

Policy and Procedure Manual

Wilmington Regional Association of REALTORS®

Multiple Listing Service of the
Wilmington Regional Association of REALTORS®

REALTORS® Commercial Alliance of
Southeastern North Carolina

REALTORS® Foundation

Legend

Corporations

Wilmington Regional Association of REALTORS[®] (WRAR)
Multiple Listing Service of the Wilmington Regional
Association of REALTORS[®] (MLS)
Wilmington REALTORS[®] Foundation

CEO

Chief Executive Officer

Employee

As used herein to describe both exempt and
non-exempt employees

INTRODUCTION

WELCOME

As an employee of the Corporations, you are its most important and valuable asset. It is your skills (both technical and interpersonal) and your work ethic that ensure our continued success. Your personal commitment to excellence is absolutely critical if you and the Corporations are to continue to grow.

The purpose of this handbook is to inform you of many of the Corporations' policies and procedures. Your adherence to them is required to ensure the smooth and efficient operation of the Corporations.

Obviously, it is not possible to produce a policy or procedure for every situation. Your best professional judgment is often required. When in doubt, it is always a good idea to check with your supervisor. Additionally, the Corporations reserve the right to revise all or any part of this handbook with or without prior notification at any time.

NOTICE

This handbook does not constitute an employment contract, in whole or part, and the Corporations reserve the right to add, amend, or delete any policy or procedure stated herein at any time, without prior notice.

Employment is "at will" and may be terminated either by the employee or the Corporations at any time for any reason without prior notice. No representative of the Corporations, with the exception of CEO, has authority to enter into an agreement with an employee that is contrary to the foregoing.

Organizational Structure

The Wilmington Regional Association of REALTORS[®] (WRAR) is a not-for-profit 501(c)(6) corporation. The corporation owns the Multiple Listing Service of the Wilmington Regional Association of REALTORS[®], which is a for-profit corporation.

The WRAR operates the REALTORS[®] Commercial Alliance of Southeastern North Carolina.

The Association can ultimately control the business of the MLS and **RCASENC** by denying approval of governing documents, through monetary policies, and removing those elected to hold office.

The Wilmington REALTORS[®] Foundation is a not-for-profit 501(c)(3) corporation organized for charitable purposes.

The WRAR's Board of Directors hires the CEO and the CEO answers to that Board (corporately) alone. This statement means that it is the entire Board of Directors, not any one or any group of the directors individually, that hires and directs the activities of the CEO.

The CEO hires the staff. The staff works for the CEO. Neither the Board nor the members direct the activities of the staff.

Employee Manual

The corporations promulgate that it is their policy to uphold the high standards as set forth in the ***Code of Ethics*** of the National Association of REALTORS.[®] Therefore equal opportunity in employment is the framework upon which all employment is based. To achieve this purpose, we will recruit, hire, and promote for all positions without regard to race, color, religion, national origin, sex, familial status, age (except that retirement is mandatory at age 70 unless specifically waived annually by the WRAR Board of Directors), marital status, sexual orientation, or physical or mental handicaps unrelated to job performance.

CONFIDENTIALITY/NON-DISCLOSURE

Employees may, from time to time, have access to confidential information belonging to the corporations or third parties. This information is confidential until it comes into the public domain by some lawful manner. It is a violation of corporations' policy to inappropriately disclose or use any proprietary or confidential information belonging to the corporations or third parties. This obligation of non-disclosure applies during and after your employment by the corporations.

EXEMPT AND NON EXEMPT EMPLOYEE STATUS

This classification of employment status is defined and administered under provisions in accord with the Fair Labor Standards Act. Nonexempt employees shall be paid one and one half times their hourly wage for overtime work or may be required to take compensatory time off during the week period.

Exempt employees are paid the same salary regardless of the number of hours they work. If an exempt employee works an inordinate number of hours anytime during the year, the CEO has the discretion to allow the employee to take compensatory time.

The "workweek" is defined as Monday thru Sunday.

COMPENSATION

The WRAR's Board of Directors determines the total amount of wages annually. The CEO based upon the importance and value of the position to the Corporations' business plans and upon the credentials and qualifications of the individual, sets individual salaries or wages.

PROBATIONARY PERIOD OF EMPLOYMENT

New full-time employees are hired for a probationary period of sixty (60) days which sixty days is mandatory for each newly hired employee. Prior to the sixtieth day, the CEO shall inform the new employee as to whether their employment will end prior to or at close of business on or before the sixtieth day or whether they will be hired. During the probationary period, employees are not entitled to receive any benefits (ie: sick leave, vacation, insurance, etc.)

PERFORMANCE REVIEWS

The CEO or the employee's supervisor will at least annually review each employee. The Corporations strongly believe that supervisors should communicate with employees about job performance. One way of doing this is by using the performance review process. In a performance review, also known as a performance appraisal, you and your supervisor meet to accomplish the following:

- to discuss your past performance, and how well you have performed
- to establish concrete goals for you to meet by the next performance review
- to talk about development needs and a development plan if appropriate.

After your performance review, your supervisor may recommend a merit increase in your salary. The Corporations have established merit increase procedures to recognize and reward differences in individual performance. Merit increases are based on your performance as well as the Corporations' determination whether or not it decides to permit any pay increases, therefore, merit increases are not automatic.

WORKING HOURS

Full-time Employees must begin work at 8:00 AM each business day and work until 5:00 PM. A one-hour lunch period will be given to each employee. Employees may be permitted to work flex-time by:

1. making a written request to the CEO, or
2. their supervisor:
3. including but not limited:
 - 3.1. to arriving for work at a time other than 8:00 AM,
 - 3.2. leaving from work at a time other than 5:00 PM,
 - 3.3. working additional hours in order to schedule time-off during a normal business day(s),
 - 3.4. taking less than one hour for lunch, etc.

The CEO or their supervisor will schedule part-time employees. A part-time employee is one who works thirty (30) or less hours per week. Benefits are not provided to part-time employees.

All employees are required to notify the front desk when leaving for lunch or otherwise even when a notice has been sent to all staff using Outlook. All supervisors must approve any flex-schedule prior to its implementation; the flex schedule shall indicate an arrival and departure time; any employee on the flex-schedule must sign the schedule.

PAY DAYS

The Corporations pay you on the business day closest to the 15th and last day of each month.

The amount on each paycheck covers all the hours you worked during the pay period ending on that payday except for overtime. Non-exempt employees receive pay for overtime hours on the paycheck after the pay period in which they earn it, if it has been reported before the payroll cutoff date.

