meeting.

Do not have your phone out – a lot of people keep their phones on the table during meetings – don’t do this! Even if you aren’t looking at your phone, it can get distracting if it starts lighting up or making noises.

Laptops/iPads – unless a device has been approved for the meeting, turn yours off and lower the screen so that you do not obstruct anyone’s view.

Don’t save all your questions for the end – ask your questions at the appropriate time.

Clean up after yourself – this is especially true if you were drinking or eating during the meeting.

Guests – do not bring unannounced guests to a meeting. If you have someone you would like to bring to a meeting, then contact the CEO, President or Committee Chairperson for permission to bring your guest. If permission is not granted, then do not bring them.

Florida Realtors® Meetings and Conventions

Florida Directors:

Florida Realtors® Mid-Winter Business Meetings

January Renaissance Orlando Resort

Florida Realtors® Celebration

August, Rosen Shingle Creek

(Special meetings if applicable)

National Association of Realtors® Legislative Meetings

National Association of Realtors® Legislative Meetings

May, Washington, D.C.

National Association of Realtors® Annual Governance Meetings & Trade Expo

November, Chicago, IL

Florida Realtors® District Vice President

If the Florida Realtors® District Vice President is a member of this Association: Members serving as the FR District 5 Vice President will be reimbursed for Association Business related expenses for two (2) NAR Meetings, to include the following:

- Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates for five (5) nights at the designated NAR hotel.
- Hotel accommodations will not be paid to extend before or past the NAR meeting dates, and only actual hotel expenses will be reimbursed.
- Reimbursement up to \$130 per day for meals including non-alcoholic beverages, up to five (5) days.
- Round trip mileage by automobile at the current rate allowed by the IRS.
- For NAR meetings airfare at coach rates.

The Florida Realtors® District Vice President will be responsible for registering for the two (2) Florida Realtors® State meetings and the two (2) National Association of Realtors® Meetings. This will include airfare for NAR Legislative Meetings & NAR Governance & Trade Expo, event tickets will be the responsibility of the FR District Vice President. The Association will not purchase any extra tickets.

If you are bringing a spouse and they choose to attend the Conventions, there is an option to

register for them and pay. The same would go for event tickets, if you think they would like to attend certain events you can buy extra tickets.

Legislative Travel

Approved meetings for the Legislative Chair are as follows and may be used only by the Legislative Chair and only towards reimbursable Association business related expenses. Substitutions will not be permitted. Monies not used for one meeting may not be pooled for another meeting. Additionally, the RPAC Sub-Committee Chair is funded to attend the NAR Mid-Year Washington, D.C. meetings not to exceed \$1600.00.

Legislative/RPAC Committee members may receive reimbursement towards transportation to Legislative Days in Tallahassee which will be a budget line item.

- FR Mid-Winter Meetings (January) – Public Policy Chair/RPAC Sub-Committee Chair
- Great American Realtor® Days – Public Policy Chair/Member
- NAR Mid-Year Legislative Meetings Washington, D.C. – Public Policy Chair/RPAC Sub-Committee Chair
- FR Annual Convention & Trade Expo (August) - Public Policy Chair/RPAC Sub-Committee Chair

Explanation of Travel

President

All Association business related expenses will be covered for the President with attending the following meetings:

- FR Mid-Winter (January)
- Great American Realtor® Days
- NAR Mid-Year Legislative Meetings Washington D.C. (May)
- FR Celebration Convention & Trade Expo (August)
- NAR Governance & Trade Expo (November)

The executive assistant will make all travel arrangements for the President with the exception of Great American Realtor® Days, those travel arrangements will be made by Government Affairs Director.

Travel

- Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates for five (5) nights at the designated FR hotel.
- Hotel accommodations will not be paid to extend before or past the FR meeting dates, and only actual hotel expenses will be reimbursed.
- Reimbursement up to \$130 per day for meals including non-alcoholic beverages, up to five (5) days.
- Round trip mileage by automobile at the current rate allowed by the IRS.
- Airfare at coach rates plus 1 checked bag.

President Elect

All Association Business related expenses will be covered for the President-Elect/MLS Vice President while attending the following meetings:

- FR Mid-Winter (January)

- Great American Realtor® Days
- NAR Mid-Year Legislative Meetings Washington D.C. (May)
- FR Celebration Convention & Trade Expo (August)
- NAR Governance & Trade Expo (November)
- NAR Leadership Summit (Association President Elect only)
- CEO Symposium (Association President Elect only)

*Other meetings as approved by the Board of Directors.

The executive assistant will make all travel arrangements for the President-Elect/MLS Vice President with the exception of Great American Realtor® Days; those travel arrangements will be made by the Government Affairs Director.

Travel

- Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates for five (5) nights at the designated NAR hotel.
- Hotel accommodations will not be paid to extend before or past the NAR meeting dates, and only actual hotel expenses will be reimbursed.
- Reimbursement up to \$130 per day for meals including beverages, up to five (5) days.
- Round trip mileage by automobile at the current rate allowed by the IRS.

Florida Realtors® Directors (appointed locally)

Members serving as FR Directors will be reimbursed for Association Business related expenses for two (2) State Meetings, up to \$1500.00 for each meeting. FR Directors must attend the Board of Directors meeting in order to be reimbursed.

Travel

- Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates for five (5) nights at the designated FR hotel.
- Hotel accommodations will not be paid to extend before or past the FR meeting dates, and only actual hotel expenses will be reimbursed.
- Reimbursement up to \$130 per day for meals including non-alcoholic beverages, up to five (5) days.
- Round trip mileage by automobile at the current rate allowed by the IRS.

Domestic Partner/Spouse Travel

Expenses will not be covered for domestic partners or spouses.

Members

All members attending funded meetings must give a written report recapping the meeting and submit this report with the expense report.

FR Directors must follow meeting guidelines if they are reimbursed.

Receipts

Detailed Receipts are required for all meals and hotel accommodations in order to be reimbursed for expenses. Travel advances will not be issued to members.

All FR Directors are responsible for their travel and accommodations.

National Association of REALTORS® Directors (appointed locally)

Florida Realtors® reimburses up to \$2000 for NAR Directors meetings by the National Association of Realtors®.

Members serving as NAR Directors will be reimbursed for Association Business related expenses for two (2) Florida Realtors® Meetings, up to \$1800.00 for each meeting.

Travel

- Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates for five (5) nights at the designated NAR hotel.
- Hotel accommodations will not be paid to extend before or past the NAR meeting dates and only actual hotel expenses will be reimbursed.
- Reimbursement up to \$130 per day for meals including non-alcoholic beverages, up to five (5) days.
- Round trip mileage by automobile at the current rate allowed by the IRS.

Domestic Partner/Spouse Travel

Expenses will not be covered for domestic partners or spouses.

Members

All members attending funded meetings must give a written report recapping the meeting and submitted this report with the expense report.

FR Directors must follow meeting guidelines if they are reimbursed.

Receipts

Detailed original Receipts are required for all meals and hotel accommodations in order to be reimbursed for expenses. Travel advances will not be issued to members.

All NAR Directors are responsible for their travel and accommodations.

President

All Association business related expenses will be covered for the President with attending the following meetings:

FR Mid-Winter (January) (Executive Assistant will make all the arrangements)

Great American REALTOR® Days(GAD will make all the arrangements)

NAR Mid-Year (Washington, D.C.-May) (Executive Assistant will make all the arrangements)

FR Annual Convention (Summer) (Executive Assistant will make all the arrangements)

NAR Annual Convention (Fall) (Executive Assistant will make all the arrangements)

Other meetings as approved by the Board of Directors(Executive Assistant will make all the arrangements)

Travel

Mileage if by automobile, coach fare, if by airplane, room, meals, and other incidental Association Business related expenses such as taxi, limousine, telephone, tips, etc. for the meetings shall be paid for by the Association. Automobile mileage shall be reimbursed at the current rate allowed by the IRS. Meals will be reimbursed up to \$130.00 including Beverages per day.

President-Elect

All Association Business related expenses will be covered for the President-Elect when attending the following meetings:

FR Mid-Winter (January) (Executive Assistant will make all the arrangements)

Great American REALTOR® Days(GAD will make all the arrangements)

NAR Mid-Year (Washington, D.C.-May) (Executive Assistant will make all the arrangements)

FR Annual Convention (Summer) (Executive Assistant will make all the arrangements)

NAR Annual Convention (Fall) (Executive Assistant will make all the arrangements)
NAR Leadership Summit(Executive Assistant will make all the arrangements)
CEO Symposium(Executive Assistant will make all the arrangements)
Other meetings as approved by the Board of Directors(Executive Assistant will make all the arrangements)

Travel

Mileage if by automobile, coach fare, if by airplane, room, meals, and other incidental Association Business related expenses such as taxi, telephone, tips, etc. for the meeting shall be paid for by the Association. Automobile mileage shall be reimbursed at the current rate allowed by the IRS. Meals will be reimbursed up to \$130.00 per day including Beverages including Beverages.

FR Directors

Members serving as FR Directors will be reimbursed for Association Business related expenses for two (2) State Meetings, up to \$1,500 for each meeting, to include the following:

Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates at the designated FR hotel during the convention time. Hotel accommodations will not be paid to extend before or past the state meeting dates, and only actual hotel expenses will be reimbursed. All receipts must be returned. Total reimbursement FR Directors will be up to \$1700.

Round trip mileage by automobile at the current rate allowed by the IRS. For NAR meetings airfare at coach rates. Registration if applicable.

FR Standing Committee Member: Registration Fee Reimbursed (\$ 150) - 10 people = \$ 1500

FR Standing Committee Vice Chair: \$ 150 per day for up to 3 days plus Registration Fee Reimbursed (\$ 450 + \$ 150 = \$ 600) - 2 people = \$ 1,200

FR Standing Committee Chair: \$ 250 per day for up to 3 days plus Registration Fee (\$ 750 + \$ 150 = \$ 900) = - 2 people = \$ 1,800

If the FR District Vice President is a member of this Association

Members serving as the FR District Vice President will be reimbursed for Association Business related expenses for two (2) NAR Meetings, to include the following:

Hotel accommodations at the published sponsoring convention hotel rate of standard single room rate plus tax, not to exceed the rates for five (5) nights at the designated NAR hotel. Hotel accommodations will not be paid to extend before or past the NAR meeting dates, and only actual hotel expenses will be reimbursed. Receipts must be returned.

Reimbursement up to \$130.00 per day for meals including Beverages, up to five days. Receipts must be returned. Round trip mileage by automobile at the current rate allowed by the IRS. For NAR meetings airfare at coach rates. Registration if applicable.

