

ARLINGTON BOARD OF REALTORS®

Policies, Procedures and Operations Manual

2021

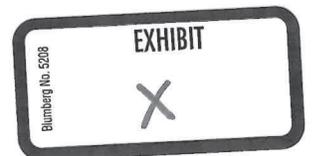


TABLE OF CONTENTS

VOLUNTEERS

Elected Officers
Board of Directors
Chairman
Chairman-Elect
Secretary/Treasurer
Executive Committee
NTREIS Director & NTREIS User Group Rep
President/Chief Exec Officer

COMMITTEE POLICIES

Standing Committees:

Budget & Finance
Bylaws
Capital Improvements and Investments
Multiple Listing Service ARBOR & Ellis Hill Chapter
Nominating
Property Advisory

Committees:

Affiliate
Awards
Chapter Committees
Community Service ARBOR & Ellis Hill Chapter
Communications
Diversity, Equity & Inclusion
Education
Leasing and Property Management
Governmental Affairs ARBOR & Ellis Hill Chapter
Special Events
TREPAC
YPN

GENERAL POLICIES, INFORMATION AND FORMS

- Conflicts of Interest
- Anti-Harassment Policy
- Social Media Policy
- Open Meeting Policy
- Board Events
- Event Sponsorship/Advertising
- Brokerage Fees
- Member Leave
- Use of Board Equipment/Facilities
- Broadcast Email
- Membership Lists/Labels
- TAR Leadership Endorsement
- CEO Replacement Policy

SEMINAR POLICIES

- Board Orientation
- MLS Orientation
- Orientation Waivers

MLS POLICY

- NTREIS Reciprocity
- LockBox System

TRAVEL POLICY

- General Policy
- Expense Reimbursement
- Transportation
- Chairman
- Chairman-Elect
- Secretary/Treasurer
- Secretary/Treasurer Elect

TAR Directors
NAR Directors
TAR Regional Vice President
TREPAC Trustee
ARBOR Staff
Committee Chairmen

ENTERTAINMENT

STATEMENT OF POLICY – GENERAL PROVISIONS

ADDENDUMS

Addendum A: Travel Expense Form
Addendum B: Conflicts of Interest
Addendum C: ARBOR Investment Policy
**Addendum D: Procedure for Implementing Notices
and Fines of MLS Violations and**
Addendum E: Key/Keybox Rules & Regulations
Addendum F: CEO Task Force Chair Guide

VOLUNTEERS

ELECTED OFFICERS

1. ARBOR Officers shall consist of a Chairman, Chairman-Elect and Secretary/Treasurer.
2. The term of office for each officer shall be for one year, beginning January 1 of the year following their election.

QUALIFICATION: See Bylaws, Article XI-Officers and Directors: Section 1 (c)

BOARD OF DIRECTORS

1. Represent the entire membership and serves as the governing body of the Arlington Board of REALTORS® as defined in the Bylaws.
2. Place the welfare of the total association membership ahead of personal or factional considerations.
3. Approve or disapprove all Committee Chairs and Vice Chairs as well as committee members of MLS, Grievance and Professional Standards as appointed by the Board Chair.
4. Administer the finances of the Board, including consideration, alteration, and approval of annual budget, supervision of distribution and investment of funds. They may delegate certain authority to the Capital Improvements and Investments Committee per the Investment Policy Addendum.
5. Attend Board functions to allow a steady flow of communication with membership.
6. Set directives for committees and taskforces. Approve or disapprove committee action motions.
7. Keep up to date on industry issues and trends.
8. Serve as final ratification body for membership, MLS issues and Professional Standards Matters.
9. Determine Board Policy and may delegate certain of its authority to the Executive Committee and CEO.
10. Serve as Strategic Planning body for the Board and shall meet annually to develop/monitor Strategic Plan.

Qualifications: See Bylaws, Article XI-Officers and Directors: Section 2 (c)

CHAIRMAN OF THE BOARD

1. Chief presiding officer and chairs the Board of Directors.
2. Presides at all membership meetings.
3. Serves as spokesperson for the Board and must keep informed on association projects, industry-related developments and state and national associations' policies.
4. Appoints all committee chairs and members of the MLS, Grievance, Professional Standards Committees, Texas REALTORS® Director and NTRIS Director. Chair shall also appoint a NTRIS User Group representative and an alternate. All appointments are subject to the approval of the Board of Directors. (Revised 6/02)
5. Nominates NAR Directors to Texas REALTORS® with the approval of the Board of Directors.

6. Appoints special committees or task forces with the approval of the Board of Directors.
7. Signs with the Secretary/Treasurer and or CEO, contracts, or other instruments, which the Board of Directors has authorized to be executed.
8. Shall be ex-officio member of all Board committees, except Nominating.
9. Shall represent the Board before other associations or groups as necessary.
10. Assists in executing the policies and programs approved by the Board of Directors.
11. Attends all Texas REALTORS® and NAR conventions whenever possible and as outlined in this manual.
12. Serves as Voting Delegate to Texas REALTORS®, NAR and NTRIS Shareholder Meetings.
13. The Chair shall not knowingly take a position contrary to a position of the Board of Directors.

CHAIRMAN-ELECT

1. Assists the Chair with duties as assigned from time to time and perform the duties of the Chair in his/her absence.
2. Following the annual election in October, the incoming Chair-Elect shall appoint the Vice-Chair of Committees with confirmation of the Board of Directors by the regularly scheduled November Board of Directors meeting.
3. Shall serve as Chair of the Executive Committee.
4. Shall represent the Board before other organizations when invited and with the approval of the Chair or the Board of Directors.
5. Shall assist in carrying out the policies and programs in ARBOR as approved by the Board of Directors.
6. Attends all Texas REALTORS® and NAR Conventions whenever possible; and as outlined in these Policies, Procedures and Operations Manual.
7. Such other duties as from time to time assigned by the Chair or the Board of Directors.
8. Serves as Alternate Voting Delegate to Texas REALTORS®, NAR and NTRIS Shareholder Meetings.
9. The Chair-Elect of the Board shall not knowingly take a position contrary to a position of the Board of Directors.

SECRETARY/TREASURER

1. Serves as Chair of the Budget and Finance Committee.
2. In cooperation with the CEO, prepares or causes to be prepared financial statements and Board audits.
3. Submits Board Financial statements to Executive Committee and Board of Directors at regular meetings of these groups.
4. Such other duties as from time to time assigned by the Chair of the Board of Directors.
5. Shall keep or cause to be kept minutes of meetings of the members and the Board of Directors in one or more books provided for that purpose.
6. Attends all Texas REALTORS® and NAR Conventions whenever possible; and as outlined in these Policies, Procedures and Operations Manual.

4. Tenure of the NTREIS Director and User Group Representative shall be defined by the NTREIS Bylaws.
5. There shall be no more than three absences from the NTREIS Board of Directors and NTREIS User Group, respectively. A fourth absence shall terminate their term and a new REALTOR® shall be appointed to serve the unexpired term. Impending absences should be noticed to the CEO as early as possible.

PRESIDENT/CHIEF EXECUTIVE OFFICER

1. Serves as Chief Executive Officer, responsible to the Board of Directors for the effective conduct of the affairs of the Board.
2. Recommends and participates in formulating Board mission, goals, objectives, and related policies.
3. Employs and may terminate the employment of members of the staff and fix their compensation within the approved budget.
4. Works closely with the Chairman and Board of Directors to ensure that the Board's goals are achieved.
5. Defines the duties of staff, supervise performance, compensation, and titles, and delegate those responsibilities of management as shall be in the best interest of the Board.
6. Shall serve without vote as an ex-officio member of the Executive Committee and Board of Directors.
7. The CEO shall not knowingly take a position contrary to a position of the Board of Directors.
8. Ensures that the Board of Directors is fully informed of association conditions and of all-important factors influencing them.
9. Executes contracts and commitments as authorized by the Board of Directors or within established policy.
10. Plans, promotes, and administers all official association meetings.
11. Is responsible for facility operation and maintenance.

COMMITTEE POLICY

Standing Committees: The Board Chair shall appoint from among the REALTOR® Members, Affiliate, Institute Affiliate, and Public Service Members, subject to confirmation by the Board of Directors, the following standing committees:

1. Budget and Finance
2. Bylaws
3. Capital Improvements and Investments
4. Multiple Listing Service ARBOR
5. Multiple Listing Service Ellis Hill Chapter
6. Nominating
7. Property Advisory

Committees: The Chairman shall also appoint from among the REALTOR® Members, Affiliate, Institute Affiliate and Public Service Members the following committees:

1. Affiliate
2. Awards Committee
3. Chapters Committees
4. Community Service ARBOR
5. Community Service Ellis Hill Chapter
6. Communications
7. Diversity, Equity & Inclusion
8. Education
9. Leasing and Property Management
10. Governmental Affairs ARBOR
11. Governmental Affairs Ells Hill Chapter
12. Special Events
13. TREPAC
14. YPN

(c) Special Committees: The Board Chair shall appoint, subject to confirmation by the Board of Directors, special committees or task forces as deemed necessary. (Amended 10/19)

PURPOSE

To establish a standard by which key volunteer appointments are affected; to lend continuity to the annual volunteer appointment system.

This policy is outlined in three sections: Committee Chair, Vice Chair and committee member appointments.

CHAIR

First consideration will be given to those serving as Committee Vice-Chair the previous year. Therefore, the incoming Chairman of the Board should be able to propose the list of Committee Chairmen for approval to the Board of Directors at the regularly scheduled **October** Directors' meeting.

VICE-CHAIR

The incoming Chair-Elect of the Board shall provide a list of Committee Vice-Chair, except Special Events, to the incoming Chair of the Board for consideration for appointment to those positions. These appointments will normally be filled by those persons the Chair-Elect reasonably expects to nominate for the position of Committee Chair the following year.

SPECIAL EVENTS VICE-CHAIR

The incoming Secretary/Treasurer shall provide a name to the incoming Chair of the Board for consideration for appointment to this position. This appointment will normally be filled by

that person the Secretary/Treasurer reasonably expects to nominate for the position of Committee Chair during their Chair-Elect year.

GENERAL

By accepting the appointment of Chair or Vice-Chair, the member agrees to complete a course of instruction to be held prior to assuming the office on the goals and objectives of the Arlington Board of REALTORS® and the responsibilities of committee leaders.

No member may serve as Chair of more than one standing committee at one time.

MEETINGS

Each committee shall hold a planning session for the coming year. The President/CEO shall work closely with the committees in determining the Agenda; which shall include preliminary program development and scheduling, as well as any budgetary requests for the coming year.

Other meetings shall be held on an as-needed basis. A quorum consists of committee members present.

STANDING COMMITTEES

1. BUDGET AND FINANCE

Reviews the budget and expenditures of the preceding year and recommends to the Board of Directors the budget for the coming year. Consults with the Board of Directors as needed on fiscal matters during the year.

Composition

This committee shall be under the chairmanship of the Secretary/Treasurer and shall be composed of the Chairman and eight (8) members, appointed by the Chairman of the Board, subject to confirmation of the Board of Directors as follows: a minimum of two (2) Members selected from the Board of Directors and four (4) REALTORS Members. Members shall serve two-year staggered terms. (revised 09/08)

2. BYLAWS COMMITTEE

Reviews the Bylaws of the Association and proposes changes for compliance with NAR's Model Bylaws, and changes proposed by the Board of Directors. The Committee also monitors the Policy and Procedures Manual to maintain compliance with polices as directed by the Board of Directors.