PAYROLL DEDUCTIONS

The Corporations will not make deductions from your paycheck unless you authorize it to do so in writing (for example, with an automatic deposit) or unless it is required by law. If you feel that the Corporations have inadvertently made an inappropriate deduction from your paycheck, immediately contact the payroll administrator. If, after further investigation, the Corporations determine that it has erroneously made a deduction from your paycheck, you will be reimbursed for the improper deduction.

It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure that you are paid properly for all time worked and that no improper deductions are made, you must record correctly all work time and review your paychecks promptly to identify and to report all errors. You also must not engage in off-the-clock or unrecorded work.

REVIEW YOUR PAY STUB

We make every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we promptly will make any correction that is necessary. Please review your pay stub when you receive it to make sure it is correct. If you believe a mistake has occurred or if you have any question, please use the reporting procedure outlined below.

NON-EXEMPT EMPLOYEES

If you are eligible for overtime pay or extra pay (including pay due under our handbook or a collective bargaining agreement), you must maintain a record of the total hours you work each day. These hours must be accurately recorded using the software provided to you. Each employee must record the hours to verify that the reported hours worked are complete and accurate (and that there is no unrecorded or "off-the-clock" work). Your recordation must accurately reflect all regular and overtime hours worked, any absences, early or late arrivals, early or late departures and meal breaks. By the end of each day and no later than after you arrive the next day, you must record your hours worked. When you receive each pay check, please verify immediately that you were paid correctly for all regular and overtime hours worked each workweek and sign the time sheet.

EXEMPT EMPLOYEES

If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours that you may work for the Corporations. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

You will receive your full salary for any workweek in which work is performed. However, under federal law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary can be reduced for the following reasons in a workweek in which work was performed:

1. Full day absences for personal reasons, including vacation.
2. Full day absences for sickness or disability, if applicable.
3. Full day disciplinary suspensions for infractions of safety rules of major significance (including those that could cause serious harm to others).
4. Family and Medical Leave absences (either full or partial day absences), if applicable.
5. To offset amounts received as payment for jury and witness fees or military pay.
6. Unpaid disciplinary suspensions of one or more full days for significant infractions of major workplace conduct rules set forth in written policies.
7. The first or last week of employment in the event you work less than a full week.

Your salary also may be reduced for certain types of deductions, such as: your portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or voluntary contributions to a retirement plan. In any workweek in which you performed any work, your salary will not be reduced for any of the following reasons:

1. Partial day absences for personal reasons, sickness or disability.
2. Your absence because the facility is closed on a scheduled work day.
3. Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work.
4. Any other deductions prohibited by state or federal law.

Please note: You will be required to use vacation, personal or other forms of paid time off for full or partial day absences for personal reasons, sickness or disability. However, your salary will not be reduced for partial day absences if you do not have paid time off.

TO REPORT VIOLATIONS OF THIS POLICY, COMMUNICATE CONCERNS, OR OBTAIN MORE INFORMATION

It is a violation of the Corporations' policy for any employee to falsify time records. It is also a serious violation of policy for any employee or supervisor to instruct another employee to incorrectly or falsely record hours worked to under- or over-report hours worked. If any supervisor or employee instructs you to:

- 1) incorrectly or falsely under- or over-report your hours worked;
- 2) alter another employee's records to inaccurately or falsely report that employee's hours worked, or
- 3) conceal any falsification of time records or to violate this policy, do not do so. Instead, report it immediately to the CEO.

You should not work any hours outside of your scheduled work day unless your supervisor has authorized the unscheduled work in advance. Do not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless you are authorized to do so and that time is recorded. Employees are prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you may perform but fail to report. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including discharge.

If you have questions about deductions from your pay, please contact the payroll administrator immediately. If you believe your wages have been subject to any improper deductions or your pay does not accurately reflect all hours worked, you should report your concerns to the payroll administrator immediately. If the payroll administrator is unavailable or if you believe it would be inappropriate to contact that person or if you have not received a prompt and fully acceptable reply within three business days, you should immediately contact the COO. If you have not received a satisfactory response within five business days after reporting your concern to the COO and you are unsure who to contact to correct the problem, please immediately contact the CEO.

Every report will be fully investigated and corrective action will be taken, up to and including discharge of any employee(s) who violates this policy.

In addition, the Corporations will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Corporations' investigation of such reports. Retaliation is unacceptable. Any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

TELEPHONE, PERSONAL VISITS, COMPUTER SYSTEM ISSUES

The telephone should be answered on the first ring whenever possible saying: "Wilmington REALTORS[®] Association." All phones are for business use. Personal calls should be kept to a minimum in both number and length. If it becomes necessary to make a personal long distance call, use your long distance code to log the call.

It is understood that from time to time family and friends may stop to discuss a matter. It is very important that if after a short conversation it appears that a more extended time is needed to discuss a matter, you must make it clear that you are working and that the matter will need to be postponed until after working hours.

It is also understood that from time to time you may wish to use the computer, including any software, on-line communications, or fax for your personal use. The corporations are happy for you to do so as long as it occurs before or after business hours or during your lunch break. All other uses will be considered a violation of office policy and subject the employee to the discipline outlined in this manual. With the exception of the CEO or without the CEO's express permission, no one may password-protect any file on any computer at any time. The CEO shall use the same password for all such files and furnish such password to the Association's legal counsel.

Our computer network system allows employees to send electronic messages (e-mail, instant message, etc.) to one another and to others outside the office via various computer networks. Please practice courtesy and accuracy when sending and receiving any messages, whether on E-mail or in writing. Profanity, any message of an intimidating, hostile, or harassing nature and other inappropriate messages will not be tolerated and may subject the employee to disciplinary action and/or termination.

All computer system files, including inter-office electronic messages, are downloaded and recorded daily. All computer system files, including inter-office electronic messages sent across the computer network are NOT PRIVATE. Employees do not have a personal privacy right in any matter created, received, or sent through electronic mail, regardless of whether a personal access code is used. Employees do not have a personal privacy right regarding files and data residing on their assigned computer, disks, or computer system. The CEO or their immediate supervisor at his/her discretion may from time to time review them.

No PDA, smart phone, etc., MP3 players, thumb drives, USB drives, personal cameras or removable media, screen saver programs, wallpaper or non-business related streaming video or audio shall be used on any computer without written authorization of the Director of Technology or CEO. This would not prohibit you from attaching your MP3 to directly the computer's speaker.

No highly, confidential communications will be sent over the Internet or any other computer network because messages on the Internet are subject to interception by outsiders. All office communication systems are for business use, not personal use. Employees may not use any Internet services to search or download adult or other pornographic materials. Abuse of the electronic mail policy will result in disciplinary action and/or termination.