NAR Committee only

NAR Standing Committee Meeting: \$ 350 per day for up to 3 days plus Registration Fee (\$ 1050 + \$ 400 = \$ 1450) \$ 150 hotel, \$ 100 transportation, \$ 100 food - 8 person = \$ 11,600

NAR Standing Vice Chair: \$ 450 per day for up to 3 days plus Registration Fee (\$ 1350 + \$ 400 = \$ 1750)

- 1 Person = \$ 1750

MLS Travel Team

The MLS Travel participants will be appointed by the MLS President and will define which meeting is attended by whom.

MLS critical meetings:

Corelogic User Group Fall Meeting
RESO Conference
CMLS Meeting

Any contracted Vendor or User Group meetings that are Vendor funded and determined critical by the MLS President to attend.

Members on the MLS and Tech Travel will be reimbursed for FGCMLS Business related expenses. (50% Association/50% FGCMLS) **Total Budget \$30,000.**

Chief Executive Officer

All Association Business related expenses will be covered for the Chief Executive Officer with attending the following meetings:

FR Mid-Winter (January)
Great American REALTOR® Days(GAD will make all the arrangements)
Association Executives Institute
FR Annual Convention
NAR Leadership Summit
FR CEO Symposium
NAR Annual Convention
Florida Association Executives meetings
Other meetings as approved by the Board of Directors(Executive Assistant will make all the arrangements)
(7/07)

Travel

Mileage if by automobile, coach fare, if by airplane, room, meals, and other incidental Association Business related expenses such as taxi limousine, telephone, tips, etc. for the meeting shall be paid for by the Association. Automobile mileage shall be reimbursed at the current rate allowed by the IRS. Meals will be reimbursed up to \$130.00 including Beverages per day.

Legislative Travel

Approved meetings for the Legislative Chair are as follows and may be used only by the Legislative Chair and only toward reimbursable Association Business related expenses. Substitutions will not be permitted. Monies not used for one meeting may not be pooled for another meeting. Additionally the RPAC Sub-Committee Chair is funded to attend the NAR Mid-Year Washington D.C meetings not to exceed \$1600. Legislative/RPAC Committee members may receive reimbursement towards transportation to Legislative Days in Tallahassee which will be a budget line item.

FR Mid-Winter (January)	Public Policy Chair/ RPAC Subcommittee Chair
Great American REALTOR® Days	Public Policy Chair/Member
NAR Mid-Year Washington, D.C.	Public Policy Chair/RPAC Subcommittee Chair
FR Annual Meeting	Public Policy Chair/ RPAC Subcommittee Chair

Professional Development Travel

Association Business related expenses, will be covered up to \$5,000.00 for the Professional Development Chair to attend two (2) annual FR meetings:

FR Mid-Winter
FR Annual Convention

Travel

Mileage if by automobile, coach fare, if by airplane, room, meals, and other incidental Association Business related expenses such as taxi limousine, telephone, tips, etc. for the meeting shall be paid for by the Association. Automobile mileage shall be reimbursed at the current rate allowed by the IRS. Meal will be reimbursed up to \$130.00 including Beverages per day.

Domestic Partner Travel

Expenses will not be covered for domestic partner.

Association Attorney

The Association shall reimburse the Association Attorney for his/her expenses (travel, room, meals, registration fees, and other incidentals) when representing the Association at FR/NAR meetings.

Staff

Staff training and attendance at FR meetings will be at the discretion of the Chief Executive Officer.

Members

All members attending funded meetings must give a written report recapping the meeting and submitted this report with the expense report.

(02/14)

FR Directors must follow meeting guidelines if they are reimbursed.

(02/14)

State and National Legislators Entertained

If the State and National Legislators are entertained, the Association shall pay for the Legislators, their spouses, Aides, and the delegations from the Association attending the meeting. if permitted by law. Prior to each meeting the law is to be reviewed and strictly adhered to.

(02/14)

Receipts

Detailed original Receipts are required for all meals and hotel accommodations in order to be reimbursed for expenses. Travel advances will not be issued to members.

Capitalization Policy**Purpose**

This accounting policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in Royal Palm Coast REALTOR® Association, Inc. annual financial statements (or books).

Materials and Supplies definition

A "material or supply " is generally considered to be tangible property that is used or consumed in the business within twelve months of acquisition, is not inventory, or has a unit cost of less than \$200. Materials and supplies meeting this definition may be expensed.

Capital Asset definition

A "Capital Asset" is defined as a unit of tangible property that: (1) has an economic useful life of more than

12 months; and (2) was acquired or produced for a cost of more than \$500 (or an amount up to \$5,000 if the business has annual audited financial statements), including acquisition and installation costs on the same invoice. Capital Assets must be capitalized and depreciated for financial statement (or bookkeeping) purposes.

Capitalization thresholds

Royal Palm Coast REALTOR® Association, Inc. establishes \$5000 as the threshold amount for minimum capitalization of tangible property. Any items costing below this amount will be expensed in Royal Palm Coast REALTOR® Association, Inc. annual financial statements (or books).

Capitalization method and procedure

All Capital Assets are recorded at historical cost as of the date acquired. Tangible assets costing below the aforementioned threshold amount are recorded as an expense in Royal Palm Coast REALTOR® Association, Inc. annual financial statements.

Routine Maintenance definition

Routine maintenance that Royal Palm Coast REALTOR® Association, Inc. reasonably expects to make more than once to a unit of property, including buildings, over a 10-year period is not a capital asset and will be expensed.

Optional Election to Capitalize Routine Maintenance

Routine maintenance that would be expensed under the definition above, may be capitalized and depreciated with the following provisions: The financial statements (or books) and the tax return must reflect the same method; an election must be made with the annual tax return and the election applies to all amounts paid for repairs and maintenance to tangible property that Royal Palm Coast REALTOR® Association, Inc. treats as capital expenditures on its books and records for that tax year.

Recordkeeping

Invoices substantiating the acquisition cost of each unit of property shall be retained for a minimum of five years.

Subsidiaries

Crisis Fund

The "Crisis Fund" is a monetary reserve collected through annual fundraisers for the benefit of Association members and/or immediate family who are facing hardship from natural catastrophe or the death of a primary income provider. Trustees review the application for approval.

Crisis Foundation (Bylaws, Section VIII)

Realtors Care Foundation of SWFL

SWFL Commercial Alliance

SECTION V Professional Standards

Approved by the Board of Directors

Professional Standards Section V

(Updated 05/11)

The Board of Directors of The Royal Palm Coast REALTOR® Association, Inc.(known as Association hereafter) voted to adhere to the recommendation of the National Association of REALTORS® Code of Ethics and Arbitration Manual and to adapt the following provisions to conform with local policy and comply with state law.

Voluntary arbitration will be provided by the Association for REALTOR® principals and a customer of the REALTOR® principal.

Section 43, page 132, 2019 Code of Ethics and Arbitration Manual

Expenses of hearings shall be shared equally by the signatory boards in multi-board or regional situations per inter-board agreements.

A panel of Directors appointed by the President may review appeals, and may review the decisions of the Professional Standards Hearing Panels. The choices of matters are:

(Section 13) Power to Take Disciplinary Action;

(Section 19c) Appeals from the Decision of the Grievance Committee Related to an Ethics Complaint;

(Section 42) Appeals from the Decision of the Grievance Committee Related to a Request for Arbitration;

(Section 20 c and d) Initiating an Ethics Hearing;

(Section 23) Action of the Board of Directors;

(Section 24 and 49) Initial Action by Directors;

(Sections 25 and 50) Preliminary Judicial Determination Prior to Imposition of Discipline;

(Section 45) Boards Right to Decline Arbitration;

(Section 47) Manner of Invoking Arbitration;

(Section 55) Request for Procedural Review;

(Part 14) State Association Professional Standards Committee, Composition of Hearing Panels and Appellate or Review Panels.

The Board of Directors voted to adhere to the recommendation of the National Association of REALTORS® that Officers and Directors do not serve on the Grievance Committee or Professional Standards Committee.

The Association alone may have a court reporter present. No other recordings are allowed. Transcriptions produced by the Association will be maintained in the confidential professional standards files until a date when a sanction imposed by the Association has been completed. Section 6, page 32 and Section 31, page 137, 2019 Code of Ethics and Arbitration Manual

The number of members on the Grievance Committee will be ten (10) including the Chairperson. The Chairperson will be selected by the President.

Section 15, page 37, 2019 Code of Ethics and Arbitration Manual

The number of members on the Professional Standards Committee shall be no less than twenty (20) including the Chairperson. The Chairperson will be selected by the President.

Section 16, , page 37, 2019 Code of Ethics and Arbitration Manual

An Administrative processing fee will be imposed in the amount of \$500.00 for each party to an arbitration. The prevailing party will have their monies refunded after all appeals and other considerations have been finalized. The administrative fee is in addition to any penalty imposed by the Hearing Panel.

Section 14, page 37, 2019 Code of Ethics and Arbitration Manual

The amount of deposit for arbitration is \$500.00 to be paid by both parties.

Section 48a, page 148, 2019 Code of Ethics and Arbitration Manual

The arbitration filing fee of the prevailing party is to be returned and, if there is a split award, arbitrators will determine whether parties receive a portion of their deposit returned.

Section 53, page 150, 2019 Code of Ethics and Arbitration Manual

The Hearing Panels will be provided with copies of complaints no less than one (1) week prior to the hearing.

Section 21e, page 44, 2019 Code of Ethics and Arbitration Manual

Section 20 (f-g), page 45-46, of the 2019 Code of Ethics and Arbitration Manual will be adopted.

A deposit in the amount of \$250.00 will be required from the Complainant or Respondent for all appeals of Hearing Panels' final decision on an alleged ethics violation. If a party wins on appeal the deposit will be returned to the prevailing party.

Section 23c, page 46, 2019 Code of Ethics and Arbitration Manual

The Grievance Committee will review an arbitration request at the next scheduled Grievance Committee meeting after receipt of response.

Section 47b, page 146, 2019 Code of Ethics and Arbitration Manual

Fifteen (15) days will be given to the respondent to provide a written response for arbitration.

Section 47b, page 146, 2019 Code of Ethics and Arbitration Manual

Option 3 will be followed: "In the event the respondent fails or refuses to sign the Response and Agreement Form (Part Thirteen, form #A-4), fails or refuses to make the required deposit, or fails or refuses to take part in the arbitration hearing, the arbitration hearing may be scheduled and conducted in the absence of the respondent.