Composition

The Chairman of the Committee shall be appointed annually by the Chairman of the Board, subject to confirmation by the Board of Directors. The majority of the committee should consist of past and present officers and directors and REALTOR® members.

3. CAPITAL IMPROVEMENTS AND INVESTMENTS

This committee shall periodically review ARBOR's financial situation and make changes in the best interest of ARBOR. It shall follow the Investment Policy approved by the Board of Directors and keep the Board of Directors informed of any changes in investments.

Composition

The committee shall consist of a Chair, the Board Secretary-Treasurer, a minimum of 3 additional REALTOR® members and any member deemed qualified by the Chair of the Board. The members shall be appointed by the Chair of the Board subject to confirmation of the Board of Directors.

4. MULTIPLE LISTING SERVICE (MLS) ARBOR AND/OR ELLIS HILL

Supervises the operation of the MLS and enforces the Rules and Regulations of NTREIS and the policy of the National Association of REALTORS. Works closely with NTREIS. Responds to directives from the Board of Directors for items that should be included in NTREIS Rules and Regulations. Recommends approval of MLS waivers.

Composition

The ARBOR MLS Committee is composed of the Chairman, NTREIS Director, NTREIS User Group appointee, and fifteen (15) REALTOR® members. The Ellis Hill MLS committee is composed of five (5) REALTOR® members. All Committee Members shall be active users of the Multiple Listing Service. The members serve a three (3) year term. Not more than three (3) REALTOR® members from any one firm shall serve on the Committee simultaneously. Appointments are made by the Chairman of the Board, subject to the approval of the Board of Directors. Any committee member who transfers to another firm which already has 3 committee members may remain on the committee until the annual year of ARBOR is complete, at which time the incoming Chairman shall appoint another representative.

5. NOMINATING

The duties of this committee are described in Article XI, Section 3 of the ARBOR Bylaws.

Composition

Described in Article XI, Section 3 (a) of the ARBOR Bylaws.

6. PROPERTY ADVISORY COMMITTEE:

Review and advise on updates, modifications and maintenance over Real Property held by ARBOR. (Revised 08/21)

Composition

Chairman appointed committee members. Min. of 7. Meet a minimum semi-annually.

7. AFFILIATE

Industry professionals related to the real estate transaction and those who have an interest in the challenges of the real estate transaction meet to discuss industry issues and provide solutions to those issues. The forum provides orientation, education programs, mentoring, speaking services and much more.

Composition: Membership is unlimited and intended for affiliate members.
(Amended 10/19)

8. AWARDS COMMITTEE

Meets the first week in November and selects, from membership nominations, according to Board's eligibility requirements (emphasizing outstanding accomplishments in the real estate profession, service to community and unusual service to fellow REALTORS®) the REALTOR® of the Year, Rookie of the Year and Affiliate of the Year awardees. The Edgar Bird Award recipient will be selected by the Edgar Bird Subcommittee. No member is eligible to receive the Edgar Bird Award or Rookie of the Year Award more than one time.

In October of each year the Chairman shall solicit nominations from the membership for the Edgar Bird, REALTOR® of the Year, Rookie of the Year and Affiliate of the Year awards. Nominations must be returned to the Board Office by November 1.

Award Committee members wishing to nominate a member for an award must do so by November 1, using the Nomination Form. Awards presentation is part of the annual Installation event. Nomination forms / eligibility requirements are:

1. sent to Brokers
2. promoted to all members by email, luncheon handouts and on ARBOR Website.

*** The Fleetwood Newberry Meritorious Service Award may be presented each year by the Chairman to a REALTOR® member who has assisted the Chairman during his term. This award is not intended for staff members.

Composition

The Awards Committee is chaired by the previous years' recipient of the REALTOR® of the Year award. Other committee members include recipients of the Edgar Bird, Rookie and Affiliate of the Year Award and five (5) long-standing Board members. Committee members will be selected by the Chair of the Board whose term coincides with the service to be recognized.

The Edgar Bird Subcommittee will consist of past Edgar Bird Award recipients. The Chair will be the most recent Edgar Bird Award recipient willing to serve. The Edgar Bird Subcommittee will select from those members nominated by the membership by November 1, the Edgar Bird Award winner. Subcommittee members wishing to nominate a member for the Edgar Bird Award must do so by November 1, using the Nomination Form. The Edgar Bird Subcommittee may, each year, nominate to the Executive Committee candidates for the Meritorious Tenure Life-Time Membership

ROOKIE OF THE YEAR CRITERIA

This recognition is designated to honor a REALTOR® who is new to the real estate profession. Requirements for nomination are: REALTOR® member for no more than 18 months, enthusiastic and cooperative attitude, participation in the Arlington Board of REALTORS® committees and events, ability to use time wisely and overall sales production

NOTE: ARBOR Staff will contact the person nominating and the nominee's Broker/Manager for supporting documentation. In addition, a letter of recommendation would be most helpful to the Awards Committee. The Committee feels that "honor seeks the candidate," not the reverse. Therefore, politicking and campaigning are strongly discouraged

REALTOR® OF THE YEAR CRITERIA

This Award is presented to an Arlington REALTOR® for their exemplary efforts in improving and supporting the REALTOR® organization, the real estate profession and their community. Consideration should be given to the following: Board involvement, community involvement, National and State REALTOR® involvement and other accomplishments in real estate or community.

NOTE: ARBOR Staff will contact the person nominating and the nominee's Broker/Manager for supporting documentation. In addition, a letter of recommendation would be most helpful to the Awards Committee. The Committee feels that "honor seeks the candidate," not the reverse. Therefore, politicking and campaigning are strongly discouraged.

EDGAR BIRD AWARD CRITERIA

The purpose of this award is to recognize a REALTOR® who has achieved long and continuing membership in the Arlington Board of REALTORS®, enduring dedication to goals and ideals of the REALTOR® for 10 years continuous membership in the Arlington Board of REALTORS® including 5 year service on a standing committee, or as a Board Officer or Director.

NOTE: ARBOR Staff will contact the person nominating and the nominee's Broker/Manager for supporting documentation. In addition, a letter of recommendation would be most helpful to the Awards Committee. The Committee feels that "honor seeks the candidate" not the reverse. Therefore, politicking and campaigning are strongly discouraged.

AFFILIATE OF THE YEAR CRITERIA

This award is designed to recognize one of our Affiliate members for their leadership, support, and contributions to the betterment of the Arlington Board of REALTORS®. The requirements are: member in good standing, active in committee work, consistently present at Board activities, willingness to devote their time and talents.

NOTE: ARBOR Staff will contact the person nominating and the nominee's Broker/Manager for supporting documentation. In addition, a letter of recommendation would be most helpful to the Awards Committee. The Committee feels that "honor seeks the candidate," not the reverse. Therefore, politicking and campaigning are strongly discouraged.

9. CHAPTERS COMMITTEE

Composition

10. COMMUNITY SERVICE ARBOR AND/OR ELLIS HILL

Plans and coordinates services and projects to benefit the community as directed or approved by the Board of Directors.

Composition Membership is unlimited.

11. COMMUNICATION COMMITTEE

The Communication Committee is a group of creatively inspired members promoting the REALTOR® Brand to its members and the public. (Revised 08/21)

Composition Membership is unlimited, Monthly Meetings.

12. DIVERSITY, EQUITY & INCLUSION (DEI) COMMITTEE

Mission Statement: We embrace an atmosphere, that recognizes, includes, and celebrates the individuality of our members to strengthen ARBOR, its voice, and the communities we serve. (Revised 08/21)

Composition Membership is Unlimited, Monthly Meetings.

13. EDUCATION

The Committee provides informational courses for ARBOR membership with the goal of a minimum of 4 courses each year.

- First consideration will be given to those courses with either no fees or nominal fees for the course and/or instructor. The fees for any will be paid by course attendees.
- Courses will be an informational format, not MCE or SAE.
- Courses will be between one and four hours in length.
- Courses will be open to ARBOR membership. Nonmember's attendance will be allowed with the approval of the Education Committee.
- Course sponsorship will be with Education Committee approval.

- Advertising will be the responsibility of the Education Committee with Staff assistance.
- A member of the Education Committee will attend each course to announce the course, introduce the instructor, to monitor and receive feedback as to the relevance of the course.

The Education Committee will oversee the annual Scholarship Awards.

- A ten-member subcommittee will be selected by the Chairman.
- All references to applicant's name, parent's or sibling's name, and address will be removed from the application prior to review by the Sub Committee.
- The Sub Committee will review and score each application. The scoring will be:
 - 1-5 points for Essay
 - 1-5 points for Transcript
 - 1-5 points for Community Involvement
 - 1-5 points for Financial Need
 - 1-5 points for Extra
- The three applicants with the highest combined scores will be presented to the Board of Directors for approval.
- The recipients and their parents will be invited to the next REALTORS® breakfast or lunch.

Composition Membership is unlimited, meets monthly.

14. LEASING AND PROPERTY MANAGEMENT

Keep the Arlington Board of REALTORS® informed on issues affecting the Board members. Identify trends and needs in the areas of education, (including property investment and financial analysis), management practices, state and local regulations, legislative, legal, public relations, and technology, and make recommendations concerning appropriate TAR action in these areas.

Composition Membership is Unlimited. Meets as needed.

15. GOVERNMENTAL AFFAIRS ARBOR AND/OR ELLIS HILL CHAPTER

Maintains an awareness of all matters having an impact upon the ownership of private property rights and suggest appropriate positions, measure and actions to the Board of Directors. Ensure that the general membership is aware of all legislation affecting the real estate profession and promote real estate and Board issues in the legislative process. Establish and mobilize calls to action and issues mobilization. Provide information on legislative issues and affairs to the Chairman and the Board of Directors. Conduct local candidate interviews and inform the membership of the interview schedule. Make recommendations to the Board of Directors regarding endorsements and contributions. All recommendations for funds from TREPAC require a 2/3 vote by the Board of Directors.

Composition Membership is unlimited. The Chairman of the ARBOR Governmental Affairs will serve as a member of the Texas REALTORS® Legislative Committee.

the Chairman, that individual is precluded from participating in the investigation and disciplinary action and shall be replaced by the Association's Chairman-elect or Chief Executive Officer.

NO RETALIATION

No one will be subject to, and the Association prohibits, any form of discipline, reprisal, intimidation, or retaliation for good faith reporting of incidents of harassment of any kind, pursuing any harassment claim or cooperating in related investigations.

VIOLATIONS

Any Association staff, Association volunteer leader, or Association member, regardless of position or title, who has subjected an individual to harassment or retaliation in violation of this policy, will be subject to discipline, up to and including termination of employment (for Association staff) or removal from any office or committee position the Association volunteer leader holds. A violation of this policy may be a factor in determining an Association member's fitness for future Association volunteer leader positions.