Use of office materials including postage, paper (unless it is the reverse side of previously used paper), envelopes, etc., is strictly prohibited. Employees are to purchase their own personal office supplies. Employees may purchase paper, copies, and postage by prior arrangement with the CEO or his/her designee.

PERSONAL CONDUCT AND APPEARANCE

Employees shall at all times maintain a pleasant and helpful manner toward members, other staff, and the public. No matter what your position is, good manners and a pleasant attitude will advance your personal image as well as that of the Corporations. A professional and appropriate business relationship must be maintained at all times. Poor manners and inappropriate behavior will negatively affect your job evaluation because they project an image that adversely reflects on the corporations. It is the intention of the Corporations to maintain a professional and productive work place. All employees are expected to conduct themselves in a manner that is moral, ethical, legal, and truthful in an environment of trust and respect.

Behavior that is not consistent with the above will be dealt with in an appropriate manner, based on the nature and seriousness of the conduct, up to, and including termination.

Your personal attire and hygiene help set the atmosphere as well as the image of the office. Clothing should be such as would be considered appropriate for the occasion. For example, during normal business hours, it may be appropriate to wear "business casual" clothing. However, business casual may be inappropriate when staff is presenting a lecture, attending off-site meetings, when computer hardware must be repaired, etc. Refer specific questions to the CEO.

DISRUPTIVE OR ILLEGAL ACTS

Employees are prohibited from engaging in any disruptive or illegal acts, including but not limited to:

1. Stealing, deliberately damaging or defacing corporate property, or the personal property of another employee or member;
2. Possessing dangerous weapons or explosives;
3. Violating criminal laws or being convicted of a felony;
4. Fighting, throwing objects, participating in horseplay, practical jokes, or other disorderly conduct that may endanger the well-being of an employee;
5. All dissatisfactions with your employment must be discussed with the CEO or your supervisor. Both parties shall sign written document setting forth the reasons for dissatisfaction and the resolution, if any, to the problem.
6. Using profane or obscene language or gestures;
7. Being absent or tardy to an excessive degree;
8. Participating in any act that may be considered immoral, indecent, or inappropriate and that reflects negatively on the corporations;
9. Engaging in insubordinate behavior, including refusing to carry out or obey reasonable directives or assignments;
10. Willfully falsifying information on employment applications, time sheets, expense reports, mileage reports, or other corporate documents;
11. Participating in other practices that may be inconsistent with the ordinary and reasonable rules of conduct necessary to the welfare of the corporations and its employees;
- 12.** Violating any policy put forth in this *Manual* or other corporate governing document;

ALCOHOL, DRUG AND TOBACCO POLICY

Illegal and controlled substances: Drugs include, but are not limited to, marijuana, cocaine, crack, phencyclidine (PCP), heroin, LSD, amphetamines, and other stimulants, barbiturates, and other depressants. Controlled substances include, but are not limited to, alcohol and prescription medications.

Possession, distribution, or sale of illegal drugs and controlled substances is strictly prohibited. Disciplinary action will start with a written warning and a probationary period.

Alcohol: Alcohol may be consumed during REALTOR[®] functions but employees must conduct themselves in such a manner that they do not represent a danger to themselves, other employees, the public, or the corporations' reputation.

Prescription drugs: Employees must inform the CEO, or if the CEO, the President, if they are taking prescribed medications that may cause side effects that could affect vigilance, judgment, coordination, or job performance.

Tobacco: Employees are not permitted to use any tobacco product on the premises. Employees who smell of tobacco will be asked to correct the problem.

Right to search: The Corporations maintain the right to search an employee's personal belongings and work areas for drugs and alcohol. A refusal of such a search will justify a

presumption that the search would have disclosed drug or alcohol use and may subject the employee to discipline, including the possibility of termination.

Right to test: The Corporations reserve the right to require you to submit to a drug and/or alcohol test at its discretion. A refusal to take such a test will justify a presumption that the test would disclose drug or alcohol use and will subject the employee to discipline, including the possibility of termination.

SEXUAL OR OTHER HARASSMENT

Definition: Sexual harassment includes unwelcome sexual advances, unwelcome physical conduct, display of sexually explicit or suggestive materials, and other verbal or physical conduct that has the purpose or effect of unreasonably interfering with an individual's work performance by creating an intimidating, hostile, or offensive working environment. Other harassment includes insulting or derogatory remarks.

Sexual or other harassment in all forms is strictly prohibited and may result in termination of employment.

Filing complaint: Any employee who believes that he or she has suffered sexual or other harassment by another employee or any member of the Association or user of the MLS must bring the problem to the attention of the CEO, or, if the CEO, to the president,. Complaints of sexual harassment do not have to be in writing; however, it is helpful if details of dates, times, places and witnesses, if any, to the harassment alleged are provided. Prior to filing a complaint alleging other types of harassment, the employee shall first notify the other employee of the problem. If the other employee does not acknowledge their conduct, then the employee who believes they have been harassed must contact their supervisor or if none, the CEO. Upon the next occurrence, the employee shall put the matter in writing to the other employee and provide a copy to their supervisor or the CEO.

All complaints alleging sexual harassment will be investigated promptly and with the strictest confidentiality by an investigatory team comprised of the president, president-elect, one member of the board of directors selected by the highest-ranking officer not named in the complaint, following consultation with legal counsel, and the CEO. If the complaint involves the president, president-elect, or CEO, he or she shall be replaced on the investigatory team by the immediate past president or, if not available, by another member of the board of directors selected by the highest-ranking officer not named in the complaint.

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

Disciplinary action against any employee found to have sexually harassed another employee or member may include verbal or written warning, probation, or suspension. Prior incidents of similar behavior shall automatically result in suspension and possible termination depending on the gravity of the incident. The investigatory team shall make such decision.

Clear, strong, and convincing proof shall be the standard by which alleged allegations of sexual harassment are determined. Clear, strong, and convincing shall be defined as that measure or degree of proof which will produce a firm belief as to the validity of the allegations sought to be established. It is contrary to the policy of the corporations for a member or employee to retaliate against any employee who files a charge of sexual harassment. All possible steps will be taken to eliminate the possibility of retaliation resulting from the filing of a complaint.

In the event that a complaint of sexual harassment is found to be totally and completely without basis, appropriate disciplinary measure may be taken against the employee or member who brought forth the complaint. While this is in no way intended to discourage employees who believe they have been the victim of sexual harassment from bringing a complaint, the corporations recognize that a charge of sexual harassment can cause serious damage to the personal reputation and professional career of the accused.