Section 48, page 149, 2019 Code of Ethics and Arbitration Manual

Option 3: The optional procedures in Section 53, subsections c-f will be adopted.

Section 53c-f, page 150, 2019 Code of Ethics and Arbitration Manual

Section 55a, Request for Procedural Review, of the 2005 Code of Ethics and Arbitration Manual will be adopted. A deposit in the sum of \$250.00 will be required by the Association.

Section 55a, page 151, 2019 Code of Ethics and Arbitration Manual

The Association will provide mediation. See section below.

Appendix VI to Part Ten, 2019 Code of Ethics and Arbitration Manual

Interboard Arbitration Procedures

By becoming and remaining a member of the National Association, each Member Board is required to provide

and participate in Interboard arbitration when arbitrable issues arise between a Board Member and a

member of another Board within the state, as defined in Article 17 of the Code of Ethics and Sections 43

and 44 of this Manual

Interboard Arbitration Procedures will remain the same as internal procedures with reference to 5, 8, 9, 11, and 14 of these Professional Standards Policy.

Approval of recommendation to adopt Section 53© through 53 (f) of the Code of Ethics and Arbitration manual found on page 150, stipulating that the non-prevailing party shall deposit the funds with the Association to be held in a special Board escrow account maintained for that purpose if a procedural review is requested after the conclusion of an arbitration. The Board would hold funds until such time as the issue is resolved.

Reviewed quarterly for cost analysis

Areas of the Manual Requiring Board/Association Action

The following provisions of the Manual are referenced to assist The Royal Palm Coast Realtor® Association, Inc., in adapting the Manual to conform to adopted local policy and comply with state law.

Fill in the name of the Board or Association in:

Section 1(b) and 26(b), Definitions

Section 13(b), Power to Take Disciplinary Action

Section 46, Duty to Arbitrate Before the State Association

Section 56, Enforcement

NOTE: The Royal Palm Coast REALTOR® Association, Inc. is filled in on all sections and on all forms where necessary.

Fill in the name of the Board or Association and decide if the Hearing Panel chair or the Professional Standards Committee chair will rule on postponement request.

NOTE: The Hearing Panel Chair rules on postponement requests – they would confer with the Professional Standards Committee Chair.

Part Five and Part Twelve

Conduct of an Ethics Hearing with related procedures and outlines

Conduct of an Arbitration Hearing with related procedures and outlines

NOTE: The name, The Royal Palm Coast REALTOR® Association, Inc. is filled in on all sections and on all forms where necessary.

Part Six and Part Thirteen

Specimen Forms

NOTE: The name, The Royal Palm Coast REALTOR® Association, Inc. is filled in on all sections and on all forms where necessary

Part Fourteen

State Association Professional Standards Committee, Ethics and Arbitration Proceedings

Duty to Arbitrate Before State Association

NOTE: The name, The Royal Palm Coast REALTOR® Association, Inc. is filled in on all sections and on all forms where necessary

Statements of Professional Standards Policy

#3. Circumstances under which arbitration is contingent upon the REALTOR®'s voluntary participation. Establish whether voluntary arbitration will or will not be provided as a service.

Also, see Section 44, Duty and Privilege to Arbitrate, specifying whether voluntary arbitration will be provided in (4), (5), and (6).

NOTE: Voluntary arbitration is provided.

#25. Expenses related to conduct of hearings by multi-board or regional grievance committee or professional standards committee. Specify how expenses of hearings shall be shared by the signatory Boards.

NOTE: All expenses are equally shared (if there are any) and Association requires member to pay a \$500 filing fee for arbitration.

NOTE: The new and continuous member education criteria referenced in Professional Standards Policy Statements #47 and the criteria for staff administration training referenced in Professional Standards Policy Statement #49, can be found on REALTOR.org. Educational materials to conduct the new member and continuous member training can also be found on REALTOR.org.

Also, Forms #E-19 and #A-19, Sample Format of Agreement Between _____ and _____ Boards of REALTOR®S® . . .

NOTE: The name, The Royal Palm Coast REALTOR® Association, Inc. is filled in on all sections and on all forms where necessary

Part Fourteen, State Association Professional Standards Committee, Expenses of Hearings Conducted by State Association

NOTE: The referring Association pays all expenses.

Part Eleven, Interboard Arbitration Procedures, Costs of Arbitration.

#33. Use of panels in place of board of directors. Specify what matters, if any, will be considered by panels of Directors and the composition of such panels.

NOTE: An executive panel of the BOD is convened to hear all appeals. The panel is made up of three to five participants.

Also, see Section 13(b), Power to Take Disciplinary Action;

Section 19(c), Appeals from the Decision of the Grievance Committee Related to an Ethics Complaint; Section 42(c), Appeals from the Decision of Grievance Committee Related to a Request for Arbitration; Section 20(c) and (d), Initiating an Ethics Hearing;

Section 23, Action of the Board of Directors;

Sections 24 and 49, Initial Action by Directors;

Sections 25 and 50, Preliminary Judicial Determination Prior to Imposition of Discipline;

Section 45, Board's Right to Decline Arbitration;

Section 47(c), Manner of Invoking Arbitration; Section 55, Request for Procedural Review by Directors;

Part One and Part Seven: General Provisions

Sections 6 and 31, Conduct of Hearing. Clarify whether the parties may or may not record the proceeding.

NOTE: Parties may NOT record the proceeding. A court reporter is provided by the Association and copies of the transcript may be requested at the expense of the party.

Part Two and Part Eight: Membership Duties and Their Enforcement

Sections 15 and 38, Grievance Committee, and Sections 16 and 39, Professional Standards Committee. Specify the number of members on each committee and how the chairpersons will be selected.

NOTE: The Grievance Committee is made up of 10 members. The Professional Standards Committee is made up of 22 -28 members. The Chairs of both Committees are appointed by the Incoming President for the year of their term.

#45 Publishing the names of Code of Ethics violators. Determine whether the board will or will not publish violators' names.

NOTE: The Association will NOT publish violator's names.

Section 14, last paragraph, Discipline. Board of Directors to determine in advance the Board's policy concerning if, and under what circumstances, an administrative processing fee will be imposed. Also determine amount.

NOTE: The Board does not impose an administrative processing fee.

Information about alternative enforcement procedures (e.g., use of hearing officers, ombudsmen, and mediation of ethics complaints) which may be adopted locally can be found on REALTOR.org.

NOTE: The Association adopted the use of the OMBUDSMAN Program.

Professional Standards Policy Statement #59, Associations to Provide Ombudsman Services, in the current NAR Code of Ethics and Arbitration Manual, provides as follows:

Every local and state association of REALTORS® is required to offer, either directly or as part of a cooperative enforcement agreement (consistent with Professional Standards Statement #40, Cooperative Enforcement Agreements), Ombudsman services to members, clients, and consumers on or before January 1, 2016.

An Ombudsman is an individual appointed to receive and resolve disputes through constructive communication and advocating for consensus and understanding.

Ombudsman procedures, which may be adopted and utilized at the discretion of boards and associations, are intended to provide enhanced communications and initial problem-solving capacity at the local level.

Introduction

Boards and associations of REALTORS® are charged with the responsibility of receiving and resolving ethics complaints. This obligation is carried out by local, regional and state grievance committees and professional standards committees.

Many "complaints" received by boards and associations do not expressly allege violations of specific Articles of the Code of Ethics, and many do not detail conduct related to the Code. Some "complaints" are actually transactional, technical, or procedural questions readily responded to.

It is the belief of the National Association's Professional Standards Committee that many ethics complaints might be averted with enhanced communications and initial problem-solving capacity at the local level. These ombudsman procedures, which may be adopted and utilized at the discretion of boards and associations, are intended to provide that capacity.

Role of Ombudsmen

The Ombudsman's role is primarily one of communication and conciliation, not adjudication. Ombudsmen do not determine whether ethics violations have occurred, rather they anticipate, identify, and resolve misunderstandings and disagreements before matters ripen into disputes and possible charges of unethical conduct.

Qualification and Criteria for Ombudsmen

Boards and associations have considerable latitude in developing criteria for service as Ombudsmen.

At a minimum, Ombudsmen should be thoroughly familiar with the Code of Ethics, state real estate regulations, and current real estate practice. Ombudsmen may be REALTORS[®], staff members, or others acting on behalf of the local board/association.

Insurance Coverage

Ombudsman are covered through the NAR insurance program, as long as they are acting within the coverage limits described in the policy.

As provided in the "Answers to Questions Most Frequently asked about the National Association of REALTORS[®] Professional Liability Insurance Program for Associations of REALTORS[®]", the policy defines an "ombudsman" (or "ombudsperson") as an individual designated by an Association to be available for consultation about the association's ethics hearing, arbitration, and/or DRS processes. Only Association staff or members may serve as an ombudsman; an attorney serving in this role will not be eligible for coverage. The policy excludes from coverage any claim that alleges or arises out of any action committed by ombudsman that does not involve an association's ethics hearing, arbitration or the DRS processes.

The following are examples of some situations in which an ombudsman would be covered and other situations when the ombudsman would not be covered:

A seller contacts the association because they feel their listing broker, who is a REALTOR[®], is not responding to phone calls, and may have received offers that they haven't presented to the seller yet. If an ombudsman were appointed to assist the parties, the ombudsman's actions would be covered by the NAR insurance program.

A buyer contacts the Association for help with a short sale transaction. If an ombudsman assisted the buyer, the ombudsman's actions would not be covered by the NAR insurance program.

REALTOR[®] A contacts the Association because she has reason to believe REALTOR[®] B has been criticizing her business on Facebook after a difficult transaction. If an ombudsman were appointed to assist the parties, the ombudsman's actions would be covered under the NAR insurance program.

Involving the Ombudsman

Boards and associations have considerable latitude in determining how and when ombudsmen will be utilized. For example, ombudsmen can field and respond to a wide variety of inquiries and complaints, including general questions about real estate practice, transaction details, ethical practice, and enforcement issues. Ombudsmen can also receive and respond to questions and complaints about members; can contact members to inform them that a client or customer has raised a question or issue; and can contact members to obtain information necessary to provide an informed response.

In cases where an ombudsman believes that a failure of communication is the basis for a question or complaint, the ombudsman can arrange a meeting of the parties and to facilitate a mutually acceptable resolution.

Where a written ethics complaint in the appropriate form is received, it can be initially referred to the ombudsman who will attempt to resolve the matter, except that complaints alleging violations of the public trust (as defined in Article IV, Section 2 of the NAR Bylaws) may not be referred to

an ombudsman. "Public trust" refers to misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm.