APPEAL PROCESS

Association staff found in violation will have a right to appeal the decision to the Association's CEO. Any Association volunteer leader or Association member found in violation will have a right to appeal the decision to the Association's Board of Directors. A written request for appeal must be submitted no more than thirty (30) days after the individual receives notice of a violation of this policy.

The Association's Legal Counsel is responsible for the administration of this policy. If you have any questions regarding this policy or questions about harassment that are not addressed in this policy, please contact the Association's General Counsel.
(Amended 10/19)

ARBOR SOCIAL MEDIA POLICY

The Arlington Board of REALTORS® supports the use of social media as a means to facilitate communication. The responsible use of social media by ARBOR employees can be both a beneficial and effective way to communicate with our members. The following guide serves as ARBOR expectations for volunteer leaders and employees.

AUTHORIZATION FOR AN ARBOR SOCIAL MEDIA ACCOUNT

All ARBOR online social media accounts, current and future, must be authorized. Each social media account will be approved by the CEO or the Executive Assistant. Any existing sites or pages that represent ARBOR are subject to review by ARBOR IT staff, the Executive Assistant or the CEO.

SOCIAL MEDIA CONTENT

All ARBOR-authorized social media accounts must follow the REALTOR® Code of Ethics, and Board policy. Online behavior should reflect the same standards of a PROFESSIONAL REALTOR®. All content that is illegal, obscene, pornographic, defamatory, threatening, infringing of intellectual property rights, invasive of privacy, profane, libelous, threatening, harassing, abusive, hateful or embarrassing to any person or entity, inhospitable to a reasonable work environment, or otherwise injurious or objectionable, violates law, policy, or these guidelines is unacceptable and may be removed. Respect copyright and fair use guidelines. See U.S. Copyright Office - Fair Use.

EMPLOYEE AND ACCOUNT ADMINISTRATOR RESPONSIBILITIES

All ARBOR employees need to be aware of their responsibilities concerning their personal social media accounts and will be held accountable for content on their social media accounts. Be sure to include a disclaimer stating that the information is unofficial and representative of your views and opinions, and not necessarily the views and opinions of the Arlington Board of REALTORS®.

The account administrator of an ARBOR-authorized account should ensure that content is consistently updated. Dormant accounts will be removed.

GENERAL INFORMATION

Use of the ARBOR Logos must be requested and approved through the CEO.

The Board does not endorse or take responsibility for content posted by third parties.

The Board does not permit explicit or implied institutional endorsements of any kind through the use of its names, trademarks, logos or images - including pictures of our building.

The Arlington Board of REALTORS® does not pre-screen posted content, but it shall have the right to remove content with cause. (Amended 10/19)

OPEN MEETING POLICY

Meetings of the Arlington Board of REALTORS® are open to all members, *except for Grievance Committee meetings (when cases are being reviewed) and Professional Standards Hearings*. Meetings of the Board of Directors are open, and members are welcome to attend subject to space limitations. However, the Chairman may declare an Executive Session at any time and guests will be excused. Guests wishing to speak to a specific issue at the Directors meeting should register with the CEO prior to the call to order. If a guest does not register for a specific agenda item, their input will be at the discretion of the Chairman of the Board.

BOARD EVENTS

Attendance at ARBOR Free Seminars/Events

Attendees will be charged a "no show" fee of \$25 for all ARBOR free events if cancellation notice is not received 48 hours prior to the event.

EVENT SPONSORSHIP/ADVERTISING

Advertisers will be accepted by ARBOR for membership events. ARBOR Affiliate Members will be given priority of sponsorship. These sponsors/advertisers may be any ARBOR Affiliate or REALTOR® firm and the sponsor/advertiser will be given recognition in the publicity for the event and where feasible given the opportunity to make brief remarks during the event. In the case of REALTOR® firms, the primary purpose of the sponsorship shall not be promotion of their services, franchise or other features of their business. (Amended 10/19)

BOARD MEMORIAL CONTRIBUTIONS

The Board will contribute a \$100 memorial to the charity of the family's choice or to the Arlington Board of REALTORS® Community Service Foundation for any Past President/Chairman, current Director, or their immediate family. (Spouse, brother, sister, father, mother, children, stepchildren, grandchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law; and same members of step family, and any member of the ARBOR Staff household) (Amended 10/19)

BROKERAGE FEES

ARBOR'S policy is to comply fully with all applicable antitrust laws of the State of Texas and the United States. In this regard, the following policy guidelines are provided: ARBOR does not fix, establish, suggest, maintain, or recommend to its members any rate or amount of commission. ARBOR does not fix, establish, suggest, maintain, or recommend to its members the division of commission on cooperative real estate transactions. ARBOR does not keep any records of member's commission and/or division of commission. ARBOR'S Multiple Listing Service will accept all listings properly submitted, regardless of the commission and/or division of commission.

MEMBER LEAVE POLICY

The Board of Directors may grant a medical or family leave to a Member/Participant or subscriber upon broker's written statement and suspend MLS and Key Fees and service for the duration of the leave of absence. Leave of absence is to be reviewed quarterly. During the granted leave of absence, the Member must agree not to participate in any real estate transaction. Violation of this agreement could result in the assessment of the suspended fee, and reinstatement fee not to exceed REALTOR® initiation fee. The broker and member will be notified of the Board of Directors decision.

FINANCIAL SOLVENCY CORE STANDARDS

In Compliance with NAR's Core Standards, the Arlington Board of REALTORS® will have an annual audit or a review conducted by a CPA.

FORFEITURE POLICY

The Arlington Board of REALTORS® maintains detailed records of overpayments, account credits, and prepaid dues. Amounts not utilized within two years of the date paid will be forfeited to ARBOR's General Fund.

USE OF BOARD EQUIPMENT/FACILITIES

1. Brokers using facilities without any rent
 - a. Use the facilities once a month during business hour (when space available).
 - b. Brokers are responsible for letting ARBOR staff know if you're not going to be here for one of your scheduled meeting times.

 - c. Nothing is to be attached to the walls, no red punch, kool-Aid or any drink that contains red dye.

 - d. No glitter.

2. Brokers are responsible for clean-up after the event or be subject to a clean-up fee of \$100.
 - a. Empty all trash cans and put in clean liners, take all trash out to the dumpster. (Be sure to close the big doors)

 - b. Clean off and wash down all the tables. Pick up all the trash around tables and chairs. (You may need to use the vacuum cleaner around the tables).

 - c. Remove all food (do not leave food in the refrigerator or on the table in the kitchen).

3. Meetings are limited to 2 hours.

4. If technology is needed, please inform staff as early as possible.

5. If the tables and chairs are moved, they must be replaced. You must have two people to take down and put up each brown table.

6. Please let staff know when you are leaving and if there is anything that needs to be replaced. (Amended 10/19)

BROADCAST EMAIL

For this policy, Broadcast emails are those sent to the ARBOR members or Affiliates Listserv data base.

REALTOR®- ARBOR will not forward or send out emails from REALTORS® for events initiated by REALTORS® that are non- ARBOR sponsored events. Upon request, these events may be placed in the ARBOR UPDATE in a section designated for member events.

AFFILIATE MEMBERS

ARBOR will send one (1) email per Affiliate initiated event provided it is a benefit (social or educational) to the membership. The event will be in the ARBOR UPDATE two weeks preceding the event, provided ARBOR receives the information by Noon on Thursday prior to the ARBOR UPDATE being published. ARBOR will not market competing CE class by Email or in the Update.

Non-Members- ARBOR will not send emails from non-member individuals or businesses. ARBOR will forward at the CEO's discretion, civic, government & charities - ARBOR will send emails announcing events for any of these groups at the CEO's discretion.

ARBOR will forward at the CEO's discretion, emails from NAR, TAR, NTREIS and other real estate associations.

ARBOR will offer a service of emailing to the membership, broker open house luncheons for MLS listings at a fee of \$25.00 per open house for ARBOR members and a fee of \$35.00 per open house for non-member REALTORS®. Information to be received at the board by noon Monday the week of the open house and the email will be sent on Tuesday.

MEMBERSHIP LISTS

All requests for Membership mailing labels or rosters must be approved by the CEO. The Board of Directors must approve all requests for mail lists by non-members of the ARBOR. Any Member may have his name removed from mail lists requested by providing written notice to the ARBOR. The ARBOR shall only provide mail lists from the system that EXCLUDE these members. *Definition: The roster is a list of members of ARBOR. It is generally a one line print out of all Members, company, and phone number. It shall be provided upon request to any Member of the Board annually at no cost. Additional copies may be requested for the cost of duplicating.

Texas REALTORS® LEADERSHIP ENDORSEMENT

Should the Board of Directors make an endorsement for TAR Officer, the endorsement of a candidate shall be made after the TAR Conference. Any ARBOR Officer or ARBOR Director serving on a candidate's steering committee may make a statement for the candidate but will be excused from the Board Room during discussion and voting on that endorsement. Endorsements will be decided by written ballot. (Amended 10/19)

CHIEF EXECUTIVE OFFICER – REPLACEMENT POLICY

If the Chief Executive Officer (CEO) position becomes vacant or is forecast to become vacant:

1. The Chairman will appoint a Task Force Chair, subject to Board approval, to search for viable candidates to fill the CEO position.

2. The Chairman will choose four (4) members, two (2) of which must be Past Chairman, all of which are approved by the BOD to serve on the task force.
approved by the BOD to serve.
2. In addition, the Chairman will choose two (2) members of the Executive Committee to serve on this task force.

Note: It is recommended that the Chairman of the Board and the current CEO should not serve on the search Task Force.

THE DUTIES OF THE TASK FORCE WILL BE TO

1. Develop or modify the job description for the position.
2. Develop criteria/qualifications that the candidate(s) must meet.
3. Hire a consultant. (Texas REALTORS® or NAR can recommend one.)
4. Post the job description and qualifications on ARBOR's, TAR and NAR website with a deadline for responses of not less than 30 days. They should also post the opening externally (Indeed, Linked in) as deemed appropriate by the Task Force.
5. Conduct interviews of qualified candidates.
6. Make an offer to the viable candidate, including but not limited to salary, start date and relocation expenses the candidate must be apprised that the offer is subject to Board approval.
7. Present the final candidate's credentials and qualifications to the Board for approval; the Board must approve the selection by a two-thirds majority. All votes on a replacement CEO will be by written ballot.

EXECUTIVE COMMITTEE

If the CEO position becomes vacant prior to a new CEO being hired, the Executive Committee may recommend an interim CEO to the Board of Directors. The interim CEO must be approved by a two-thirds majority vote of the Board. All votes on interim CEO will be by written ballot.

CONFLICTS OF INTEREST

Any Board member or Board member who is related to an applicant for the CEO position must resign his or her seat on the Board before the application is made.

SEMINAR POLICIES

BOARD ORIENTATION

Applicants for REALTOR® membership are required to complete an Orientation Course as outlined in Article V of the Bylaws of the ARBOR, with further explanation as follows:

Secondary or Dual classification of membership or applicant transferring REALTOR® membership from another member board shall be waived this requirement upon written certification from the other member board stating applicant

1. Is a Member in good standing.
2. (The date) completed Board's required orientation course.

TRANSFERRING REALTOR MEMBERSHIP (Board to Board) shall waive this requirement upon written certification from the other Member Board stating.