VOLUNTARY OFFICE ROMANCES

If you are dating another employee who you report to or who reports to you, or a member of the Corporations, you need to discuss the situation with the CEO. Dating in these circumstances could result in charges of harassment or discrimination. These situations are handled on a case by case basis. The CEO will consider requests from affected employees to transfer them to an open position for which they are qualified, so that the employees are not in the same reporting lines.

LUNCH/FOOD AT DESK

Lunch periods will vary daily depending on the workload. The staff member who normally sits at the front desk will take lunch at 12 noon until 1 PM unless other arrangements are made with the CEO or with their supervisor. An employee schedule will be developed and provided to all employees. If an employee is unable to take their turn, it becomes the employee's responsibility to find someone who will switch with them. In extreme cases, please speak with the front desk employee's supervisor or the CEO. All employees are permitted to prepare and eat breakfast prior to the commencement of their work day. Non-exempt employees are not permitted to prepare meals except during their lunch hour without the written permission of their supervisor. Non-exempt employees may not eat meals at their desk or work through lunch in order to leave early.

HOLIDAYS

The office will observe the following holidays:

New Year's Day	Martin Luther King	Good Friday	Memorial Day	Independence Day
Labor Day	Thanksgiving	Friday after Thanksgiving	Labor Day	
Christmas Eve	Christmas			

If a holiday falls on Saturday or Sunday then the office will follow the same schedule as the New Hanover County Register of Deeds.

*Members of other faiths may observe alternate holidays in lieu of Christmas upon written notice to the CEO.

CONFLICT OF INTERESTS AND CONFIDENTIALITY

Employees shall not engage in any activity that conflicts with their employment by the corporations. Prior to taking another job, employees must discuss the employment with the CEO. Employees who accept jobs that would negatively impact the image of the corporations may face termination. Corporation business is strictly confidential and shall not be discussed except as necessary to further corporate business.

Employees must disclose their interest in any entity in which the corporations are doing or are considering doing business. The disclosure must be made timely. Timely means that when the employee learns of the possibility of doing business or when not known, as soon as they do or reasonably should have known. This policy is focused upon material financial interest of, or benefit to such person.

The disclosure must be made to the CEO or, if the CEO, to the President. For each such disclosure, the CEO or President, as applicable, will determine whether to:

- (a) take no action;
- (b) assure full disclosure to the Board of Directors;
- (c) ask the person to recuse from participation in related discussions or decisions within the corporation; or
- (d) ask the person to resign from his or her position in the corporation or, if the person refuses to resign, become subject to possible removal in accordance with the corporation's removal procedures.

The CEO or President will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the to the Board of Directors in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

TARDINESS

Punctuality is expected not only as a matter of efficiency, but also because tardiness is thoroughly unfair to others who report to work on time. Unavoidable lateness must be explained in writing to the CEO. A pattern of tardiness will affect salary increases or even continued employment.

ABSENCES

Employees are hired because they are needed. As with tardiness, absences are unfair to fellow employees and affect the performance of the entire staff as a team. Leaving the office without the permission of your supervisor constitutes an absence; advance notice must be given when possible. A pattern of absences will affect salary increases or even continued employment.

SPECIAL CASES

Personal Absences: Full-time employees are given 8 hours, including four hours as mandated by G.S. § 95-28.3 for attending or participating in activities at their child(ren)'s

school, on a calendar year basis in which to schedule non business appointments including doctor, dentists, therapists, etc. Employees may also work flextime, use regular lunch periods, vacation or sick time with prior permission of the CEO or their supervisor.

Enforced Absences: If you are a full-time employee and you are called for jury duty or as a court witness, you will be paid during your absence.

Personal Hospitalization: Full-time employees will be granted full salary for ten working days due to personal hospitalization. Such benefits are not cumulative, but are available on a calendar year basis, and do not count against sick leave benefits.

SUGGESTIONS AND COMPLAINTS

All employee suggestions and complaints are directed to the CEO or their supervisor in writing. The CEO or supervisor shall date each received. The CEO or the supervisor shall write an explanation of how each complaint was handled and the employee and CEO or the supervisor shall sign the explanation or if the employee refuses, the CEO or the supervisor will make a notation showing that the employee refused to sign it. The original shall be retained in the employees file and a copy provided to the employee. Failure to follow these procedures may result in suspension or termination.

SICK LEAVE

All full-time employees receive sick leave. Sick leave does not accumulate. Employees are entitled to sick leave during each calendar year or portion thereof based upon the schedule below. These benefits are used for personal illness or to care for an ill immediate family member. When sick leave benefits are exhausted, the employee will not receive wages thereafter. (See BofD Minutes 5-29-08)

Continuous Service	Benefit
< 60 days	None
During first calendar year if > 60 days but < 6 months	3 working days
During first calendar year if > 6 months	5 working days
Second calendar year	7 working days
Third calendar year	8 working days

PERSONAL DAYS

ALL FULL-TIME EMPLOYEES WILL BE PROVIDED PERSONAL DAYS. PERSONAL DAYS DO NOT ACCUMULATE. EMPLOYEES ARE ENTITLED TO PERSONAL DAYS BASED UPON THE SCHEDULE BELOW. (SEE BOFD MINUTES 5-29-08)

CONTINUOUS SERVICE	BENEFIT
Prior to second calendar year	None
Second calendar year	1 working day
Third calendar year	2 working days

BEREAVEMENT LEAVE

A full-time employee is granted the following paid leave:

- Ten (10) days upon the death of a spouse or child;
- Five (5) days upon the death of a father, mother, sibling, sibling's spouse, child (all preceding include "step") or the primary care giver/legal guardian where the father or mother was not the primary care giver;
- Three (3) days for a grandparent or grandchild; and
- One (1) day for other relatives. (See BofD Minutes 01-14-2010)

An employee may then use up to two additional days of the sick leave to which s/he is entitled.

PREGNANCY LEAVE

The corporations fully subscribe to the Pregnancy Discrimination Act Amendment to Title VII of the Civil Rights Act of 1964. The pregnant full-time employee must remain at her job until she is unable to efficiently perform her work or until her continued employment poses a hazard to her health as determined by her physician. Such determination must be submitted in writing **immediately** to the CEO. Upon such written notification the employee will be offered a leave of absence without pay. If she accepts, a written statement will be signed by the CEO and the pregnant employee stating the following:

You have sixty (60) days from the birth of your child to reapply for employment. Your vacation and sick leave days will not be affected by this pregnancy leave of absence. **IF YOU DO NOT REAPPLY WITHIN THIS SIXTY-DAY PERIOD YOU FORFEIT YOUR RE-EMPLOYMENT RIGHTS.**

GENERAL OFFICE ISSUES

The following activities take priority over all other employee time:

- Maintaining the functions of the MLS software;
- Existing member(s) who transfer between offices, member terminations, and then new membership applications;
- The front desk staff routes incoming mail to the appropriate staff. The staff opens the mail and forwards a copy to the appropriate officer or committee chair retaining the original in the office;
- Financial accounting including maintaining inventory, e-billing appropriate parties, payment of all bills, preparing income statements and balance sheets;
- Making corporate travel arrangements;
- Written correspondence to and from the membership, the MLS Participants, committees, and the officers and directors;
- Correspondence to and from the NAR and the NCAR,
- Each employee using the kitchen must keep it. Clean the room after each committee or board of directors' meeting;
- Employees are not permitted to smoke on the premises
- No offensive smelling food shall be prepared or warmed;

- Employees must remain impartial in all matters pertaining to the corporations. Unwarranted requests for information **must** be promptly denied referring the person to the CEO. (Please review Policy Statements by the Boards of Directors).
- Monday morning is the normal time to do a broadcast update to the members. All new information must be added by Friday at 12 noon.