In the event the ombudsman concludes that a potential violation of the public trust may have occurred, the ombudsman process shall be immediately terminated, and the parties shall be advised of their right to pursue a formal ethics complaint; to pursue a complaint with any appropriate governmental or regulatory body; to pursue litigation; or to pursue any other available remedy.

Right to Decline Ombudsman Services

Persons filing complaints, or inquiring about the process for filing ethics complaints, will be advised that ombudsman services are available to attempt to informally resolve their complaint. Such persons will also be advised that they may decline ombudsman services and can have their complaint referred to ethics mediation (if available), or considered at a formal ethics hearing.

Resolution of Complaints

If a matter complained of is resolved to the mutual satisfaction of all parties through the efforts of an ombudsman, the formal ethics complaint brought initially (if any) will be dismissed.

Failure to Comply With Agreed Upon Resolution

Failure or refusal of a member to comply with the terms of a mutually agreed on resolution shall entitle the complaining party to resubmit the original complaint or, where a formal complaint in the appropriate form had not been filed, to file an ethics complaint. The time the matter was originally brought to the board or association's attention will be considered the filing date for purposes of determining whether an ethics complaint is timely filed.

Referrals to the Grievance Committee or to State Regulatory Bodies

Ombudsmen cannot refer concerns they have regarding the conduct of any party utilizing their services to the Grievance Committee, to the state real estate licensing authority, or to any other regulatory body. The prohibition is intended to ensure impartiality and avoid the possible appearance of bias. Ombudsmen are, however, authorized to refer concerns that the public trust may have been violated to the Grievance Committee. *(Last revised 01.02.15)*

Ombudsman Requirements

Active primary member of the Association.

Minimum of three years' experience on the Professional Standards Committee.

Serves on a rotating basis with other trained ombudsman, with each person covering one month at a time.

Ombudsman Duties

Listens to the parties concerns.

Ascertain desired outcome.

Explains possible avenues that might resolve the issue to reach desired outcome.

Answers general questions.

Answers procedural questions.

Tries to help bring about a resolution thru the facilitation of communication.

Keeps all information confidential.

Acts as a representative of the Association.

Once assigned a SERVICE REQUEST, call the parties involved within 48 hours.
Completes the Ombudsman Call Log and send back to the Association.

Scripts and Forms can be reviewed in the Associations Forms Manual. (02/14)

Part Three and Part Nine: The Grievance Committee

Sections 17 and 40, Authority. Specify how many members will serve on the committee and how the chairperson will be selected.

NOTE: The Grievance Committee is made up of 10 members. The Grievance Committee Chair is appointed by the Incoming President for a 3 year term.

Part Four: The Ethics Hearing

Section 20(a), Initiating an Ethics Hearing. Clarify if a response will or will not be solicited at the Grievance Committee level.

NOTE: The Association solicits a response at the Grievance Committee level.

Section 20(f–q), Initiating an Ethics Hearing. Determine if the optional provisions in subsections f–q will be adopted.

NOTE: Optional provisions in subsections F to Q were adopted.

Section 21(e), Ethics Hearing, and Section 51(b), Arbitration Hearing. Specify when the respective Hearing Panels will be provided with ethics complaints and arbitration requests.

NOTE: Hearing Panels are provided copies of the cases seven to ten days prior to the hearing.

Section 22(a), Decision of Hearing Panel. Determine if ethics decisions presented to the Directors for ratification will or will not include the names of the parties.

NOTE: Ethics decisions presented to the BOD for ratification will include the names of the parties.

Section 23(b) and (m), Action of the Board of Directors. Decide if panels will act on behalf of your Board of Directors.

NOTE: The Association has approved the ability of panels to act on behalf of the BOD.

Section 23(c), Action of the Board of Directors. Establish the amount of appeal deposit, if any.

NOTE: The Association has not established an appeal deposit.

Section 23(n), Action of the Board of Directors. Determine if names will be published if respondent violates the Code of Ethics twice within three years.

NOTE: The Association does not publish the names of Code of Ethics violators.

Part Ten: Arbitration of Disputes

Section 47(a–c), Manner of Invoking Arbitration, and Section 48(a) and (b), Submission to Arbitration. Specify the amount of deposit;

NOTE: \$500.00

The number of days the Grievance Committee has to review a request;

NOTE: The appropriate amount of time necessary not to exceed 45 days.

If a response will be asked for at the Grievance Committee and,

NOTE: A response is asked for at the Grievance Committee.

If so, the number of days for providing written response; and

NOTE: 15 days from date of receipt of complaint is provided for a written response

Select one of the three options regarding signed agreements and deposits.

NOTE: The Association follows option #1.

Section 53(c-f), The Award. Determine if the optional procedures in subsections c-f will be adopted.

NOTE: Optional procedures in subsections C to F were adopted.

Section 54, Cost of Arbitration. Determine if the arbitration filing fee of the prevailing party is to be returned and, if there is a split award, if the parties may receive a portion of their deposits back as determined by the arbitrators.

NOTE: The arbitration filing fee of the prevailing party is to be returned. If there is a split award, the parties may receive a portion of their deposits back as determined by the arbitrators.

Also determine whether the association will refund all or part of parties' arbitration filing deposits if the dispute is resolved through mediation.

NOTE: Arbitration filing deposits will be returned to all parties if the dispute is resolved through mediation.

Section 55 (a), Request for Procedural Review by Directors

(a) A written request for procedural review of the arbitration hearing procedures must be filed with the President within twenty (20) days after the award has been transmitted to the parties and be accompanied by a deposit in the sum of \$500 (not to exceed \$500). The request for procedural review should cite the alleged procedural deficiencies or other irregularities the party believes constitute a deprivation of due process (e.g., fraud, coercion, bias, prejudice, evident partiality, etc.) on the part of Hearing Panel members or others acting on behalf of the Board. The request for procedural review shall be reviewed within ten days by the Board President or the President's designee only for the purpose of determining whether the request states any legitimate basis for consideration by the Board of Directors. If determined to be insufficient, it shall be returned to the requester accompanied by an explanation and a request for additional detail to be received by the Board within ten (10) days of notice. This initial administrative review is not a decision on the merits of the request for procedural review but is intended only to ensure compliance with the requirement that the request cite the alleged procedural deficiency or irregularity on which the request is based and which will be presented to the Board of Directors for its consideration. All requests for procedural review received by the Board must be considered by the Board of Directors, and only the bases raised in the written request for procedural review may be raised during the review before the Directors. (Amended 11/15)

Appendix VI to Part Ten, Mediation as a Service of Member Boards.

Requiring REALTORS® to mediate otherwise arbitratable disputes requires establishment of an affirmative obligation in the Board's governing documents. Enabling model bylaw provisions can be found at REALTOR.org (see Model Bylaws). Also decide if the Board will offer disputing parties an opportunity to mediate prior to an arbitration request being filed.

Part Eleven: Interboard Arbitration Procedures

Establish a filing fee for Interboard arbitration.

NOTE: There is a \$500 filing fee for Interboard arbitration.

Clarify whether a party may or may not tape record the proceeding.

NOTE: Parties may NOT record the proceeding. A court reporter is provided by the Association and copies of the transcript may be requested at the expense of the party.

Part Five and Part Twelve: Conduct of an Ethics or Arbitration Hearing

Decide if the Hearing Panel Chair or the Professional Standards Committee Chair rules on postponement requests.

NOTE: The Hearing Panel Chair rules on postponement requests – they would confer with the

Professional Standards Committee Chair.

Part Six and Part Thirteen: Specimen Forms

Form #E-4, **Grievance Committee Request for Information (Ethics Complaint)**. Specify the number of days a respondent has to submit a response and the number of copies required (should be consistent with Section 21(a), Ethics Hearing).

NOTE: A respondent has 15 days to submit a response. Only one original copy is required at submission.

Form #A-1, **Request and Agreement to Arbitrate**, and Form #A-2, **Request and Agreement to Arbitrate (Nonmember)**. Specify the amount of the arbitration deposit (should be consistent with Section 47(a), Manner of Invoking Arbitration, and Section 48(a), Submission to Arbitration).

NOTE: There is a \$500 arbitration deposit for both the complainant and respondent.

Form #A-5, **Grievance Committee Request for Information (Arbitration Request)**. Specify the number of days the respondent has to submit a response.

NOTE: A respondent has 15 days to submit a response.

Form #E-2, **Notice to Respondent (Ethics)** and Form #A-3, **Notice to Respondent (Arbitration)**. Specify the number of copies that must be submitted.

NOTE: Only one original copy is required at submission.

Form #E-3, **Reply (Ethics)**; Form #E-5, **Response to Grievance Committee Request for Information**; and Form #E-8, **Official Notice of Hearing (Ethics)**. Board of Directors to determine in advance the Board's policy concerning if, and under what circumstances, an administrative processing fee will be imposed. Also determine amount. Should be consistent with Section 14, last paragraph.

NOTE: The Association DOES NOT have an administrative processing fee.

Form #A-4, **Response and Agreement to Arbitrate**. Specify the amount of the filing fee (should be consistent with Section 47(a), Manner of Invoking Arbitration, and Section 48(a), Submission to Arbitration).

NOTE: There is a \$500 arbitration deposit for both the complainant and respondent.

Form #E-9, **Outline of Procedure for Ethics Hearing** and Form #A-10, **Outline of Procedure for Arbitration Hearing**. Clarify whether the parties may or may not tape record the proceeding.

NOTE: Parties may NOT record the proceeding. A court reporter is provided by the Association and copies of the transcript may be requested at the expense of the party.

Form #E-13, **Request for Appeal (Ethics)**. Specify the amount of the filing fee, if any (should be consistent with Section 23(c), Action of the Board of Directors).

NOTE: The Association DOES NOT have a filing fee for ethics appeals.

Form #A-13, **Request for Procedural Review (Arbitration)**. The filing fee is \$500. (should be consistent with Section 55, Request for Procedural Review by Directors).

NOTE: The Association DOES NOT have a filing fee for procedural reviews for arbitration.

Form #E-14, **Official Notice of Appeal Hearing (Ethics)** and Form #A-14, **Official Notice of Procedural Review (Arbitration)**. Specify the number of days' notice required if counsel is to be present (should be consistent with Sections 4 and 29, Right of Counsel to Appear) and the number of days required to challenge the qualifications of an appeal panel (should be consistent with Sections 2(f) and 27(f), Qualification for Tribunal).