1. (The date) Member resigned or terminated from Board.
2. (The date) completed Board's required orientation course.
3. Was a Member in good standing.

A former REALTOR® or Secondary Member, who reapplies for membership, after having resigned or been terminated from the Board for one year or more, is required to complete orientation course as a condition of board membership.

TRANSFERRING REALTOR® (Board to Board) who applies for membership and provides written certification from the other Board will be waived the Orientation Course if the applicant files for membership prior to one year from the date of resignation or termination from the other Board. Applicant shall complete MLS orientation, if applicable. There shall be no exceptions.

MLS ORIENTATION

MLS Orientation is not required but recommended in accordance with Article XVIII of the Bylaws of the ARBOR. Agents affiliated with a Multiple Listing Service Secondary (Principal), who has been provided a MLS dues waiver from Board Membership, shall provide ARBOR with a certification from the primary Board as a Member in good standing, and is not required to attend the MLS Orientation Course or acknowledge receipt of ARBOR MLS Policies and Procedures.

ORIENTATION WAIVERS

A former REALTOR® or former Secondary Member who reapplies for membership prior to one (1) year from date of resignation or termination from the Board will be waived the Orientation Course as a condition of Board membership PROVIDED the applicant's reapplication for membership was not conditioned by the Board of Directors at the time of resignation or termination.

MLS POLICIES

See ARBOR Bylaws, Section XVIII-Multiple Listing, Section 1, Authority and MLS Fines and Fees – Addendum D

NTREIS MLS FEE RECIPROCITY

If an agent transferring to ARBOR has paid MLS fees for the current quarter to another association participating in NTREIS, ARBOR will not charge an MLS Fee to that agent for the current quarter. Transferring agent will pay MLS fees for subsequent quarters.

LOCKBOX SYSTEM

The ARBOR lockbox system is an MLS service.

Arlington Board of REALTORS® KeyBox System Rules and Regulations-Addendum E

TRAVEL POLICY**TRANSPORTATION**

AIR Commercial air travel is reimbursed at the coach-class rate. Sixty-day advance purchase should be made whenever possible to take advantage of lowest fares. Business use of frequent flyer miles (or any other type of airline rewards program) or vouchers is not reimbursable.

CURBSIDE BAGGAGE handling fees are reimbursed at the actual cost, plus \$1 per bag/box for a tip. The cost for bags/boxes exceeding weight limit or number of bag limit will not be reimbursed.

LIMO/TAXI/BUS Actual cost is reimbursed, and receipts must be provided. Tipping for taxi/limo shall not exceed 15% of the actual fare plus an additional \$0.50 per bag/box.

PERSONAL AUTO The owner of the vehicle that is used will be reimbursed at the IRS allowable rate per mile. The number of miles driven must be stated. The allowable rate per mile changes periodically and is indicated on the expense-reimbursement form. Personal auto mileage is reimbursable only when other modes of transportation are unobtainable, or when personal auto use is less expensive than other modes.

PARKING/TOLLS Actual cost is reimbursed. Receipts should be provided when possible and are required for any amount over \$75. Reimbursement for parking is limited to self-parking options unless no self-parking is available. If valet parking is utilized where self-parking is otherwise available, reimbursement will be based on the available self-parking option.

RENTAL CAR Rental cars are reimbursable only when other modes of transportation are unobtainable or more expensive.

LODGING

ARBOR LIMIT The actual cost of the room is reimbursable. When the Texas REALTORS® or the National Association of REALTORS® negotiates a special rate at a stated facility, the reimbursement will be limited to the negotiated rate. Should you choose to stay at a different facility, the limit of the reimbursement will be based on the Texas REALTORS®/NAR negotiated rate at the stated Texas REALTORS®/NAR facility. If you choose to stay at a different facility, it will be your responsibility to cancel the reservation that the Arlington Board of REALTORS® has made for you at the original facility to ensure reimbursement. When direct billing of lodging expenses to ARBOR has been arranged, non-reimbursable expenses are considered your responsibility and should be settled with the facility at check-out. If expenses are reimbursable, receipts should be attached to the expense report. If no receipts for lodging expenses are attached, reimbursement will fall within the IRS per diem limit for date and location of travel.

TIPPING For a maid, \$1-\$3 per day per room is reimbursable. For a bellhop or doorman, \$1 per bag is reimbursable.

IRS limit: Without receipts, the maximum IRS lodging per diem limit for the respective date and travel location will be reimbursed.

Note: Overnight lodging is not paid when the first meeting starts at or after 10 a.m. and the last meeting adjourns by 4 p.m., unless travel time exceeds three hours one way or commercial travel modes will not accommodate the meeting's start or end time.

Exceptions to this policy are subject to approval prior to incurring the expense.

Personal expenditures are not reimbursable. Personal expenditures include but are not limited to:

1. Entertainment such as in-room movies or tours or any other non-business functions
2. Books or magazines
3. Barber or beautician services
4. Golf fees
5. Spa services
6. Fitness center fees
7. Mini-bar or bottled water

MEALS

ARBOR LIMIT The maximum daily limit including tips for meals is \$75, provided receipts are attached. Without receipts, the reimbursement will be at the current IRS allowable rate. The name of each person and the purpose of the business meal must be written on the receipt.

TIPPING If dining at a restaurant the maximum reimbursable tip is 17% of the bill, while for room service, the maximum is 15% of the bill. IRS limit: Without receipts, the maximum IRS meal per diem limit for the respective date and travel location will be reimbursed.

Communication

TELEPHONE All Arlington board of REALTORS® -related calls or fax transmissions are reimbursed based on actual charges.

INTERNET Internet-access charges are reimbursed based on actual cost.

GENERAL NOTE

All expenses are strictly based on the number of days the individual must be in attendance. If a person chooses to arrive early or remain after the conclusion of a meeting, all additional expenses (lodging, meals, etc.) will be paid by the individual.

ARBOR EVENTS The highest-ranking volunteer officer to attend an ARBOR event will attend compliments of ARBOR.

TEXAS HILL VISIT During years that the Texas Legislature is in session, the Board will fund the REALTOR® Hill Visit trip to Austin. If there are any special Hill Visits called by the Texas Association of REALTORS®, the trip may be funded with Board approval. Trip will include transportation, lunches and refreshments on the bus for those attending.

EXPENSE REIMBURSEMENT All expenses shall be submitted to the CEO for reimbursement and shall be on an ARBOR supplied expense report (Addendum A) within thirty (30) days of the completion of travel and must be accompanied by itemized receipts, which must include the amount of expense, the time, place, and business purpose. Meals including tips will be limited to \$75.00 per person per day.

RECEIPTS MUST BE PROVIDED If the receipt is for more than one person, all persons must be listed on the receipt. (Meal charges not accompanied by an itemized receipt will be paid at the IRS applicable rate.)

All charges to ARBOR's credit cards must include an itemized receipt which must include the amount of expense, the time, place, and business purpose.

Expense reimbursements paid to an ARBOR member from another Association or organization shall be deducted from ARBOR's allowable expenses.

All ARBOR credit cards shall be used exclusively for ARBOR business. ARBOR credit cards shall be maintained in the Board Office and will be issued to the authorized Officer prior to the approved travel/meeting. Credit cards shall be returned to ARBOR within 2 business days of travel.

CHAIRMAN OF THE BOARD

ARBOR will pay registration, transportation, lodging and meals for the following meetings:
Texas REALTORS® Spring Meeting
NAR Mid-Year (including spousal expenses)
Texas REALTORS® Convention (including spousal expenses)

NAR Convention (including spousal expenses)
Other Texas REALTORS® Meetings in which ARBOR representation is required
For Region 3 Meetings, ARBOR will pay meal expense only.

CHAIRMAN-ELECT

ARBOR will pay registration, transportation, lodging and meals for the following meetings:
Texas REALTORS® Spring Meeting
NAR Mid-Year
Texas REALTORS® Convention
NAR Convention
NAR Leadership Training
Texas REALTORS® Board Officers Leadership Conference
Other TAR Meetings in which ARBOR representation is required
For Region 3 Meetings, ARBOR will pay meal expense only.

SECRETARY/TREASURER

ARBOR will reimburse registration, meals, travel, and lodging for the following meetings:
Texas REALTORS® Spring Meeting
NAR Mid-Year
Texas REALTORS® Convention
Texas REALTORS® Board Officers Leadership Conference
NAR Convention
Other TAR Meetings in which ARBOR representation is required
For Region 3 Meetings, ARBOR will pay meal expense only.

SECRETARY/TREASURER-ELECT

Arbor will reimburse registration, meal, travel and lodging for the following meetings:
Texas REALTORS® Board Officers Leadership Conference.

TAR DIRECTORS

ARBOR will reimburse registration, transportation, meals and lodging for the following meetings:
Texas REALTORS® Spring Meeting
Texas REALTORS® Convention
For Region 3 Meetings, ARBOR will pay meal expense only.

NAR DIRECTORS

ARBOR will reimburse for NAR Directors, registration, transportation, and three days lodging for the following meetings:
NAR Mid-Year Meeting
NAR Convention
For Region 3 Meetings, ARBOR will pay meal expense only.

TAR REGIONAL VICE PRESIDENT (IF APPLICABLE)

ARBOR will reimburse transportation and meals for the following meetings:
Texas REALTORS® Spring Meeting

Texas REALTORS® Convention
For Region 3 Meetings, ARBOR will pay meal expense only.

TREPAC TRUSTEE

For Region 3 Meetings, ARBOR will pay meal expense only.

ARBOR STAFF

ARBOR will pay registration, transportation, lodging and meal expenses for business meetings as deemed necessary by the CEO.

COMMITTEE CHAIRMAN

Upon recommendation of the Chairman of the Board and approval of the Board of Directors ARBOR will pay registration fees, transportation, meals and lodging for the following:
Texas REALTORS® Convention
Other business meetings in which ARBOR representation is required

ARBOR DINNER ARBOR will host a dinner for members that are present at the Texas REALTORS® Winter Meeting, NAR Mid-Year Meeting, TAR Annual Convention, and the NAR Convention unless the meeting is held within a 60-mile radius of the ARBOR facility

ENTERTAINMENT POLICY

Entertainment is for the purpose of discussion of Board business, local, state or national, by the Chairman, Chairman-Elect, or CEO. (Reference: Expense Reimbursement)

STATEMENT OF POLICY – General Provisions:

The Board shall offer mediation as a service of the Board. The Board's Mediation Officer shall be appointed by the Chairman for a term of one (1) year. Initiation of Mediation Proceeding shall follow arbitration procedures as specified in the Code of Ethics and Arbitration Manual

Ethics Appeal Deposit Amount shall be \$100.00.

Names will be published of Respondents who violate the code twice within 3 years.
The Board will offer voluntary arbitration.

When appropriate a copy of the violator's Professional Standards record will be forwarded to TREC.