REIMBURSEMENT OF EXPENSES

Reimbursement expense reports (mileage, travel, office supplies, food for events, etc.) must be submitted no later than five (5) business days after the last day of the month in which the expense was incurred. Expenses will not be reimbursed if submitted after deadline.

VACATIONS

Unless otherwise approved in writing by the WRAR Board, full-time employees are granted vacation according to the schedule below.

<60 days	None
During first calendar year if >60 days but < 6 months	2 working days
During first calendar year if > 6 months	3 working days
Second calendar year	8 working days
Third calendar year	10 working days
After fifth calendar year	15 working days

Unused vacation days may not carry over into the next calendar year unless modified by contract. **Example:** An employee is hired on September 15, 1999. Before December 31, 1999 the employee is entitled to 2 days. Beginning January 1, 2000 the employee is entitled to 8 days; January 1, 2001 the employee is entitled to 10 days; January 1, 2004 the employee is entitled to 15 days. All vacation requests must be received in writing and be approved by the CEO. The above Policy does not apply to the CEO whose vacation days are determined by contract.

INSURANCE

Full-time employees will be covered by such insurance as the corporations determine annually.

EDUCATIONAL ASSISTANCE

Employees desiring educational help that specifically will enhance their ability to perform their job performance shall make such request in writing to the CEO.

DISCIPLINARY ACTION

VERBAL WARNING

This procedure will be used for minor infractions and performance problems.

1. A private meeting between the employee and their supervisor. *

2. The violation or performance problem will be explained. The problem and the resolution will be discussed. An evaluation of how to handle a similar situation in the future will be discussed.
3. A note of the day, time and content of the conversation will be placed in the employee's file.

WRITTEN WARNING

Written warnings are used if the employee: repeats minor violations for which he/she has received a verbal warning; violates more serious standards of conduct or performance.

1. A written statement will be given to the employee stating the facts as they are known and setting a date and time for a discussion of the statement at which time the employee will give a written response to the statement.
2. After discussion with the employee, a written memorandum will be prepared outlining the proposed resolution which the employee and the supervisor will sign. Copies of the statement and response will be attached to the memorandum and placed in the employee's file.
3. If after a written warning the problem is not corrected then a disciplinary period will be mandatory. The purpose of this disciplinary period is to notify the employee that if the problem is not corrected within the disciplinary period, then employment may be terminated.

SUSPENSION

Suspensions without pay are appropriate and may be used if a disciplinary period fails to correct the problem. The corporations are not under any obligation to provide this prior to termination. Under certain conditions, however, such as suspected embezzlement, theft, etc., an employee may be suspended without pay, pending an investigation.

TERMINATION

There are three broad reasons for termination of employment:

- Voluntary resignation.
 - Dismissal.
 - Elimination of job.
1. When an employee voluntarily resigns, the supervisor will conduct an interview in order to determine why the employee is leaving. A written statement signed by the employee and supervisor will then be placed in the employee's file. *
 2. When an employee is dismissed, the supervisor will conduct an interview outlining why the employee is being discharged, review the policy for payment of vacation/severance pay, if any, and obtain the employee signature on the written interview. *
 3. When a position is eliminated, the supervisor will conduct an interview giving notice of termination to the employee, explaining why the job was eliminated, and to review the policy for payment of vacation/severance pay, if any.

When a full time employee is dismissed for cause then vacation will be paid on a monthly pro rata basis from January 1st through December 31st.

Employees who leave for other reasons are paid as follows:

- Unused vacation will be paid on a monthly pro rata basis from January 1st through December 31st;
- If employed five (5) or more years and employed for a minimum of three months in the calendar year when they leave, then the employee will be paid for all unused vacation days for the calendar year.

Severance pay will be paid at the discretion of the Board of Directors or as stated in any contract for employment.

* The employee's supervisor or the CEO as appropriate; if the CEO, then the Board of Directors shall direct the President and the President-Elect to hold the meeting.

COMPLIANCE, WHISTLEBLOWER & REPORTING FOR EMPLOYEES

The Wilmington Regional Association of REALTORS[®], its Multiple Listing Service and its REALTORS[®] Commercial Alliance of Southeastern North Carolina ("Organizations") require directors, officers, members and employees ("All") to observe high standards of business, personal ethics in the conduct of their duties and responsibilities and adherence to the spirit of the Code of Ethics of the National Association of REALTORS[®]. All must practice honesty and integrity in fulfilling responsibilities. All must comply with all applicable laws, regulations, Bylaws and the policies adopted by the Board ("Governing Documents").

Reporting Responsibility

All must comply with the **Governing Documents** and must report violations or suspected violations in accordance with the procedures below.

No Retaliation

No one who, in good faith, reports a violation of **Governing Documents** shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

A member who retaliates against someone who reports a violation, in good faith, is subject to discipline and fines as determined by a hearing panel of the Professional Standards Committee and as ratified by the Board of Directors including suspension of membership for a term not more than six months nor less than one month. The **Organizations** encourage anyone to raise serious concerns within the **Organizations** prior to seeking resolution outside the **Organizations**.

Encouragement of Reporting Violations

The **Organizations** encourage employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the employee's supervisor is in the best position to address an area of concern. Your concern is important and

will be investigated. However, if you are not comfortable speaking with your supervisor or if you are not satisfied with your supervisor's response, you are encouraged to speak with another supervisor (CEO, COO, CTO, GAD, etc.) or the Compliance Officer, the one with whom you are most comfortable in approaching. Supervisors are required to report suspected violations to the CEO unless the CEO is the subject of the issue, in which case report to the Compliance Officer.

The **Organization** encourages members to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, to the CEO unless the CEO is the subject of the issue, in which case, address the issue with the Compliance Officer. Your concern is important and will be investigated.