NOTE: The number of days required to notify the Association if counsel or witnesses are to be present is 15 days.

Form #E-19 and Form #A-19, **Sample Format to Establish Multi-Board (or Regional) Professional Standards Enforcement Procedures**. Clarify on refusals to arbitrate what tribunal will hear allegation. Also, clarify on appeals of the Grievance Committee's dismissal of an ethics complaint or arbitration request (or challenges to the classification of arbitration requests) what tribunal will hear matter. Also clarify which Board(s) will be responsible for administering the process.

NOTE: Per local custom, issues are handled on a case by case basis. Filing Board has the responsibility to administer the process.

Mediation Policy and Procedures Adopted 07/27/00; Amended 07/29/11

Mediation Policy

Mandatory Mediation will be offered by the Royal Palm Coast REALTOR® Association, Inc. as a service to our Brokers, according to the Professional Standards Handbook published by NAR.

Mediation service will be offered immediately. (See Option 2 on page 167 of the 2019 Code of Ethics and Arbitration Manual. If the complainant is interested in mediation, send both sets of paperwork, mediation and arbitration, so the same date will be shown on both sets of paperwork.

Selection of Board Mediation Officers:

The Association President will select the Association's Mediation Officers. A standing panel of 3 or more is recommended for large Associations/Boards.

Two of the Association Mediation Officers shall be appointed for a term of one (1) year and two shall be appointed for two (2) years to replace the Mediators holding a one-year term.

The individual serving as the Association Mediation Officer must have extensive prior experience on the Association's Grievance Committee, Professional Standards Committee and/or Board of Directors. The Mediation Officer should be thoroughly conversant with the Association's arbitration procedures as well as with the real estate rules and regulations of the state. It is recommended that the Mediation Officer not serve concurrently as either an officer or director of the Association, or as a member of the Grievance Committee, or as a member of the Professional Standards Committee. If Mediation Officers are members of the Grievance Committee, they shall not participate in the consideration of requests for arbitration or ethics complaints arising out of the same facts and circumstances giving rise to a matter they attempted to mediate. If Mediation Officers are members of the Professional Standards Committee, they shall not serve on an arbitration Hearing Panel in cases where they had initially attempted to resolve the dispute prior to an arbitration hearing, or on an ethics Hearing Panel in cases where an ethics complaint arises out of the same facts and circumstances giving rise to a matter they attempted to mediate.

Adoption of ethics mediation procedures

Ethics mediation is a process that may be adopted at the discretion of boards and associations. Ethics mediation will require adoption of these procedures (either verbatim or as amended locally) by action of the local board of directors (or as otherwise provided in the local bylaws).

Appointment of mediators

The chair of the Professional Standards Committee and/or the Board President will select one or more ethics mediators to act on behalf of the committee. Mediators should be thoroughly familiar with the Code of Ethics, state real estate regulations, and current real estate practice.

Complaints that may be mediated

Complaints brought by the public or by other REALTORS® may be mediated under these

procedures. Complaints brought by the Grievance Committee and complaints alleging a violation of the public trust (as defined in Article IV, Section 2 of the NAR Bylaws) may not be mediated.

Initiation of ethics mediation procedures

The ethics mediation process can be initiated in two ways. First, through filing a written ethics complaint. Second, through a personal, telephone, or written inquiry or complaint generally alleging potentially unethical conduct but which (a) is not filed on the appropriate form or (b) is not specific as to which Article(s) may have been violated.

Where a written ethics complaint in the appropriate form is received, it will be reviewed by the Grievance Committee so a determination can be made whether a possible violation may have occurred or, alternatively, whether the complaint should be dismissed as not requiring a hearing. Where an informal inquiry or general letter of complaint that does not allege a potential violation of the public trust is received, it will not be reviewed by the Grievance Committee, but will be referred to an ethics mediator.

Participation in ethics mediation is voluntary

Persons inquiring about the process for filing ethics complaints will be advised that ethics mediation is available as an alternative to a formal ethics hearing provided that all parties agree to participate, and also be advised they may decline or withdraw from mediation and have their complaint considered at a formal ethics hearing. Similarly, REALTORS® complained about have the right to decline or withdraw from mediation and to have complaints against them considered at a formal ethics hearing.

Referral of complaints to the mediator

When either a written ethics complaint in the appropriate form is reviewed by the Grievance Committee and the Grievance Committee concludes that a hearing is warranted, or when a general letter of inquiry or complaint is received, and the matter(s) complained of do not involve a possible violation of the "public trust", the materials received will be referred to the ethics mediator who will contact the parties to schedule a meeting at a mutually agreeable time. "Public trust" refers to misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm.

During the mediation session the mediator will encourage all parties to openly and candidly discuss all issues and concerns giving rise to the inquiry or complaint, and to develop a resolution acceptable to all the parties. In the event the mediator concludes that a potential violation of the public trust may have occurred, the mediation process shall be immediately terminated, and the parties shall be advised of their right to pursue a formal ethics complaint; to pursue a complaint with any appropriate governmental or regulatory body; to pursue litigation; or to pursue any other available remedy.

Nature of the mediated resolution

The mediator and the parties have considerable latitude in fashioning a mutually acceptable resolution. Resolutions can include, but are not limited to, payment of disputed funds, repairs or restoration of property, written or oral apology, or acknowledgement of a violation of the Code of Ethics. In cases where a REALTOR® acknowledges that the Code has been violated, that admission may be sufficient to resolve the matter or, alternatively, the parties may agree that discipline should be imposed. The discipline may, at the agreement of all parties, include any of the forms of discipline established in the Code of Ethics and Arbitration Manual and may also include payment of monies to the complainant or to a third party. Also, the parties may agree that the complainant will withdraw a complaint or agree not to file a formal, written ethics complaint in return for the respondent's action or acknowledgement. Again, any discipline imposed must be agreed to by all of the parties.

Referrals to the Grievance Committee or to state regulatory bodies

Ethics mediators cannot refer concerns they have regarding the conduct of any party to mediation to the Grievance Committee, to the state real estate licensing authority or to any other regulatory body. This prohibition is intended to ensure impartiality and avoid the possible appearance of bias. Mediators are, however, authorized to refer concerns that the public trust may have been violated to the Grievance Committee.

Refusal to comply with agreed upon discipline

Failure or refusal of a respondent to comply with the terms of any mutually agreed on resolution shall entitle the complaining party to resubmit the original complaint or, where a formal complaint in the appropriate form had not been filed, to file an ethics complaint. The time the matter was originally brought to the board or association's attention shall be considered the filing date for purposes of determining whether an ethics complaint is timely filed. The Association will continue to process filed Ethics Complaints until withdrawn by the Complainant.

Confidentiality of mediation process

The allegations, discussions, and decisions rendered in ethics mediation proceedings are confidential and shall not be reported or published by the board, any member of a tribunal, or any party under any circumstances except those established in the Code of Ethics and Arbitration Manual of the National Association as from time to time amended.

Need for Adequate Notice:

In Mediation the need for due process remains. Generally, there will be no need for the parties to be represented by legal counsel nor for the Board to have legal counsel present at a mediation proceeding. However, since mediation is an attempt to bring the disputing parties together in an informal setting to resolve their differences, every effort should be made to ensure that the parties are provided with adequate prior notice (at least ten (10) days) and that the time and location of the proceeding is mutually convenient to all involved. However, this requirement shall not preclude parties to a dispute waiving such notice and agreeing to mediate at any time agreed by all parties.

Each request for arbitration should be referred to the Association's Grievance Committee for consideration as to whether the matter is appropriate for arbitration. In the event the Grievance Committee determines that a matter is properly arbitrable, that information should be provided to the Association Secretary, who will then notify both the complainant and respondent that the matter has been deemed arbitrable and that the Association's mediation procedures are available. The Mediation Officer will inquire of each party as to whether they will participate in the mediation procedures. If both parties respond affirmatively, the matter will be referred to the selected and assigned Mediation Officer, who will contact the complainant and respondent and establish a mutually convenient time and location for the mediation.

Conduct of Mediation Procedures:

If, for any reason, any of the parties (or the Mediation Officer) is unable to participate on the date agreed, the procedure should be rescheduled to the earliest mutually acceptable date. Mediation cannot be successfully conducted without all of the parties present. Witnesses, if any, should be kept at a minimum.

The Mediation Officer should make every effort to encourage a conciliatory atmosphere while ensuring a full discussion of all pertinent facts. The complainant and respondent should be encouraged to appreciate each other's position in the matter and to affect a solution that will eliminate the need for arbitration by the Board's Professional Standards Committee. The parties can agree to a mutual resolution of the matter at any time during the mediation procedure. If, following a thorough discussion of all the pertinent facts, the parties are still unable to resolve the matter; the Mediation Officer may, at the Mediation Officer's discretion, then make a recommendation. Any recommendation for resolution can be oral or in writing and will be

provided to both parties at the conclusion of the mediation procedure. The parties can agree to the Mediation Officer's proposed resolution at that time. If neither of the parties' desires to give additional consideration to the Mediation Officer's resolution, both parties will be given forty-eight (48) hours, to consider the resolution and to advise the Mediation Officer of their acceptance or rejection of it. If either of the parties rejects the proposed resolution, the mediation procedure will be deemed concluded and the matter will proceed to arbitration. Any party who does not respond to the Mediation Officer within seventy-two (72) hours will be deemed to have rejected the suggested solution and arbitration will proceed.

Mediation Procedure

Arbitration request received by the Board.

Send to complainant:

Request for Mediation form (Option 2)—*Boards may prefer to complete this step by telephone rather than mail*

Agreement to Mediate form

(Set time frame for completed and signed forms to be returned to the Board)

3. Upon receipt of completed forms from complainant, send to respondent:

Notice of Request for Mediation form (Option 2) with attached copy of complainant's completed Request for Mediation form— Boards may prefer to complete this step by telephone rather than mail

Agreement to Mediate form

Mediation Officer Selection form (should be sent to both complainant and respondent)

(Set time frame for completed and signed forms to be returned to the Board)

4. Upon receipt of all completed forms, the Board may assign any Mediator not challenged to serve as the Mediation Officer.

Send to both complainant and respondent:

Notice of Selection of Mediation Officer form

5. The Mediation Officer should contact the complainant and respondent directly to set a mutually acceptable time and location for the mediation conference.

Send to both complainant and respondent:

Mediation Officer form letter confirming date, time, and location of conference.