Revised 11/20/03
*Awards Committee Revised 04/22/04
Broadcast Email added 10/27/05
Revised 03/07/06
Revised 02/22/07(Professional Standards)
Revised 12/21/09
Revised 06/10/10
Revised 06/23/11 (LockBox Policy)

Revised 09/06/11 (MLS Fines Procedure)
Revised 09/13/11 (Travel Expense Form, Class Evaluation Criteria,
Operation Manual Updated May 2012
Revised 10/25/12 (Travel and Entertainment Policy)
Revised 04/23/15 (Education, General and Travel Policy)
Revised 07/23/15 (General Policies)
Revised 06/22/17 (Travel and Entertainment Policy)
Revised 05/24/18 (Standing Committees, Committees, Waiver of Dues, Lockbox)
Revised 10/18/19
Revised 09/23/21

ADDENDUM A Travel Expense Form

REASON FOR TRAVEL _____

Arlington Board of REALTORS®
3916 Interstate 20, W., Ste. 160
Arlington, Texas 76013

Name _____ Date _____

Daily Expenses <i>Receipts must be attached for any purchase over \$25.00</i>	Sun	Mon	Tues	Wed	Thurs	Fri	Sat		
Date of Travel								Cash	Credit
Meals Max \$75.00 Daily With Receipt									
Breakfast								\$	\$
Lunch								\$	\$
Dinner								\$	\$
Lodging									
Hotel								\$	\$
Travel									
Taxi/Bus/Shuttle								\$	\$
Airfare (Coach Class)/Baggage								\$	\$
Parking & Tolls								\$	\$
Mileage @ _____ per Mile								\$	\$
Baggage								\$	\$
Miscellaneous									
Internet/Telephone/Fax								\$	\$
Tips								\$	\$
Other									
Please Explain on Back Page									
Total								\$	\$

Receipts MUST be attached for any expense over \$25.00

Signature _____ Approved by _____

ARBOR Position _____

Less Advance	\$
Total Requested	\$

ADDENDUM B
CONFLICT OF INTEREST AGREEMENT
THE STATE OF TEXAS KNOW ALL MEN BY THESE PRESENTS
COUNTY OF TARRANT

This Conflict of Interest Agreement made the _____ day of _____,
and executed by the undersigned Director or Officer of the ARLINGTON BOARD OF
REALTORS®, Inc. and the NORTH TEXAS REAL ESTATE CENTER.

In consideration of the undersigned Director's or Officer's performance of his/her duties,
responsibilities, and agreements of the parties hereto, the undersigned agrees to be
bound by the Rules and Regulations Governing Conflicts of Interest which are attached
hereto as Exhibit "A: and incorporated herein for all purposes.

DIRECTOR/OFFICER OF THE
ARLINGTON BOARD OF REALTORS® AND
THE NORTH TEXAS REAL ESTATE CENTER

**RULES AND REGULATIONS
GOVERNING CONFLICTS OF INTEREST
ARLINGTON BOARD OF REALTORS
AND THE NORTH TEXAS REAL ESTATE CENTER**

1. CONTRACTS, SALES AND PURCHASES

a. Directors, Officers, or Employees of the Board shall not have a financial interest in any contract made by them in their official capacity on behalf of the Board, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity on behalf of the Board unless the full nature and extent of such financial interest and/or status as prospective purchaser or vendor has been disclosed in advance in writing to the Board, and noted in its official records, and thereafter the Board authorizes and approves the contract by a vote of the Directors. The Directors or Officer with the financial interest shall be ineligible to vote thereon.

b. A Director, Officer or Employee shall not be deemed to be interested in a contract entered into by the Board within the meaning of these Regulations if the Director, Officer, or Employee has only a remote interest in the contract which is defined as an insignificant, inconsequential, or minor interest which, in the Board's judgment, does not compromise or prevent the transaction from being in the best interest of the Board.

c. The processing of one's own MLS listings with the Board's MLS and/or the acquisition of standard forms, education materials, and other materials of similar nature for the Board are exempt from the provisions of these Regulations.

2. CONFIDENTIAL INFORMATION

a. Directors, Officers, or Employees of the Board shall not disclose to any other person, confidential information acquired by them in the course of their official duties or use any such information for the purpose of pecuniary gain in any manner which is contrary to the best interest of the Board.

b. This section shall not apply to any disclosure made to any law enforcement agency, nor to any disclosure made pursuant to subpoena or other similar legal process

3. INCONSISTENT, INCOMPATIBLE, OR CONFLICTING ACTIVITY, EMPLOYMENT OR ENTERPRISE

a. Directors, Officers, or Employees of the Board shall not engage in any activity, employment, or enterprise which is inconsistent, incompatible, or in conflict with, to their duties, responsibilities, or obligations to the Board.

ADDENDUM C

INVESTMENT POLICY Arlington Board of REALTORS®

This policy establishes the bank deposits, investment guidelines and performance objectives of the Arlington Board of Realtors (ARBOR). This Policy provides direction for any investment manager(s) who may be retained. While this document may be changed, and should be reviewed frequently, it exists to express an overall long-term policy and should be changed only after considerable review and reflection by The Board of Directors. The Capital Improvement Committee (CIC) and CEO are charged with implementing this policy and are responsible for the management and investments of funds of ARBOR.

OBJECTIVES

ARBOR exists to be the primary source of Real Estate information, services, and to enhance member profitability and professionalism.

The purpose of this Investment Policy is to assist ARBOR in effectively protecting, supervising, monitoring, and evaluating ARBOR investments; and in guiding the Board of Directors and Investment Committee in selection of Advisor(s) and monitoring their conduct and performance.

CONSTRAINTS AND LEGAL REQUIREMENTS

ARBOR INVESTMENTS ARE TO CONTAIN A MINIMUM CASH POSITION OF \$100,000. Cash is defined as an investment with a stable net asset value and one day liquidity and would include money market funds.

All assets of ARBOR are to be invested in compliance with all applicable laws and government regulations. Investment records are to follow all IRS and all other government regulations. The investment decision process may include appropriate opportunities that are legally available within the tax code to enhance the total return of the portfolio. Investments that would likely raise questions of legal appropriateness should be avoided. All funds invested are to be accounted for in ARBOR's annual financial report.

DELEGATION OF AUTHORITY

The Board of Directors of ARBOR shall establish an overall investment strategy. The Capital Investment Committee will handle the day-to-day investment operations.

ETHICS AND CONFLICTS OF INTEREST

ARBOR Board of Directors involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Directors shall disclose to the Board any such conflict of interest and abstain from voting in such instances. Directors shall subordinate their personal investment transactions to those of ARBOR, particularly regarding the time of purchases and sales. The Board of Directors shall assume all transaction costs, but that no member shall benefit by accepting a personal commission. It is the intent of the Board to conduct investment transaction with reputable investment securities brokers/dealers and financial institutions.

ASSET ALLOCATION

It is the purpose of this policy to achieve appropriate risk diversification through the following asset allocation parameters:

1. **Fixed-Income:** Up to two-thirds of the portfolio may be maintained in fixed-income instruments that shall consist of:

- Money-market funds that concentrate their investment in federal government issued and federal government backed securities,
- Government insured deposits of financial institutions such as certificates of deposit or money market accounts,
- U.S. Treasury bills, notes, and bonds,
- Other bonds, issued by the U.S. Treasury, an agency of the U.S. government, or AAA rated corporations.
- Mutual funds or ETF's (Exchange Traded Funds) that invest largely or exclusively in assets fitting this category.

However, at no time shall there be less than one-third of the portfolio in this category.

2. **Conservative Growth:** Up to one-third of the portfolio may be invested in a composite portfolio selected from the following asset classes. These assets may be held in either mutual funds or exchange traded funds (ETF's):

- Treasury, investment grade, high yield, foreign or emerging market bonds.
- Real Estate Investment Trusts (International and Domestic)
- Utility stocks.
- Bank loan, convertible, preferred and dividend income stocks.
- Alternative strategy portfolios.
- Low volatility portfolio strategies.
- Money market instruments.

At no time shall the aggregate of the fixed-income and conservative growth categories be less than two-thirds of the investment portfolio.

3. **Growth:** Up to one-third of the portfolio may be maintained in a capital growth strategy which shall consist primarily of mutual funds or ETF's. No investment shall be made directly in any individual equity security that exceeds 5% of the total portfolio and no more than one-third of the growth may be invested in any single mutual fund or ETF.

IMPLEMENTATION

The Board of Directors is responsible for the implementation of the investment policy. It will perform this responsibility by selecting, monitoring, and evaluating an Investment Manager or Managers. While the Directors should be available to the Investment Manager for consultation on major matters that would depart from an established approach, such as a change of asset allocation, once a Manager is hired, the responsibility of the Directors should focus on evaluation. While the Directors should refrain from establishing a relationship with an Investment Manager that cannot be terminated by either party with no more than one week's notice, every effort should be made to develop long term relationships.

Before an Investment Manager is hired, the Directors should be satisfied it will receive appropriate reporting from the Manager and the Manager has a policy of making staff available to members of the Directors on some appropriate pre-determined basis.

At the heart of this process is the Board of Director's decisions to hire the best and most appropriate Investment Managers possible and to give them the appropriate latitude to provide results that will attain the desired goals. The fees charged by investment Managers must be given great consideration. These would include all of the following management fees, custodial fees, fees for statements and other reporting, and any other fees a Manager may impose. This is not to imply The Board of Directors should not enter into agreements with Investment Managers that may have higher fees than others, but The Board of Directors must be satisfied that the fees charged are likely to result in a greater net total return. The paramount objective is a net total return that will propel portfolio values toward the expressed goals.

FINANCIAL OPERATIONS

Investments are subject to oversight from the Board of Directors. The CIC and CEO shall be authorized to carry out the investment decisions and to enter the investment transaction(s) as directed by the Board of Directors. Within the confines of this policy, the CIC shall have the power to make investments consistent with the safeguards and diversity policies to which a prudent investor would adhere.

The ARBOR Secretary/Treasurer shall report investment policy actions in writing or verbally at each BOD meetings.

ARBOR will maintain two classes of accounts: Operating and Reserve. The guidelines for maintaining these accounts described below are goals for improving the financial position; but it should be noted that this will take some time and the targets set forth should not indicate our current position as weak.

Operating ARBOR shall maintain an Operating Account in a financial institution that is FDIC (or some other comparable insurance) insured. A minimum Operating Account balance of \$100,000 will be maintained.

Reserve ARBOR shall maintain a Reserve Account equal to or greater than six-months operating expenses; with adequate funds to satisfy any existing debt and maintain a legal/political issues reserve of at least \$100,000.

In accordance with its fiduciary responsibility to protect and grow assets, all investments will be made in accordance with the Asset Allocation Policy described below. Unless otherwise decided by the Board of Directors, all proceeds generated through investments will remain in reserve and be re-invested.

If there is an operating surplus, the Board of Directors may choose to allocate additional funds to the Reserve Fund. The amount of money in the Reserve Fund may be decreased by a vote of the Board of Directors but in no situation should the Reserve Fund be reduced to less than six-months operating expenses, except in an emergency.

RISK TOLERANCE AND RETURN OBJECTIVES

It is recognized that portfolio management with a long-term horizon has historically generated total returns significantly greater than returns for short term investments but with greater volatility. Since the objective is long term, some portfolio value volatility must be tolerated but investment managers should attempt to avoid years of negative total return. In years of negative market returns, the total return on the portfolio because of its asset allocation should outperform the Standard and Poor's Index.

Each portion of the portfolio will be evaluated against a widely accepted index. For example, large cap stocks will be evaluated against the Standard Poor's 500 Index and the Dow Jones Industrial Average.