Compliance Officer

The **Organizations'** Compliance Officer will be anyone who is not on the Board of Directors. The WRAR President must appoint the Compliance Officer annually only after seeking the advice and consent of the Board of Directors. S/he is responsible for investigating and resolving all reported complaints and allegations. At the Compliance Officer's sole discretion, s/he may advise the CEO, but must when it is a monetary issue, contact the CPA and the Audit Committee. If the issue is a legal one, the Compliance Officer must notify the Association's legal counsel. The Compliance Officer is authorized to contact and to incur expenses up to \$1,000 as necessary with the CPA and/or Association's legal counsel. All additional funding must be approved by a majority vote of the Board of Directors.

Audit Committee

The WRAR President must appoint the Audit Committee annually only after seeking the advice and consent of the Board of Directors. The Organization's Compliance Officer shall be the chair of the Audit Committee. The Audit Committee will meet at least annually with the CPA.

The Audit Committee must address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the committee until the matter is resolved. The resolution shall be reported to the Board of Directors.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegation that proves not to be substantiated and if proven to have been made maliciously, or knowingly to be false, will be viewed as a serious disciplinary offense.

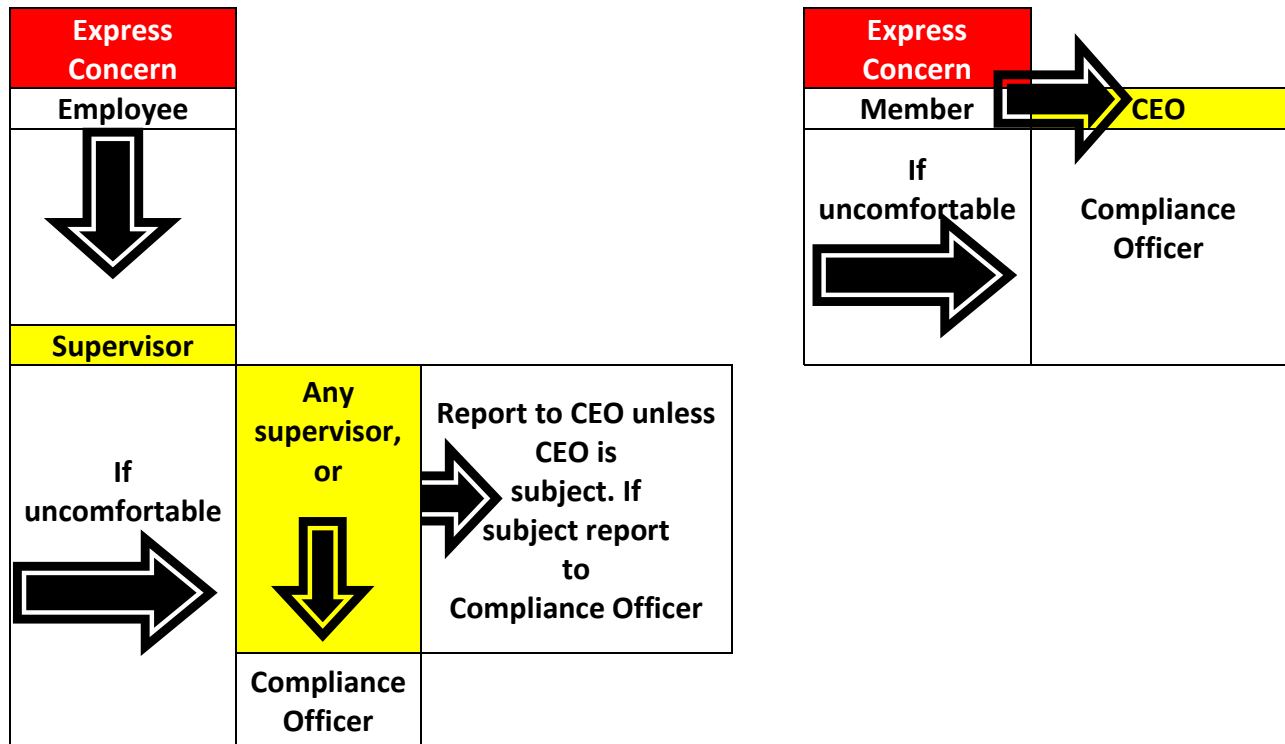
Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the whistleblower. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, the identity may have to be disclosed to conduct a thorough investigation, to comply with the law or to provide the accused individuals their legal rights of defense. The **Organizations** will not retaliate against anyone who refuses to participate in an activity that would result in a violation of state or

federal law. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any employee who believes he/she is being retaliated against must contact the CEO or, if the CEO is the person who is allegedly retaliating, to the Compliance Officer. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated, or disclosures that would constitute a violation of the attorney-client privilege.

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.



LINKING PAY TO PERFORMANCE: AN INCENTIVE COMPENSATION PROGRAM

GOALS AND OBJECTIVES

Just as the brokers and agents that comprise its membership prepare to meet the challenges of a changing real estate market, so are the corporations entering into a new chapter of their long and distinguished history. Over the past years, major efforts were made by leadership and staff to:

- think strategically;
- streamline governance procedures;
- prepare a business plan that will assist the corporations as they move forward into this new millennium.

Under the business plan, the staff will be assuming broad responsibilities for the success of the corporations and the provision of products, programs and services that will properly support the professional efforts of its members while at the same time reducing the corporation's current dependence upon dues revenues.

In order to encourage employee involvement and performance towards the goals and objectives and to provide a work environment which links individual and group performance to the goals and objectives set forth by the Boards of Directors annually, this incentive compensation program is established.

By incorporating this program, the leadership signals its support and confidence in both its staff and the future of the corporations. The incentive compensation program consists of three fund components:

Fund "A" Recognition of Individual Performance

A percentage of base salaries for the next budget year shall be set designated within the salary section of the budget to be used for staff compensation at the sole discretion of the chief staff officer (CEO). This fund need not be applied universally or in recognition of any specific inflationary factor.

Fund "B" ELIGIBILITY

- 1) **Threshold:** No incentive compensation under this fund will be paid unless:
 - a) the year-end net income (revenues less expenses [including depreciation] but before income taxes) is positive;
 - b) but does not include moneys from the sale of an asset whose net profit is designated. (Example: The rear lot is sold at a profit of \$60,000 but the Board designates it for a specific use. While the \$60,000 would increase the net profit, the \$60,000 would not be used in the calculations under this section.
- 2) **Individual Eligibility:** A participant's incentive compensation potential will be based upon the corporations having met or exceeded its financial and quality performance goals recommended by the CEO and approved by the Boards of Directors prior to the beginning of each year.
 - a) Eligibility: An employee will become eligible after being employed for at least one full calendar year calculated from the date of hiring. Further, an employee must be on the payroll and actively employed as of the last day of the year in order to earn an incentive award from Fund "B" for that year.