(Adequate prior notice should be given parties for scheduling mediation conference—ten [10] days suggested)

6. (a) If the mediation conference successfully resolves the dispute:

Original signed Mediation Resolution Agreement (Form #A-17) should be forwarded to the Board by the Mediation Officer.

The Resolution Agreement should be kept in the file with all pertinent records pertaining to that case.

Both the complainant and respondent should receive a copy of the Resolution Agreement.

(b) If the mediation conference does not successfully resolve the dispute:

If the parties are unable to resolve their dispute, the Mediation Officer may make the determination that the parties have reached an impasse, and may recommend an equitable solution. The recommendation for resolution can be oral or in writing, and may be provided to both parties at the conclusion of the mediation procedure. (Set time frame for response from parties—not to exceed forty-eight [48] hours)

Any party who does not respond to the Mediation Officer within seventy-two (72) hours will be considered to have rejected the suggested solution.

Mediation Officer should advise the Board that the mediation conference has been terminated without resolution of the dispute.

Mediation Officer will send Termination of Mediation Conference form to Board

7. Request for Arbitration will be forwarded to the Board's Grievance Committee for review.

(Adopted 11/96)

New Section 5, MLS Disciplinary Guidelines, added to Enforcement or Rules Section of the Handbook on Multiple Listing Policy

Associations of REALTOR® and their multiple listing services have the responsibilities of fostering awareness, understanding, and appreciation for the duties and responsibilities of the MLS participants and subscribers, and of receiving and resolving complaints alleging violations of rules and regulations. The REALTOR® organization is firmly committed to vigorous, fair, and uniform enforcement. Enforcement achieves a number of goals. Where participants or subscribers are wrongly or mistakenly charged with violations, the hearing process provides personal and professional vindication. Where violations are determined, enforcement process educates participants and subscribers about their duties and obligations, and serves as a meaningful deterrent of future violations.

Allegations of conduct inconsistent with the rules are often viewed by respondents as threats to their professional and personal reputations. This can result not only in their mounting vigorous defense but also, at times, to threats of legal challenge should a violation be determined and discipline imposed. Given that MLS participation can have significant economic value, associations and their MLS's need to strictly adhere to their established procedures when considering potential violations. This caution ensures that the rights of the parties will be observed, and legal exposure of associations their MLS's will be minimized.

At the same time, well-founded caution should not be confused with reservation, reluctance, or hesitancy. Rules become aspirations at best, and potentially meaningless, if not enforced with vigor and determination.

Fundamental to fair and consistent enforcement is reasonable and judicious use of discipline, as both an educational device and as punishment. Associations and their MLS's have a wide variety of sanctions available to them that may be imposed for violations. These range from simple letters of warning to termination of MLS rights and privileges. Between these extremes are mandatory attendance at remedial education sessions, financial penalties, probation, and suspension.

The National Association does not recommend specific penalties for certain offenses or violations of particular rules. This is in deference to the wisdom and autonomy of the hearing panel privy to the details of complaints coming before them; in recognition of the fact that no two complaints are identical; and in view of the facts that the details of each hearing, including the experience of respondents, their history of prior violations, and mitigating or extenuating circumstances, may all come into play in determining an appropriate penalty. At the same time, there are key points to be considered with respect to imposition of discipline.

Discipline that can be imposed is strictly limited to those forms authorized in the National Association of REALTORS® Code of Ethics and Arbitration Manual and to any additional form authorized by the National Association's Board of Director's.

Discipline should be commensurate with the offense. Unintentional or inadvertent violations should result in penalties designed to educate respondents about the conduct expected of them. Only authorized forms of discipline may be utilized.

Discipline should be progressive. The disciplinary emphasis on violations by new members or by long-standing members with no history of prior violations should be primarily educational.

Repeated or subsequent violations should be addressed with more serious forms of discipline, including substantial fines, suspensions, and termination of MLS rights and privileges. A gray area can exist with respect to “first time violations” that are clearly not the result of ignorance or mistake by rather demonstrate flagrant disregard for the rules. While the educational aspect of enforcement cannot be disregarded, the fact that the rules exist to protect clients and customers, the public, and to ensure effective, efficient functioning of the MLS, must also be considered in determining commensurate discipline.

Mitigating or extenuating circumstances should be considered in determining appropriate discipline. The fact that a respondent recognizes or acknowledges inappropriate conduct or took steps to remediate or minimize harm or injury, should be considered in determining appropriate discipline.

Respondent’s records of earlier violations or, conversely, the fact that they have not violated the rules in the past, can be considered in determining appropriate discipline. Hearing panels cannot consider past violations in deciding whether the conduct currently complained of violates the rules.

Crafting appropriately, meaningful discipline can challenge panels that have concluded the rules have been violated. This discussion is offered as guidance, rather than as a hard and fast template, to assist panels in meeting their responsibility in ensuring the rules’ viability and vitality through vigorous and evenhanded enforcement.

Progressive Discipline

Discipline imposed for violation of the rules should be progressive. The severity of discipline should increase incrementally for subsequent violations. The disciplinary emphasis where first time violations occur should be primarily educations. Repeated or subsequent violations should result in more serious forms of discipline being utilized, including substantial fines, suspension, and terminations of MLS rights and privileges. At the same time, a gray area can exist where a first-time violation is not attributable to ignorance or oversight, but rather to blatant disregard for the rules. While to protect clients and customers, the public, and to ensure effective, efficient functioning of the MLS must be carefully considered in determining appropriate discipline. Factors hearing panels should consider in determining appropriate discipline include, but are not necessarily limited to:

The nature of the violation

Harm caused by the violation. Was the violation a minor mistake causing little or no harm or, alternatively, was a client, customer, member of the public, or another participant harmed?

Was the violation inadvertent or unintentional or, conversely, was it the result of knowing disregarded for the obligations of MLS participants and subscribers

How much real estate experience did the violator have? Did he, or should he, have known better?

Has the violator been found in violation of the rules previously? How often? How recently? Is the current violation related or similar to earlier violations?

Are there mitigating or extenuating circumstances that should be considered in determining appropriate discipline?

Did the violator acknowledge the violation? Did the violator express remorse or contrition?

Are there other factors that ought to be considered? *(Adopted 11/07)*

Citation Policy

Associations adopting this Citation Policy model must also adopt a “Citation Schedule “of potential violations covered and must specify the fines that apply to those violations. Information about the Ethics Citation Program, including the Citation Schedule, will be provided as part of the information sent to potential complainants considering filing ethics complaints with the association.

Associations adopting this Citation Policy shall establish a Citation Panel, comprised of at least three (3) individuals, who will review complaints to determine eligibility for the citation program and the appropriate citations. It is recommended that the Citation Panel be a subset of the association's Professional Standards Committee, and that the individuals on the Citation Panel have a high level of experience in hearing professional standards cases.

Complaints must be filed within one hundred eighty (180) days after the facts constituting the matter complained of could have been known in the exercise of reasonable diligence or within one hundred eighty (180) days after the conclusion of the transaction or event, whichever is later. Any citation policy adopted by local or state associations after approval of this policy by the NAR Board of Directors cannot cite violations based on Articles or Standards of Practice other than those spelled out in this policy, cannot impose fines in excess of those in the policy, and cannot be utilized more frequently than provided for in this policy.

Initial Review by Grievance Committee and Citation Panel

- I. When a Grievance Committee receives a written ethics complaint, it will review the complaint consistent with Sections 19 and 20 of the current NAR *Code of Ethics and Arbitration Manual*. The Grievance Committee may add or delete articles or respondents at this stage in the proceedings.
- II. If the Grievance Committee determines that the complaint should be forwarded for a hearing, the Grievance Committee will first forward the complaint to the Association's Citation Panel to determine if it includes allegations covered by the Citation Schedule, i.e., if it is a "citable offense".
 - A. If the complaint does not include alleged violations included in the Citation Schedule, or it includes some covered by the Citation Schedule and some that are not, the complaint shall be referred to the Professional Standards Committee for hearing consistent with the policies and procedures set forth in the *Code of Ethics and Arbitration Manual* for ethics hearings.
 - B. If the complaint includes *only* allegations of violations included in the Citation Schedule, the Citation Panel will issue a citation and impose discipline consistent with the association's Citation Schedule. In the event the members of the Citation Panel determine the conduct described in the complaint is sufficiently egregious to warrant a hearing rather than a citation, the complaint shall be referred to the Professional Standards Committee for hearing consistent with the policies and procedures set forth in the *Code of Ethics and Arbitration Manual* for ethics hearings.
 - C. When an Ethics Complaint and an Arbitration request arising out of the same facts and circumstances are filed at the same time, the arbitration hearing shall be held first, and the citation(s) issued or ethics hearing held after the conclusion of the arbitration hearing consistent with Professional Standards Policy Statement #35, Separation of Ethics Complaint and Arbitration Request, Code of Ethics and Arbitration Manual.

Issuance of Citations

- I. Citations will be sent to respondents. A copy of the citation shall also be sent to the REALTOR® principal of respondents' office. If the respondent changes firms before or after the complaint is filed but before the citation is issued, both the former and current REALTOR® principal will receive a copy of the citation.
 - A. Staff will prepare a written summary of the complaint and the summary will be included with the citation to give the respondent sufficient information to understand the basis of the citation.

- B. *At the option of the association*, the complaint itself may be provided to the respondent, including the identity of the complainant. *Alternatively*, the complaint itself and the identity of the complainant may be kept confidential and unavailable to the respondent. The practice of the association should be established in advance and followed consistently. If an association has adopted the practice of allowing the identity of the complainant to be kept confidential, the complainant shall be advised when filing a complaint that their identity will not remain confidential should the respondent request a hearing.
- II. The respondent will have twenty (20) days from receipt of the citation to request a full due process hearing on the complaint.
- A. If the respondent does not reply within ten (10) days of receiving the citation, a notice shall be issued to the respondent reminding the respondent of the deadline for requesting a hearing.
- B. If the respondent accepts the citation, or if the respondent does not request a hearing within twenty (20) days of receipt of the citation, this shall be deemed to be a final resolution of the complaint, which shall not be appealable or subject to any further review.
- C. If the respondent accepts the citation, or if the respondent does not request a hearing within twenty (20) days of receipt of the citation, payment must be received by the association no later than 60 days (to be established by the association, but in any instance not more than five [5] days) after the date of acceptance or time period to request a hearing has elapsed.
1. The case will be deemed to be closed upon receipt of payment, and notice will be provided to the complainant that a citation has been issued and paid.
 2. Failure to pay the citation amount within 60 days (to be established by the association, but in any instance not more than five (5) days) after the date of acceptance or after the time period to request a hearing has expired will result in the automatic suspension of membership until the citation has been paid.
- D. If the respondent requests a hearing within the time specified, the complaint shall be referred for hearing. The complainant who initially filed the complaint shall be given the option to proceed as the complainant for the purposes of the hearing and will be afforded all due process rights provided for in the *Code of Ethics and Arbitration Manual*. Should the complainant be a member of the public who refuses or is unable to participate in the hearing, or should the complainant be a REALTOR® member who refuses or is unable to participate in the hearing, the provisions of Section 21(f)(3) in the NAR *Code of Ethics and Arbitration Manual* shall apply.