The rolling three-year return should be 3% greater than the rate of inflation. The realized and unrealized gains and losses and income shall be allocated equitably among the sources of the investments.

Should market conditions require the seven (7) day meeting notice and/or the three (3) day fax meeting notice requirement in the ARBOR Bylaws may be waived by the Chairman of the Board.

REPORTING PROCESS

The investment Advisor shall provide the Improvement CIC of ARBOR with a monthly report of investment holdings for review and approval. Statements showing total market value and outlining all transactions within the portfolio shall be available to Directors for review.

INVESTMENT POLICY ADOPTION

ARBOR's Investment Policy was adopted by motion of The Board of Directors with an effective date of March 1, 2021. ARBOR Board of Directors shall review policy annually or as deemed necessary and any modifications made thereto must be approved by The Board of Directors.

ADDENDUM D

Procedure for Implementing Notices and Fines of MLS Violations and Key\Keybox Agreement Violations

This Procedure covers three (3) sources of Notices and Fines:

1. NTREIS MLS RULES VIOLATIONS

Fines are assessed to the Participant (Broker or Appraiser) for violations. NTREIS MLS Rule 5.06 states:

Each Participant shall be liable for all obligations to the MLS for the Participant's firm, partnership, or corporation and for compliance with the Bylaws of NTREIS and these Rules by all persons affiliated with such Participant who utilize the MLS.

2. ARBOR KEY \ KEYBOX RULES VIOLATIONS

Fines are assessed to the Associate as the responsible person who signed the Key\KeyBox Agreement. If the violation also includes a violation of the MLS rules the Participant may be fined also.

3. NTREIS MLS VIOLATIONS USING DATACHECKER SYSTEM

Fines are assessed to the Participant (Broker) at the end of the Grace Period defined in the Datachecker Notices. Datachecker Notices and Fines for 1st, 2nd, 3rd Notices of Violations do not require a MLS Panel or Committee for review before a Fine is implemented.

1st Notice of Offense – No Charge - 2 Business Days to make corrections

2nd Notice of Offense - \$50 fine - 2 Business Days to make corrections

3rd Notice of Offense - \$50 fine - 2 Business Days to make corrections

If NOT corrected after 3rd Notice, the Violation will be referred to the MLS Complaint Panel in the procedure described below.

MLS VIOLATIONS OTHER THAN BY DATACHECKER NOTICE Fines are assessed to the Participant (Broker) per MLS Rule 5.06. Fine amounts are assessed by the MLS Complaint Panel for NTREIS MLS Rules not having a NTREIS defined amount.

PROCEDURE AFTER MLS RULE VIOLATION COMPLAINT RECEIPT BY ARBOR

Upon receipt of a written complaint alleging a violation of MLS Rules, MLS Staff shall notify the accused Participant (Broker) by telephone, email, and/or by facsimile transmission of the alleged violation. The accused Participant must respond by mail, email, or facsimile transmission not later than 5 business days either (a) admitting a violation of said rules or (b) denying a violation of said rules. If the accused Participant admits a violation of said rules, the accused Participant shall waive a hearing before the MLS Complaint Panel and agree to pay the appropriate or assessed fine within thirty

(30) days after receipt of invoice or (ii) request a hearing before the MLS Complaint Panel on the alleged violation. If the accused Participant fails to respond as set forth herein, or denies the alleged violation of said rules the MLS Staff shall refer the alleged violation to the MLS Complaint Panel for a hearing at the earliest scheduled meeting date, provided that the accused Participant receives at least ten (10) days prior written notice of the date, time, and place of the scheduled hearing. The accused Participant may appear at such hearing in person or be represented by a duly authorized REALTOR® representative appointed in writing prior to the day of the Panel hearing.

If the Participant fails to respond, the MLS Complaint Panel will convene and render a decision.

If the Participant requested a hearing, the MLS Complaint Panel will be convened, review the complaint, hear witnesses and review any supporting documentation and render a decision. The Panel can dismiss the complaint or render a fine and/or sanction to the Participant. If a Fine is assessed, the Participant will be notified within 48 hours and must pay the fine within thirty (30) days after receipt of invoice or (ii) appeal the Panel's decision before the MLS Committee (excluding Panel members) on the alleged violation. There will be an administrative fee of \$100 for each unsuccessful appeal.

Failure to pay fine within 30 days of receipt of the fine will result in immediate MLS suspension. A \$25 Broker\Office Re-connect Fee will be assessed to Fine total.

PROCEDURE AFTER KEY OR KEYBOX RULE VIOLATION COMPLAINT RECEIPT BY ARBOR

This procedure is identical to the MLS Violation Rule Complaint (above), except, the person responsible for the Key/KeyBox Rules Agreement will receive Notices and Fines and sanctions.

(This may be a Broker, a Sales Associate or a Licensed Inspector)

MLS COMPLAINT PANEL COMPOSITION

The Complaint Panel will convene at the earliest convenient date determined by the Committee Chairman. The Complaint Panel will be appointed by the MLS Committee Chairman. The Panel will consist of 4 current MLS Committee members plus the Vice-Chairman. The Vice-Chairman will conduct the complaint hearings. Committee members will serve on the panel to hear no more than two (2) received complaints at one time. Panel members may be rotated to other Committee members after two (2) hearings. MLS Committee Members in the same firm as the complainant or the respondent may not serve on the Complaint Panel or in the Committee Appeal Hearing. Panel members may not hear appeals to the MLS Committee. The Committee Chairman will preside over appeals to the MLS Committee.

NOTE: There are no changes to the MLS Rules and Regulations in this notice. This is only a procedural change in how the Fees, fines and sanctions are assessed and the appeals procedures. Members are encouraged to read the complete Multiple Listing Service Rules and Regulations, KeyBox System Rules and Regulations, and the

ARBOR Keypad Lease Agreements which are available on ARBORi.com or upon request.

COMPLAINT PANEL AND APPEAL HEARING PROCEDURE

- Complaint Panel:
 - MLS Staff will receive the complaint, review the complaint and determine if a possible violation of the Rules has occurred.
 - Witness list, written communication and supporting documentation will be assembled by MLS Staff
 - Both Complainant and Respondent will be notified of the Complaint Panel hearing date at least ten (10) days prior by written notice of the date, time, and place of the scheduled hearing.
 - At time of Panel hearing;
 - The member(s) will come in and the Panel Chairman will introduce them.
 - The Chairman will state the Rule(s) and fine(s) being discussed.
 - The member(s) will be given approximately 10 minutes to present their case.
 - The members of the Panel will be allowed to ask questions. Questions will be limited to helping the Panel members understand or clarify facts pertaining to what occurred in this situation only. The Chairman will rule on questions that do not adhere to the current issue or complaint.
 - Upon completion of questions, the member(s) will be excused and the Panel will discuss the facts and make a decision.
 - The member will be notified of the Panel's decision by MLS Staff within 48 hours. Notification may be delivered by phone, fax, email or postal mail.

- **APPEAL HEARING TO MLS COMMITTEE**
 - MLS Staff will receive the appeal and schedule an Appeal Hearing of the MLS Committee
 - Both Complainant and Respondent will be notified of the Appeal Hearing at least ten (10) days prior by written notice of the date, time, and place of the scheduled hearing.
 - At time of Appeal hearing;
 - The member(s) will come in and the Committee Chairman will introduce them.
 - The Chairman will state the Rule(s) and fine(s) being discussed.
 - The member(s) will be given approximately 10 minutes to present their case.
 - The members of the Committee will be allowed to ask questions. Questions will be limited to helping the Committee members

understand or clarify facts pertaining to what occurred in this situation only. The Chairman will rule on questions that do not adhere to the current issue or complaint.

- Upon completion of questions, the member(s) will be excused and the Committee will discuss the facts and make a decision.
- The member will be notified of the Committee's decision by MLS Staff within 48 hours. Notification may be delivered by phone, fax, email or postal mail.
- If the Complaint Panel's decision is over-turned by the Appeal Hearing, all fines and/or sanctions will be dismissed.
- If the Complaint Panel's decision is upheld by the Appeal Hearing, the \$100 administrative fee will be invoiced and added to the member's total amount due.

ADDENDUM E

Arlington Board of REALTORS® Key\KeyBox System Rules and Regulations

The following Rules and Regulations (the "Rules") have been established by the Arlington Board of REALTORS® (ARBOR) for the members (Associates) who use the Key\KeyBox System of ARBOR. The Rules shall remain in force and effect until changed or modified by the Board of Directors of ARBOR.

1. USE OF KEYBOXES ON PROPERTY Associates are not required to place KeyBoxes on listed property. Associates are encouraged to use a KeyBox on all listed property.

2. MORE THAN ONE KEYBOX ON PROPERTY Associates may place both a recording electronic KeyBox and a combination (non-recording, manual) lockbox on the same property. The use of two Supra Keyboxes are prohibited on the same property.

3. UPDATING OF SUPRA KEYS Associates' ActiveKEYs will update wirelessly every night as long as the key has been within cell service for 10 continuous minutes within the last 24 hours. If it has not, the Associate will need to update the key through KIMvoice, SupraWEB or Supra Support. Keys need to be recharged with the adapter that was provided along with their ActiveKEY. There is a \$50.00 charge for replacement of Key due to low battery.

4. CONDITIONS OF KEY USE

a. An Associate may not use his/her Supra Key or manual lockbox codes to access any KeyBox without first calling the listing agent (or, if applicable, calling the appropriate showing system utilized by the listing office) to ascertain the availability of the property, make an appointment with the owner, and obtain and follow any other instructions from the listing office or appropriate showing system. If the listing agent has indicated in the MLS that the property is vacant and has authorized "GO" in the MLS, then the Associate may proceed to the property and use the Supra Key or manual lockbox codes to obtain entry through the KeyBox.

b. An Associate showing property must access a KeyBox with his/her own Supra Key or manual lockbox codes and secure property key in KeyBox upon completion of showing, thus forcing any agents who thereafter enter the property to use their own Supra Keys or manual lockbox codes to gain access to the property in order to keep accurate showing records?

c. Upon receipt of a written complaint against a member alleging violation of the Rule requiring an Associate to make an appointment and to follow showing instructions to show property through the listing office or appropriate showing system, ARBOR staff

will notify that member in writing that the matter will be referred to the MLS Committee for action.

5. SUPRA KEY AND KEYBOX CHANGES Changes requested by an Associate for programming of his or her Supra Key or his or her KeyBox may be made by the ARBOR staff. The ARBOR staff members authorized to make such changes are also authorized to:

- a. Reprogram an Associate's personal identification number ("PIN").
- b. Reprogram the shackle code on a KeyBox based on a request of the lessee of the KeyBox.

6. TRANSFER OF KEYBOXES Associates may transfer Supra KeyBoxes from one Associate to another by using the LockBox Transfer Form and delivering it to ARBOR in person or by fax. Verbal transfers are not accepted. Associates who transfer Keyboxes are required to notify ARBOR of the KeyBox serial number and the name of the person now responsible for that KeyBox. Both Associates signatures are required to transfer KeyBoxes. The \$10.00 KeyBox deposit is transferred between the two participating Associates. ARBOR is not responsible for the transfer of the KeyBox deposit.