3) Award Determination

- a) Incentive compensation amounts will be calculated on or after January 15, as a percentage of a participant's prior base salary paid excluding benefits and additional compensation.
- b) The maximum incentive compensation potential is five (5%) of base salary.
- c) The CEO shall determine whether each eligibility requirement and performance goal was reached or not and shall report in writing to the Boards of Directors those findings prior to the payment of any incentive compensation. The Board shall approve the percentage of allocations.

Incentive compensation will be paid if the eligibility criterion established in Sections 1 and 2 above have been met and if the incentive goals established by the CEO and approved by the Boards of Directors are met or exceeded. (WRAR 7-27-2000)

LEGAL PREVENTATIVE MAINTENANCE

Minutes of meetings should only reflect action taken with such minimum explanation as is absolutely necessary to make the action clear.

Retention and disposal of all documents is essential:

- Disposal on a systematic basis of all documents and records that are no longer necessary to corporate operations.;
- Prohibition of personal files by any member.
- Recovery of all records and correspondence in the possession of an officer or a committee member at the expiration of their terms.

RECORD-RETENTION SCHEDULE

Record	Retention Schedule	Record	Retention Schedule
Accident reports and claims (settled cases)	30 years	Governing Documents:	retain digital versions of current, previous version and last NAR approved only.
Audit reports	Permanently	Insurance policies (expired)	3 years
Bank reconciliations	7 years	Insurance records	
Capital stock and bond records; ledgers; transfer registers; stubs showing issues; record of interest coupons; options; and so forth	Permanently	accident reports, claims	3 years
Cash books	7 years	policies	Until renewal or if claim until claim is paid
Charts of accounts	7 years	Internal audit reports	7 years
Checks (canceled)	7 years	Inventories of products, materials, and supplies	7 years
Contracts and leases (expired)	7 years	Invoices to customers	7 years
Correspondence (routine) with customers or vendors	1 year	Invoices from vendors	7 years
Correspondence (legal and important matters only)	Permanently	Journals	7 years
Database Membership Records	26 months after Member resigns or is terminated	Minute books of directors and stockholders and charter	Permanently
Deeds and bills of sale	7 years after transfer of asset	Notes receivable ledgers and schedules	7 years
Depreciation schedules	7 years after asset is fully depreciated	Occupational injury and illness records	5 years
Dividend checks/records	7 years after receipt	Payroll records and summaries	3 years
Duplicate deposit slips	7 years or shred after uploaded to Bill.com	Petty cash vouchers	7 years or shred after uploaded to Bill.com
Employee personnel records	3 years after employment ends	Professional Standards	
Expense analyses and expense distribution schedules	7 years	Ethic decisions	Permanently
		Original decision in Permanent Ethics File with a copy scanned to the member's record in database. Remainder of file destroyed after the appeal period is ended.	
		Arbitration	After Appeal
		Destroy the entire file after the appeal period is ended.	

Record	Retention Schedule	Record	Retention Schedule
Property appraisals	until asset is sold	Tax returns and worksheets,	Permanently
Property records including costs, depreciation reserves, end-of-year trial balances, blueprints and plans	7 years after disposing of asset	revenue agents' reports, and other documents relating to determination of income tax liability	
Receipts (all kinds)...	shred after uploaded to Bill.com	Tax records (bad debts or	7 years
Reorganization records	Permanently	losses on securities)	
Sales records.....	7 years or 2 years after membership ends	Time Reports Employee.....	7 years
Stock and bond certificates (canceled).....	6 years	Trademark registrations	Permanently
Subsidiary ledgers.....	7 years		

Employee Acknowledgment Form

As an employee of the Corporations, you are responsible for reviewing and understanding the employee section of the Policy and Procedures Manual. You are also responsible for reviewing this information and returning a signed copy of this Acknowledgment Form to the CEO.

This employee section of the Policy and Procedures Manual contains information concerning conduct, compensation, employment, privacy, safety, time-off, and termination issues. It is your responsibility to read, and understand the contents. Information will be updated and revised on an as needed basis. You may access the most current copy on the network under Jerry\Govern folder.

Please sign below indicating that you have read and understand the contents and that you will stay up to date on changes.

Employees are considered "at will". The Policy and Procedures Manual does not create a contract of employment.

Print Your Name: _____

Signature: _____

Date: _____

Policy Statements

by the

Boards of Directors

ADMINISTRATIVE COMMITTEE

Scope of Work: Annually review the benefits package for all staff and evaluate the performance of the CEO based upon the criteria established (see MLS BofD Minutes 10-20-2005). The Committee shall meet at least three times a year, compile a final evaluation, meet with the CEO to agree upon objectives and make its report to the board of directors. The committee shall meet with the CEO to present the evaluation and obtain a signature on it. The evaluation shall be placed in the CEO's permanent file and shall only be available to the current MLS and WRAR presidents, legal counsel, and the CEO. The evaluation shall occur during the last quarter of each year.

During the last quarter of the year the following steps shall be completed:

- 1) The Administrative Committee will meet and evaluate the CEO's performance
- 2) In the event that the performance of CEO is deemed unsatisfactory in any respect, the Administrative Committee shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance.
- 3) The evaluation will include recommendations as to areas of improvement in all instances where performance is unsatisfactory.
- 4) A copy of the written evaluation shall be delivered to CEO. If CEO disagrees with such evaluation, CEO may respond in writing to be delivered to the then Past President. All such writings will be made a part of CEO's confidential personnel file.
- 5) Upon the conclusion of the evaluation, the Administrative Committee may take action to increase the compensation, bonus, and benefits for CEO for the subsequent year of the CEO's contract subject to the approval of the Board of Directors.

The Committee shall make a recommendation to the boards no later than its December meeting on:

- 1) the CEO salary
- 2) may recommend additional compensation for work completed since the last evaluation
- 3) the salary caps for key staff to provide the CEO with the maximum salary that may be offered since the CEO administers all staff salaries
- 4) benefit package on vacation, sick days, insurance, and an incentive package for all staff.