Limitations

- I. Any REALTOR® is limited in the number and type of citations that he/she may receive, according to the following rules:
- A. No more than two (2) citations will be issued to a member within a consecutive twelve (12) month period, starting on the date the first complaint was filed, at the same association.
- B. No more than three (3) citations will be issued to a member within a consecutive thirty-six (36) month period, starting on the date the first complaint was filed, at the same association.

- C. No additional citations are permitted where the cumulative fine for the citations issued would be more than \$5000 (not to exceed \$5,000) in any three (3) year period at the same association.
 - D. Associations may, at their discretion, adopt an escalating fine schedule for repeat citations. If an escalating fine schedule is used, the citation panel may only consider the past citations for the particular conduct alleged in the complaint.
- II. The fact that a respondent has previously been issued a citation for any violation – whether or not it was paid – shall not be admissible in any ethics or arbitration hearing, including a hearing to consider a complaint where the respondent rejected a citation and requested a hearing. A hearing panel may consider citations previously issued to the respondent for the purpose of determining appropriate discipline as provided in Subsection IV below.
 - III. Citations will not be considered in any publication of violations should such rules be adopted by the association.
 - IV. Where a hearing panel finds a violation of the Code of Ethics after a hearing, it may consider past citations in determining an appropriate sanction only if the citation was issued for the same violation at issue in the hearing. By way of example, if a citation was issued for failure to disclose a dual or variable rate commission under Standard of Practice 3-4, that citation could not be considered if a hearing panel later found a violation of Article 3 on some other grounds. Hearing panels will not be informed of past citations for other violations.
 - V. Association staff will track the number of citations issued, the number of citations paid, and the violations for which citations were issued. This information may be provided in the aggregate to the Board of Directors, but will not include details about the complaints, nor identify the complainants or respondents.
 - VI. The allegations, discussions, and decisions rendered in ethics mediation proceedings are confidential and shall not be reported or published by the board, any member of a tribunal, or any party under any circumstances except those established in the *Code of Ethics and Arbitration Manual* of the National Association as from time to time amended.

Model Citation Schedule of Fines

	Applicable Article and Standard of Practice	Fine	Ethics Training available in lieu of or in addition to fine?
Article 1			
Failure to fully disclose and obtain consent from both parties when representing both the seller/landlord and buyer/tenant in the same transaction	Article 1, supported by Standard of Practice 1-5		Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.

Failure to submit offers and counteroffers objectively and as quickly as possible	Article 1, supported by Standard of Practice 1-6		Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failure on the part of a listing broker to provide written affirmation that an offer was presented or written notification that the seller/landlord has waived the obligation to have the offer presented, upon written request of a cooperating broker submitting an offer.	Article 1, supported by Standard of Practice 1-7		Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failure to advise sellers/landlords of information specified in Standard of Practice 1-12 prior to entering into a listing contract	Article 1, supported by Standard of Practice 1-12		Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failure to advise buyers/tenants of information specified in Standard of Practice 1-13 prior to entering into a buyer/tenant agreement	Article 1, supported by Standard of Practice 1-13		Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Accessing or using, or allowing others to access or use, a property managed or listed on terms other than those authorized by the owner or seller	Article 1, supported by Standard of Practice 1-16		Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Article 3		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to disclose existence of dual or variable rate commission arrangements	Article 3, supported by Standard of Practice 3-4	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failure to disclose to cooperating brokers differential that would result in dual or variable rate	Article 3, supported by Standard of Practice 3-4	\$300	Completion of NAR Online Quadrennial Ethics or other course

commission arrangement if sale/lease results through efforts of seller/landlord			as defined by the Association within 60 days of the citation date.
Failing to disclose existence of accepted offers, including offers with unresolved contingencies, to cooperating brokers	Article 3, supported by Standard of Practice 3-6	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Article 4		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to disclose REALTOR®'s ownership or other interest in writing to the purchaser or their representative	Article 4 (second sentence)	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Article 5		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Providing professional services without disclosing REALTOR®'s present interest in property	Article 5 (limited to present interest, not contemplated)	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Article 6		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Accepting any commission, rebate, or profit on expenditures without client's knowledge or consent	Article 6 (first paragraph)	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.

Article 12		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to present a true picture in real estate communications and advertising	Article 12	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to disclose status as real estate professional in advertising and other representations	Article 12	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failure to disclose potential to obtain a benefit from third party when REALTOR® represents their services as “free” or without cost	Article 12, supported by Standard of Practice 12-2	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Advertising property for sale/lease without authority of owner or listing broker	Article 12, supported by Standard of Practice 12-4	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to disclose name of firm in advertisement for listed property	Article 12, supported by Standard of Practice 12-5	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to disclose status as both owner/landlord and REALTOR® or licensee when advertising property in which REALTOR® has ownership interest	Article 12, supported by Standard of Practice 12-6	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Falsely claiming to have “sold” property	Article 12, supported by Standard of Practice 12-7	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60

			days of the citation date.
Registering or using of deceptive URL or domain name	Article 12, supported by Standard of Practice 12-12	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Representing that the REALTOR® has a designation, certification, or other credential they are not entitled to use	Article 12, supported by Standard of Practice 12-13	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Article 14		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Failing to cooperate in a professional standards proceeding or investigation in circumstances when cooperation has been demanded by the association and association has advised REALTOR® failure to cooperate could result in an allegation of a violation of Article 14	Article 14	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Article 16		\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Conditioning submission of a buyer's offer on additional compensation from a listing broker	Article 16, supported by Standard of Practice 16-16	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60 days of the citation date.
Placing for sale/lease sign on property without permission of seller/landlord	Article 16, supported by Standard of Practice 16-19	\$300	Completion of NAR Online Quadrennial Ethics or other course as defined by the Association within 60

			days of the citation date.
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Second Offense – Fine of \$600 to be paid within 60 days of citation date.

Third offense – Fine of \$900 to be paid within 60 days of citation date.

Proof of completed Ethics training has to be submitted to the Association.

(3rd) ethics offense within 5 years, may be subject to suspension of membership.

NOTE: Associations may adopt all or some of the above citations. No additional citations may be added. Fines for each citable offense, as well as any possible training requirements, must be established in advance and should be followed consistently.

Associations, at their discretion, may adopt an escalating fine schedule for repeat citations and also may impose a training requirement in addition to or as an alternative to payment of a fine for any of the citable offenses adopted. If an escalating fine schedule is adopted, it may only be used in circumstances where citations are issued by the same association.

The amount of fine for any citation is at the option of the association, but aggregated fines levied against any member may not exceed \$5,000 in any three (3) year period. Amended 09/15

SECTION VI

Communications and Marketing Policies

Advertising Policy

Weekly Member Updates

The purpose of this communication, which is emailed to each member on a weekly basis, is to keep the members informed of upcoming meetings, educational offerings, events, member benefits, MLS news, and other issues affecting the Real Estate Industry. Specific member office events or specific member events are not published in this communication update. Events or information from outside companies are not published unless they are deemed to have direct value to the REALTOR® membership.

Website: The site is designed to assist our members in their day to day business tasks with information and application tools. It includes printable forms, education calendar and all real estate related information.

Advertising Policy

Electronic Voting and Policy and Procedure

The Association is allowed to conduct votes via electronic means if the following occurs:

1. The association's governing document allow for it,

Article XII – Meetings; Section 8 – Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means and;

2. Under F.S. §617.0821 if every member approves or agrees with the motion.

Procedure

1. All Board Members must have access to the necessary equipment for participation in the e-vote. (If any participants do not have access, an e-vote cannot be taken.)
2. The chair shall develop the time frame for the e-vote and state this in the e-vote. Such notice shall include the motion and supporting documentation for the e-vote. The notice shall include the disclaimer that any vote by a Board Member via email or other electronic means constitutes a waiver of that Board Member's right to participate in person.
3. The chair shall assign a number to the motion and shall include the number in the subject line. The subject line must include the word "Motion". The first line of the message must begin with "It is moved to (or that)". Each new main motion must be made in a separate, new e-mail message with no other message thread included.
4. Board Members shall use "Reply All" in all messages and votes.
5. The chair shall put the question to a vote by restating the pending question and requesting the members to vote now. The word "vote" shall be in the subject line. Members shall state, "I vote yes," or "I vote no" in the first line of the response. The secretary shall tally the votes and report the result of the vote to the participants, including the number of votes cast for and against the motion. The chair shall announce the results of the vote.
6. The chair shall either state the next pending motion and open debate or shall declare the thread on "Motion (number)" closed.
7. The secretary or committee member so designated, shall compile and maintain the complete thread of the motion and its disposition. The secretary shall prepare minutes of the vote and shall send the minutes marked "draft" to all the members. These minutes shall be approved at the next regular meeting.

Supra Policy

The Florida Gulf Coast Multiple Listing Service, Inc. will administer and maintain a Supra member database. Supra applications will be issued locally with initial lease documentation and contract online. Invoicing and technical support is handled by UTCFS Supra. For additional Rules regarding Supra please go to the Florida Gulf Coast Multiple Listing Service, Inc. Rules and Regulations page 124-127 Section 20.

(05/11)

In order to purchase a lockbox or lease a Supra e-Key a Broker or REALTOR® must be a subscriber to the Multiple Listing Service and an active Supra Key holder.

(6/05)

Section 20 Lock Box Security Requirements

Eligibility for coverage under NAR's blanket errors and omissions insurance program is contingent on compliance with the following security measures whether the system is operated by the association, its MLS, or on behalf of an association by a recognized lock box vendor:

1. Any key, programmer, application, or other device (hereinafter referred to as key) by which a lock box can be opened shall be non-duplicative. By non-duplicative it is not meant that the key is necessarily covered by a current patent but that it cannot be readily copied in the manner that other types of keys ordinarily are.
2. Keys must be obtained from the original manufacturer, from a recognized vendor of lock box systems or from any other legitimate source. Prior to utilizing previously used keys, lids, or boxes, information shall be obtained from the original manufacturer to determine whether the key's pattern, code, or configuration is already in use by other associations, multiple listing services, or other users in the vicinity. Surrounding associations and multiple listing services shall also be contacted to determine whether the key's pattern, code, or configuration is currently in use.
3. Any lock box system shall be designated as either an activity of an association of REALTOR®s or an association-owned and operated MLS.