7. RETURN OF SUPRA KEY AND MATERIALS Each Keyholder acknowledges that the Supra Key and all related equipment covered by the lease and use agreement remain the property of ARBOR. Upon return of the Supra Key and all related equipment and materials in good condition and in working order within 48 hours of receipt by Keyholder of a request to do so by ARBOR or within 90 days after any of the following events, then the actual amount of the Keyholder's deposit will be refunded to the Keyholder:

- a. Termination of either Broker or Keyholder as an active member of ARBOR in good standing as a REALTOR® or MLS Participant.
- b. Termination of Keyholder's affiliation with Broker for any reason. If Keyholder fails to return the Supra Key, KeyBoxes and all related equipment and materials on or before the applicable deadline specified above then no refund will be paid. If a Keyholder requests the use of any Supra Key not previously returned to ARBOR, an \$85 deposit will be assessed to re-connect the Key service.

8. LOAN OF SUPRA KEY Associates shall not loan, give, or allow the use of their Supra Key or manual lockbox codes by other persons or Associates at any time with the exception of a temporary loan to an Associate of the same brokerage firm made necessary by Supra key failure. The person who holds the lease on said Supra Key is ultimately responsible for key usage. If the MLS Committee determines that a Supra Key or manual lockbox codes has been loaned or borrowed or used in violation of this Rule, the following minimum fines may be assessed against each Associate who loaned and/or borrowed the Supra Key or disclosed manual lockbox codes:

a. **FIRST OFFENSE - \$50.00 FINE, SECOND OFFENSE - \$100 FINE, THIRD OFFENSE** – Possible suspension or revocation of Supra Key privileges with no refund of security deposit. If the MLS Committee determines that a Supra Key or manual lockbox code have been loaned or given to any other person, not an Associate, in violation of this Rule, the following minimum fine may be assessed against the Associate who loaned the Key or disclosed the manual lockbox codes:

b. \$500 plus sanctions for allowing unauthorized use of Supra Key or manual lockbox codes by unlicensed / unauthorized person(s).

9. **SUPRA KEY AGREEMENT** Associates must execute an Electronic Supra Key Lease and KeyBox Use Agreement prior to being issued a Supra Key. ARBOR will enforce all of the terms and provisions contained in said Electronic Supra Key Lease and KeyBox Use Agreement. If an Associate cease to have a current or valid Agreement, the Associate shall still be bound by all these Rules so long as such Associate is in possession of a Supra Key or KeyBox. Any violation or breach of the terms and conditions of the Electronic Supra Key Lease and KeyBox Use Agreement shall be deemed a violation of these Rules.

10. **KEYBOX ASSIGNMENT AND CHECKOUT** A KeyBox may be checked out only by the Listing Associate with the Listing on which the KeyBox will be placed. If anyone other than the Listing Associate will be checking out or signing for Keyboxes on behalf of the Listing Associate, ARBOR must have written authorization on file at ARBOR offices before KeyBoxes are checked out. All KeyBoxes checked out by the Listing Associates or their Assigned representative are the responsibility of the Listing Associate, regardless of any period of time, or Listings the KeyBox may have been placed on.

11. **CLEANLINESS OF KEYBOXES** Keybox(es) must be returned in good and clean condition or the Associate forfeits their keybox(es) deposit(s).

12. **KEYBOX INVENTORY** An Associate may maintain a number of Keyboxes 110% of his/her active and pending listings. It is the Associate's responsibility to return their inventory surplus Keyboxes to ARBOR as soon as possible. In the event the Associate's KeyBox inventory is recalled in compliance with the Electronic Supra Key and Keybox Use Agreement, and the Associate fails to respond or comply with request to return Keyboxes, ARBOR's Staff will notify the Associate's Designated REALTOR/Manager or Participant at least 24 hours prior to the suspension of the Associate's Key Services. Key Services will not be suspended on a Friday or the day before a holiday.

a. It shall be the responsibility of the KeyBox holder to enter the KeyBox serial number in MLS listings. MLS requires entry of the serial number in the KeyBox# field. Invalid KeyBox numbers entered in the MLS are subject to Fines if not correct. Fines will be assessed to the KeyBox holder.

13. ABANDONMENT OF KEYBOX Upon receipt of a complaint regarding the abandonment of a KeyBox at a property, ARBOR will orally notify the KeyBox holder that a complaint has been filed. The KeyBox holder shall have 48 hours from the notification to remove the Key Box from the property. If the KeyBox is not removed within such 48-hour period, ARBOR staff will remove box from said property at a minimum cost of \$75 (paid to ARBOR) and the deposit shall be forfeited.

14. MISSING KEYBOX CONTAINER In the event that the container to a Keybox is missing, Keyholder will need to complete the Missing Keybox Container Form. Keyholder will forfeit the \$10.00 Keybox Deposit due to the loss of the container and will be required to place another \$10.00 deposit for the Keybox should the Keyholder choose to continue to use the Keybox on a property. The Keyholder will be required to notify the homeowner on who's listing the Keybox was placed if the key is missing or recovered.

15. MALFUNCTIONING KEYBOX In the event a Keybox malfunctions, the keyholder will present the Keybox to ARBOR staff for replacement if:

a. **JAMMED KEY CONTAINERS** – ARBOR staff will make best effort to remove the keys in the container at no charge to Keyholder, although there is no guarantee of any key removal.

b. **SHACKLES** – If the shackle will not release when Keybox is on a property, at the request of the Keyholder, ARBOR will have the Keybox removed from the property by a locksmith and returned to ARBOR for a fee of \$75. IF the Keybox proves to be defective, the Keyholder will be credited the \$75 removal fee.

16. ASSIGNMENT OF CODES PIN codes will not be issued to any Associate except in person. For security purposes, no PIN codes will be issued by telephone, electronic mail, or facsimile. Associates may obtain shackle codes and CBS codes directly from SupraWeb. Shackle codes and CBS codes will be issued by telephone only after verification of Associate's identity. Associates shall never carry their PIN codes together with a Key. A list of KeyBoxes, shackle codes, and CBS codes assigned to Associate in a particular brokerage office may be obtained by the Participant upon request to ARBOR. All requests for information must be picked up in person, by the Participant requesting the information or sent to an email address specified by the Participant.

17. KEYS NON-TRANSFERABLE Supra Keys are not transferable. Associates, Affiliate members or Unlicensed Assistants who no longer need or desire a Supra Key must return the Supra Key to ARBOR to receive a refund of the deposit. Supra Keys may not be transferred from Unlicensed Assistant to another Unlicensed Assistant or from one Affiliate member to another Affiliate member.

18. CREDITS The credit of KeyBox deposits, if any, will be issued in the name of the person leasing the KeyBox, unless satisfactory written documentation is provided by the lessee of the KeyBox. Credits will be applied to any ARBOR expenses (dues, keybox deposits, classes, retail purchases, etc). Refunds will be issued only upon termination.

SUPRA KEY RULES FOR AFFILIATES AND FOR UNLICENSED ASSISTANTS

19. AFFILIATE KEY SYSTEM A person who wishes to participate in the Affiliate SUPRA Key System of ARBOR must be a Principal Affiliate or an Additional/Associate Affiliate member in good standing with ARBOR. If the person qualifies as a REALTOR® member, he or she must apply to ARBOR as a REALTOR® member and not as an Affiliate member in order to obtain a SUPRA Key. All rules and regulations contained herein shall apply to both Affiliates and to any Unlicensed Assistants, except the following shall supersede any conflicting rules and regulations:

a. Each Principal Affiliate member and additional Associate Affiliate member may lease only one SUPRA Key. Any security deposit will be refunded to the Principal Affiliate or additional Affiliate member, provided he or she returns the SUPRA Key and all related equipment and materials in good condition and in working order at the time his/her membership terminates and provided that there are no other outstanding fees or dues owed by the Affiliate member to ARBOR.

b. All Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants must come to ARBOR to receive training prior to being issued a SUPRA Key.

c. All Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants are required to comply with all other applicable KeyKeyBox Rules which are then in effect.

d. Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants may not lease Key Boxes.

e. Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants may be issued only Affiliate SUPRA Keys that require a call before showing ("CBS") code in order to gain entry to the property. The CBS code is a seven digit code that is known only by the lessee of the KeyBox and is required to be programmed into an Affiliate SUPRA Key in order to open a KeyBox.

20. UNLICENSED ASSISTANT LEASE OF SUPRA KEY In order for an Unlicensed Assistant to receive the advantages of leasing a SUPRA Key without requiring membership in ARBOR, all rules and regulations herein shall apply, and the following additional rules must be satisfied:

a. The Electronic Supra Key Lease and KeyBox Use Agreement for the Supra Key must be signed by each of the following persons:

1. The Unlicensed Assistant; and
2. The Designated REALTOR® of the firm or the Office's Broker/Manger of Record; and
3. The sponsoring REALTOR® Member with whom the unlicensed Assistant is Associated.

a. The Supra Key must be issued in the name of the Designated REALTOR®.

b. The Unlicensed Assistants will be required to meet all other applicable Key\KeyBox Rules then in effect.

c. The REALTOR® member for whom the Unlicensed Assistant works and/or the Designated REALTOR® of the firm is responsible for all fees and payments of the Supra Key. The Supra Key will be charged the same fees for the Supra Key as all Affiliates.

d. The REALTOR® member for whom the Unlicensed Assistant works and/or the Designated REALTOR® of the firm is responsible (i) to notify ARBOR immediately upon termination of the employment of the Unlicensed Assistant and (ii) to return of the Supra Key and for the return of the Supra Key and all related equipment and materials in good condition and in working order to ARBOR.

e. An Unlicensed Assistant is defined as an individual who does not have an active, current real estate license issued by the Texas Real Estate Commission.

f. Use of the Unlicensed Assistant Supra Key or manual lockbox codes are limited to access only the listings of the REALTOR® member for whom the Unlicensed Assistant works for the purpose of KeyBox attachment or removal, advertising material placement or other duties that are not related to licensed real estate activity. Showing and discussing the listing with prospective clients is prohibited.

Keybox Revision dates:

03/24/2005	09/26/2014
02/23/2006	02/24/2016
09/07/2010	10/18/2019
11/22/2011	
12/19/2013	

01/23/2014

ADDENDUM F
Helpful GUIDE FOR TASK FORCE CHAIR
CHIEF EXECUTIVE OFFICER – REPLACEMENT

HELPFUL SUGGESSTIONS

If you are the chair of a search committee you have a daunting list of factors to consider. A CEO search involves far more than posting an ad, collecting resumes and scheduling a few interviews.

There are many important governance factors to consider:

How will you maintain both confidentiality with candidates, and transparency with the Board?

How will you coordinate on compensation and performance expectations with the Executive Committee?

How will you involve and communicate with senior staff members, the outgoing CEO, and other external stakeholders?

How will you handle "internal" candidates or an application from a Board member?

There is also an enormous amount of preparation required to launch the search. This up-front work includes [selecting an executive search firm](#), deciding who will be involved in each round of interviews, agreeing upon the search timeline, considering whether interim CEO support will be required, and beginning to consider how you will onboard the new CEO and measure their performance.