If the lock box system is an activity of an association of REALTOR®s, then every REALTOR® and REALTOR®-ASSOCIATE and every non-principal broker, sales licensee and licensed or certified appraiser affiliated with a REALTOR®, shall be eligible to hold a key subject to their execution of a lease agreement with the association. *(Amended 11/96)*

If the lock box system is an activity of an association-owned and operated multiple listing service, then every MLS participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with an MLS participant and who is legally eligible for MLS access shall be eligible to hold a key subject to their execution of a lease agreement with the MLS.

Associations and multiple listing services may require, as a matter of local determination, that key lease agreements executed by non-principal brokers, sales licensees, and licensed or certified appraisers will be cosigned by the designated REALTOR® or the office's broker of record. Lease agreements shall spell out the responsibilities of the parties and shall incorporate by reference any applicable rules or regulations or other governing provisions of the association or MLS that relate to the operation of the lock box system. The lease agreement shall also provide that keys may not be used under any circumstances by anyone other than the keyholder except as provided elsewhere in this statement of policy. *(Amended 2/98)*

Associations and multiple listing services may, at their discretion, authorize unlicensed personal assistants, administrative and clerical staff, and individuals seeking licensure as real estate appraisers, who are under the direct supervision of a designated REALTOR®, or MLS participant, or their licensed designee, to hold a lock box key on the same terms and conditions as non-principal brokers and sales licensees. *(Adopted 11/93)*

Associations and multiple listing services may refuse to sell or lease lock box keys, may terminate existing key lease agreements, and may refuse to activate or reactivate any key held by an individual convicted of a felony or misdemeanor if the crime, in the determination of the association or MLS, relates to the real estate business or puts clients, customers, or other real estate professionals at risk.

Associations or multiple listing services may suspend the right of lock box keyholders to use lock box keys following their arrest and prior to their conviction for any felony or misdemeanor which, in the determination of the association or MLS, relates to the real estate business or which puts clients, customers, or other real estate professionals at risk.

Factors that can be considered in making such determinations include, but are not limited to:

- a) the nature and seriousness of the crime
- b) the relationship of the crime to the purposes for limiting lock box access
- c) the extent to which access (or continued access) might afford opportunities to engage in similar criminal activity
- d) the extent and nature of past criminal activity
- e) time since criminal activity was engaged in
- f) evidence of rehabilitation while incarcerated or following release and
- g) evidence of present fitness *(Adopted 11/99)*

Administration of a lock box system as an activity of an association of REALTOR®s may, at the discretion of the Association, be delegated to its multiple listing service.

No one shall be required to lease a key from the association except on a voluntary basis.

Associations and multiple listing services may, at their discretion, lease keys to affiliate members of associations who are actively engaged in a recognized field of real estate practice or in related

fields. In such instances, the lease agreement shall be signed by the keyholder and by a principal, partner, or corporate officer of the keyholder's firm. *(Amended 11/97)*

Key lease agreements may contain a liquidated damages provision to offset some or all of the costs in reestablishing the security of the system if it is determined that the security has been compromised through the negligence or fault of the keyholder. *(Amended 11/97)*

MLSs may, as a matter of local option, require placement of an MLS approved lock box on listed properties if any device giving access to real estate professionals and/or service providers is authorized by the seller and occupant and is placed on the property. The purpose of this requirement, if adopted by an MLS, is to ensure cooperating participants and subscribers have timely access to listed properties. Requiring that a lock box or other access device be "MLS-approved" does not limit the devices that satisfy the requirement to lock boxes leased or sold by an association or MLS. The MLS may require that the devices be submitted in advance for approval, and the access device may be any lock box or other access device that provides reasonable, timely access to listed property. The MLS also may revoke the approval and/or subject the participant to discipline if the device is used in a manner that fails to continue to satisfy this requirement.

4. Associations shall maintain current records as to all keys issued and in inventory. There shall be an audit, at least annually, of all keys, whether issued or in inventory. This requirement may be satisfied y or, alternatively, by receipt of a statement signed by the keyholder and the designated REALTOR[®] broker of record, or, in the case of an affiliate member, by a principal, partner, or corporate officer of the keyholder's firm, attesting that the key is currently in possession of the keyholder. This audit requirement does not apply to electronic lock box programmers which are sold or leased provided such devices may be deactivated within thirty (30) days. *(Amended 5/99)*

5. Associations shall require a substantial deposit from each keyholder in an amount that will establish an awareness of personal liability for such key. The initial deposit shall not be less than \$25 nor more than \$300.

If, at the time of inventory, a key is unaccounted for, or if a keyholder refuses or is unable to demonstrate that the key is within their physical control, then the key will be considered unaccounted for and any funds on deposit will be forfeited to the association.

Deposits for the key application which are leased but which can be deactivated within thirty (30) days may be required as a matter of local determination. *(Adopted 11/95)*

6. Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created specifically for the purpose.

7. Associations shall charge keyholders and their cosignatories with the joint obligation of immediately reporting lost, stolen, or otherwise unaccountable for keys to the association. Upon receipt of notice, the association shall take any steps deemed necessary to re-secure the system.

8. Associations shall adopt written, reasonable, and appropriate rules and procedures for administration of lock box systems, which may include appropriate fines, not to exceed \$5,000. Any issuing fees, recurring fees, or other administrative costs shall be established at the discretion of the association and set forth in the rules and procedures. All keyholders, whether association members or not, shall agree, as a condition of the key lease agreement, to be bound by the rules and procedures governing the operation of the lock box system.

9. Notwithstanding the foregoing, associations and multiple listing services may sell Supra Key applications to MLS participants and others eligible to hold lock box keys pursuant to these requirements provided that such devices may be deactivated, if necessary, within a reasonable period not to exceed thirty (30) days and that the participant has authorized the sale in writing. In the event electronic lock box programmers or keypads are sold or leased, a designated REALTOR® principal or an office's broker of record may purchase or lease additional programmers or keypads to be issued on a temporary basis to other keyholders in the same office in the event their programmer or keypad becomes non-functional outside normal business hours or under circumstances where a replacement programmer or keypad is not reasonably available from the issuing association or MLS. When a programmer or keypad is issued on a temporary basis, it shall be the responsibility of the REALTOR® principal or the broker of record to advise the association or MLS in writing that the Supra Key applications has been issued, to whom, and the date and time of issuance within forty-eight (48) hours. It shall also be the responsibility of the REALTOR® principal or the broker of record to advise the association or MLS in writing within forty-eight (48) hours after possession of the previously Supra Key applications has been reassumed. *(Adopted 4/)*

Section 21 Supra Keys – Security of Supra Key applications

It is necessary to maintain the security of each Key and Personal Identification Number (PIN) of each Key to prevent the use of the Key by unauthorized persons. Each party in possession of a Key, whether such Key is being actively used or not, shall abide by the following conditions:

Keep the Supra Key in such party's possession or in a safe place at all times;

Not to allow the PIN for the Supra Key to be displayed on or attached to the Supra Key for any purpose whatsoever or to be disclosed to any third party;

Not to lend the Supra Key to any other person or entity, or permit any other person or entity to use the Supra Key for any purpose whatsoever, whether or not such other person or entity is a real estate broker or salesperson;

Not to duplicate OR remove the Key to the property or allow any other person to do so;

Not to assign, transfer, or pledge the Supra Key;

Not to destroy, alter, modify, disassemble or tamper with the Supra Key, or property Key or knowingly or unknowingly allow anyone else to do so;

To the notify the ADMINISTRATOR immediately in writing, and in any event within 48 hours, of a loss or theft of the Supra Key, the device your Supra Key is installed on, or any Lockboxes, and of all circumstances surrounding such theft;

Complete and deliver to the ADMINISTRATOR a stolen Supra Key affidavit prior to and as a condition of the issuance of a replacement Supra Key;

Follow all additional security procedures as specified, and;

Safeguard the code for each Lockbox from all other individuals and entities, whether or not they are authorized users of the Service.

A SupraKey holder may not use the SupraKey to access an Electronic Lockbox without first calling the listing office to ascertain the availability of the property, schedule a showing, and obtain specific showing instruction from the listing office, unless instructed otherwise in writing by the listing broker. An appointment must be made whether the property is occupied or not.

NOTE: One appointment grants you one entrance. If you return to the property, you must have another appointment.

A fine of up to \$5,000.00 can be imposed and/or suspension of key.

Adopted and amended in compliance with mandatory policies established by the National Association of REALTORS® Board of Directors and coverage under the National Association's master professional liability insurance policy.

The Handbook on Multiple Listing Policy and Code of Ethics and Arbitration Manual is available on REALTOR.org the National Association of REALTORS® website.

SECTION VII_Records Retention Policy

Type of Record	Recommended Period in Years
Accident reports and claims	7
Basic Corporate Documents:	
Bylaws, Minutes, Charter	Permanently
Annual Financial Records and Sales Reports	
Correspondence:	
General	2
Legal	Permanently
Financial Documents:	
Accounting Journals, Ledgers	7
Account Receivable and Credit (not cash receipts)	2
Audits	Permanently
Billing and Cash Receipts Records	Until Federal and Tax Clearance
Canceled General Checks	6 to 10
Canceled Payroll Checks	3 to 6
Chart of Accounts	Permanently
Depreciation Schedules	Permanently
Financial Statement (monthly & quarterly)	2
Paychecks (canceled)	2
Insurance:	
Policies (expired)	3 (following expiration)
Other Records (claims, etc.)	Permanently
Copyrights	Permanently
Contracts and Leases (expired)	6 (following expiration)
Deeds	Permanently
Lawsuits (settled)	6 to 10 (following settlement)
Membership Applications	3
Payroll:	
Earnings	4
Payroll Register	4 to 6
Pension Information	Permanently
Personnel:	
Applications	3
Files (after termination)	1 (following termination)
Summary, History Card or Index	6
Postage Meter Book	1
Purchasing:	
Bids	7
Capital Equipment	6
Routine Items	3
RPAC Records Production:	
Orders	2
Operating Reports (monthly)	2
Operating (reports)	Permanently
Sales:	
Sales Order	2
Shipping Records	2