• **WHAT TO REVIEW IN THE INITIAL MEETING WITH THE SEARCH COMMITTEE**

1. Clarify the involvement, roles and expectations of the Search Committee (SC), Board of Trustees, current Executive Director, staff and others.
2. Discuss how to maintain confidentiality about internal deliberations (mostly about candidates) and transparency to the full Board (mostly about the search progress). How will the Board be briefed on progress?
3. Discuss how to manage potential conflict of interest with SC members (relationships with potential candidates that might limit their objectivity).
4. Discuss various proposed search timelines, identifying points of contact, developing an internal staff communications plan and discussing how internal candidates will be evaluated. Outline the process candidates should go through

[screening by consultant, in-person interview with SC, 2nd interview with work sample testing/presentation, 3rd informal meeting with SC Chair, meet-and-greet with team, pre-employment assessment, reference and background checks, etc.]

5. Discuss how salary will be determined / whether a compensation consultant is needed.
6. Discuss what information can be gathered from the previous search, strategic planning process, external scans or other available strategic documents. What information about the internal operations or external landscape would be useful to the SC? What input should be gathered from either the Board or external stakeholders? Allowing more input from stakeholders up-front can better inform the SC deliberations, and increase buy-in later in the process.
7. Discuss what internal information could be shared with candidates at each stage of the hiring process (strategic plan, financial reporting, internal challenges, etc.).
8. Identify what information should be gathered from staff members, Board members not serving on the search committee, ideas from the general membership, perspective from affiliated organizations, outside auditors, outside consultants, key vendors, etc..
9. Select dates for future meetings (or define a process for doing so).
10. Decide what role the search committee will play in helping to onboard the new CEO.

• BEFORE YOU DEVELOP THE JOB DESCRIPTION, GATHER THE FOLLOWING INFORMATION AS INPUT TO THE SEARCH COMMITTEE'S DELIBERATIONS

- What factors made the last CEO successful (or unsuccessful)?
- How will the role of the CEO and senior staff positions evolve over the next 5 years? Do you have a current strategic plan, a recent environmental scan, and have you recently surveyed your key external stakeholders to include their thoughts?
- What environmental factors will be affecting the organization (political, economic, demographic, changes in funding, etc.)?
- What does the next leader need to be prepared for? [What issues keep the current leader "awake at night?"] What kind of scenarios should the next person be prepared to deal with?
- What are the biggest risks and opportunities for the organization?
- How are other organizations responding to those changes?
- What skills does the new leader need to have, to supplement the strengths of the current staff?
- What must be done to retain key employees during the transition?

• IN DEVELOPING YOUR NEW JOB DESCRIPTION (HIRING PROFILE) CONSIDER THE FOLLOWING

- What is the most important problem the leader solves? What are the performance expectations of the new leader?

- What does success look like in next 3-5 years? What challenges must be overcome?
 - What attributes will be crucial to driving success?
 - What is attractive about the role? What factors will attract the right candidate?
 - What steps will reduce the risk of failure in the search?
 - Define the framework the next hire will operate within. At the heart of this conversation is this question: "What makes your organization great?" Define how much latitude or "running room" this person will have and where they will make the greatest impact, within the expectations of your leadership structure.
 - Identify risk factors and cultural fit factors that might lead a promising candidate to fail, despite being successful elsewhere.
- The strength and weakness of a search committee is the rich diversity of opinion and perspective each member brings to the table. You dramatically increase your likelihood of success by selecting the right search committee participants, properly structuring your deliberations (attending to the governance questions), fully informing your discussions with additional input from other people, and rigorously analyzing the key competencies that the position requires.

KEYS TO MAKING SEARCH COMMITTEES SUCCESSFUL

1. A COMMITTEE WITH A THOUGHTFUL PROCESS THAT WILL KEEP THE SEARCH MOVING FORWARD.

Once the search committee has been created, it should turn immediately to the nuts and bolts of the search itself. If the board has retained an executive search firm, then these steps should be done in close consultation with the recruiter. And in many cases, it will be the search firm itself that takes the lead on many of these steps, including the following.

a. Establish rules of confidentiality. Search committee members should agree, in writing, not to discuss with anyone outside the committee who has applied, which candidates are under serious consideration, or anything else that could possibly harm any applicant or cause anyone to question the integrity of the process. **Even board members not on the search committee should be kept in the dark until appropriate times when it's useful to give them an update on the process, or to consider the committee's actual recommendation.**

b. Write the job announcement, as described above, that will help sources to recommend good candidates, and will encourage qualified people to apply.

c. Determine the anticipated salary range. Even if you prefer to leave this out of the job announcement, you do need to respond to potential applicants who want to know what the job pays before they decide whether to apply. The

best reply is to say that “the anticipated salary is \$X to \$Y, plus benefits,” with the upper figure being a bit less than the board might ultimately be willing to pay for a person who looks fantastic and will not accept anything less.

d. Pull together a set of background material for leading candidates, to help them prepare for the initial interview with the search committee. This should include material not on the website, e.g. up-to-date financial statements (current year statement of revenue and expenses and most recent audited financial statements), strategic plan (if still relevant), organization chart (of at least senior staff, to show who/what reports to the CEO), and summary of employee benefits. The website should be reviewed to insure it’s got an up-to-date list of board members, plus complete and accurate description of current programs, services, and accomplishments.

e. Set a schedule that includes tentative dates for completing key events, e.g. writing the job announcement, publicizing the search, interviewing initial short list of promising candidates, and having an offer extended and accepted. Nobody can control when a search will in fact end, but a timetable that spans anywhere from 60 to 120 days will help set expectations for committee members.

f. Create a plan to keep the board and staff informed. The search should proceed on a “need to know” basis, so updates should be purposefully vague. It is not helpful to the process to say, “We’re happy to tell you we’re now focusing on four great candidates, will interview them next week, and, if all goes well, hope to be done with the search a week after then.” Too many things can go wrong – maybe none of the four candidates is good enough, and you unexpectedly have to reconvene a few weeks later to interview new candidates – so it’s better to merely tell the board and staff periodically simply “The search is generating interest, and we’re making progress. It’s not too late for new people to apply, so feel free to encourage promising candidates to contact us.”

g. Identify a firm that specializes in pre-employment background checks who can do a criminal and financial/credit check when you’re ready to extend an offer, which should be contingent on completion of a satisfactory background check. Since you don’t want to lose time when you’re ready to extend an offer and negotiate terms, identify well before then which firm you’ll want to use.

h. Create a plan to announce the outcome of the search once a letter of employment describing all terms has been signed by both parties and the background check has been completed. The usual sequence is this order: candidate informs his current employer first, then you inform your board (which would have approved the selection a few days ago but was told to keep the identity of the person confidential) that the embargo has been lifted. Then you inform your staff, and then the world (via your website, emails to key funders and

other colleagues.) Given how fast information moves around the internet, the time span from first step to last step should be minutes and hours, not days.

2. A COMMITTEE THAT SELECTS ONE AND ONLY ONE PERSON TO LEAD NEGOTIATIONS

When the time comes to extend an offer and negotiate terms, it's important to move this critical task from the search committee to one key board member, who might be the search committee chair, the board chair, or some other respected board member who will be able to close the deal and, ideally, already has developed some rapport with the candidate. The full board needs to know and approve of the key terms of employment – especially salary and benefits that go beyond what's available to all fulltime staff – but one and only one committee member should be dealing with the candidate about terms of employment. Often the board will set boundaries within which the designated committee member can negotiate freely without having to get every alteration OK'd by the full group, e.g. "Salary up to \$150,000; benefits as listed in the staff manual, plus paid parking; and starting date no later than 60 days from today." In this case, the negotiator only has to go back to his colleagues to seek approval for any terms outside these ranges.

If the search committee follows these steps – gets the right people on the committee, keeps the committee as small as possible, takes time to think about the future before thinking about candidates, designs a process that will enable the search to move forward briskly, and identifies one person to lead the negotiation – then the board will significantly increase its chances of attracting and selecting the CEO who best meets the needs of the organization.

And, with the right CEO, effective board governance, and some luck, it should be many years before the search committee needs to reconvene!

10 SMART STEPS TO A BETTER CEO SEARCH

By Cyrus White

Your board makes a lot of decisions. Some are small and routine, like approving the minutes. Others, like setting executive limitations policies, have a significant impact on the organization. But the one big decision for nonprofit trustees is hiring the CEO. Get this decision right, and nearly all the others fall into place. Get it wrong, and everything gets more difficult.

Hiring a nonprofit CEO (or executive director) doesn't happen very often. That's good because the search-and-hire process tends to be time-consuming, expensive, and stressful.

Search processes often take up to a year and cost tens of thousands of dollars.

Making a bad hire is even more costly. Here are ten steps to take *before* hiring your nonprofit's next CEO:

10 Smart Steps — and a Bonus

1. ALLOW ENOUGH TIME An executive search can take several months to a year. Don't rush. Don't take shortcuts. Do develop a timeline for deliverables and checkpoints.

2. ALLOW ENOUGH MONEY The search process can be expensive. Travel, interview meetings, consultants. You don't have to be exorbitant, but don't skimp on the essentials. Meet the short list candidates face to face. If you use a headhunter, get recommendations from other boards, and use the best you can afford.

3. CREATE A SEARCH COMMITTEE Form an *ad hoc* committee to handle the details of the search on behalf of the rest of the board. After the full board sets the job description, candidate profile, budget, and timeline, then the search committee gets to work. Involve the full board again to interview the final candidates and make the hiring decision.

4. CONSIDER HIRING AN EXECUTIVE SEARCH FIRM Search firms (headhunters) usually charge about 33% of the new hire's first-year compensation package. That makes this the second priciest decision of the search process. If you hire a search firm, hire the best you can afford and one familiar with not-for-profit organizations. Then take time to school them in what your organization is about.

5. SEARCH FOR THE PERSON YOU NEED, NOT THE PERSON YOU'VE HAD Avoid the tendency to hire the clone of the person you are replacing. Regardless of how adept she may have been, make an unblinking assessment of what the organization needs to move forward.

6. INVOLVE THE STAFF Even in the best cases, staff tension will run high when there is a new boss on the way. Lack of information feeds uncertainty which feeds fear. Fear undermines productivity and loyalty. Make them a part of the process by involving them in the initial need's assessment, over-communicating the search progress, and introducing senior staff to the final candidates.

7. OVER-COMMUNICATE TO CONSTITUENTS As with staff, keep your donors and other key constituents current on the search process.

8. AVOID CONFLICTS OF INTEREST Any board member with an eye on the executive director prize must resign his or her seat on the board before applying.

9. DON'T SETTLE FOR WRONG It is possible that you will get to the end of your expected timeline and still not have a candidate you want. Don't make the wrong person for the job prove it by hiring them.

10. BE FLEXIBLE IN RECOGNIZING THE GOOD Compromise is not the same thing as settling for a bad solution. A candidate may not meet every criteria of the board and still be an excellent choice. Look for the unexpected value that you may not have thought to ask for.

Here's the bonus: **11. DOCUMENT THE PROCESS FOR YOUR SUCCESSORS** As part of your current board's legacy, keep a record of the process, timeline, and budget planning of your search process. Leave for those who follow what you had to figure out for yourself.