Composition: The WRAR Past President, who will chair the Committee, the WRAR President, the MLS President, and the MLS President-Elect (see BofD minutes 07-23-09)

Checklist for Administrative Committee

- Revenue benefits package for staff: If change, write change here: _____

- Set dates for next year (at least three): _____

- Meet with the CEO to agree upon objectives for next year: _____

- Compile final evaluation: In the event that the performance of CEO is deemed unsatisfactory in any respect, the Administrative Committee shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance. **Is performance deemed unsatisfactory?** No Yes If yes, describe in detail on Evaluation Form
- A copy of the written evaluation shall be delivered to CEO. Does CEO agree?
 Yes No. If no, CEO may respond in writing to the Past President. Add to CEO file.
- Any action to increase the compensation, bonus, and benefits for CEO? No Yes If yes, describe here and take to the Board of Directors: _____

- Make its report to the board of directors: December , 20 _____

ADVERTISING

Staff may pursue additional advertising revenue for Broker Breeze and TheWilmingtonMLS.com except that:

- 1) real estate ads may only be accepted from members,
- 2) no contract exceed one year, and
- 3) no advertising will be a solicitation for real estate licensees to work for another member or company. (See BofD minutes 12-14-00 & 11-17-2011)

Web Site Advertising/Linking: The President and the CEO may agree jointly to enter into any contract for products and services with a term that does not exceed one year provided the product or service:

- 1) Is compatible with the Mission of the Association;
- 2) That does not require exclusivity;
- 3) Provides either a revenue stream or a discount to the members;
- 4) Falls into one of the following categories:
 - a) Promoted by the National Association of REALTORS®
 - b) Promoted by the North Carolina Association of REALTORS®
 - c) Promoted by a Member
- 5) The Board of Directors must approve all other contracts. (WRAR 12-16-99)

AMBASSADOR PROGRAM

What is an Ambassador?

- Key contact person at each office with 10 or more members
- A partner with boards of directors helping to communicate to REALTORS® in their respective office.
- An advocate who wishes to become more involved in elections, legislative issues, regulatory issues, and quality of life issues.
- Stays informed on current events and communicates with leadership and staff
- Networks and exchanges information.

What does an Ambassador do?

- Encourages other REALTORS® to become involved and attend events.
- Presents (communicates) information at sales meetings, intra-office voicemail and email.

How do I become an Ambassador?

- Elected by their office

Incentives to participate in the program?

- REALTOR®'s name prominently displayed on the Association's website.
- Annual private cocktail party with Board of Directors.

How long is the term?

- One calendar year

How often do they meet?

- At least once per year (See BofD Minutes 07-23-09)

AWARDS

NCAR Awards

Annually the staff shall notify the membership of all NCAR awards through Broker Briefing and announcements at general membership, director, committee, and council meetings. Additionally, the President shall appoint a task force comprised of the NCAR Directors and other members who are involved in NCAR activities to participate in an on-line or in-person discussion on possible nominees. The task force may recommend members and shall help with the submittal of the application. The deadline for applications is the first Monday in May by 12 noon. The Awards Committee will meet the Friday following the deadline. (See BofD Minutes 11-18-2010).

WRAR Awards

Allied Member of the Year

Allied Member of the Year will be selected from either Allied Members or REALTOR® members in the Allied Member capacity who have made outstanding efforts on behalf of our Association and the real estate profession. The REALTOR® of the Year Committee consisting of the last five recipients who are able to serve will make the final choice.

The winner of the Allied Member of the Year Award will be selected based on their participation in

- 1) WRAR activities (most important),
- 2) Civic activities,
- 3) Contributions to governmental, cultural, social and religious activities,
- 4) NCAR, NAR or other significant achievements.

Cathy Clark Memorial Award

An annual scholarship award in the amount of \$200 may be used toward any designation or broker courses and/or technology training. The last five REALTOR® recipients who are able to serve will make the final choice. **NOTE:** Staff will pay the monies to the organization sponsoring the course and not to the individual.

- 1) Any REALTOR® member that is also an MLS Participant/Subscriber qualifies for this scholarship.
- 2) Nominee must have been an Association member for a minimum of two (2) years and be a full-time active agent.
- 3) Nominee must have attended at least one WRAR or NCAR sponsored seminar.
- 4) Any participant may submit one written nomination explaining why that person is worthy.

Hall of Fame Award

This award honors outstanding lifetime contributions by individuals within our industry who have contributed consistent outstanding service to our profession in the areas of development, environment or government and/or leadership that have an enduring effect upon the real estate profession.

Nomination and Nominee criteria: Anyone may submit a name. The nominee may be an Association member (REALTOR®, Allied, etc.) or a non-REALTOR® within the real estate industry. Judging of entries will be on the following general basis:

- 1) **50%**- Contributions to the WRAR
- 2) **25%**- Contributions to the advancement of the principles of good real estate practice among Brokers and the general public.
- 3) **25%**- Contributions to local, state and national service organizations; charitable or political activities; and fraternal, sorority and religious organizations.
- 4) WRAR REALTOR® of the Year Committee will review nominations; will submit its selections(s) for induction to the Board of Directors for action at their November meeting. No more than one living and two deceased individuals shall be inducted in any single year
- 5) Living inductees will be presented with a personal picture of the permanent plaque displayed at WRAR office during the Installation Banquet.
- 6) A letter from the President will be sent to the surviving spouse or children of any deceased inductee notifying them of such honor.

Paul Sullins Community Service Award

Description: This award is given to a REALTOR® who deserves recognition due to their contributions to the betterment of their communities through outstanding public service.

Who Qualifies: All REALTOR® members, except the current WRAR Officers, are eligible for the award. Previous winners are not eligible. The award will not be awarded posthumously. The REALTOR® of the Year Committee consisting of the last five recipients who are able to serve will make the final choice.

REALTOR® Of The Year Award

This award is given to honor those REALTORS® who have provided outstanding service to the Wilmington Regional Association of REALTORS®, their profession, the State and National Associations and to their community. The selection process will be by your nominating REALTORS® in your Association who are deserving of this honor. The REALTOR® of the Year Committee consisting of the last five recipients able to serve will make the final choice.

The President is **NOT** an eligible candidate. The criteria upon which the judgment of the committee will be based is:

- 1) **REALTOR® Spirit (35%)**
 - a) High principles;
 - b) Faithfulness to the Bylaws, Rules and Regulations, and **Code of Ethics**;
 - c) Advancement of the principles of good real estate practice among other brokers and the public.
- 2) **Local Association Activity (35%)**
 - a) Attendance at local, state and national meetings; Board officer and/or Director;
 - b) Committee chairman and/or member; task force/Presidential Advisory Group member;
 - c) Seminar activity and education work;
 - d) Membership in local Societies and Institutes.
- 3) **Civic Activities (10%)**
 - a) Local, state and national service organizations;
 - b) Charitable activities;
 - c) Political activities;
 - d) Fraternal/sororities, and
 - e) Religious organizations.
- 4) **State Association Activity (15%)**
 - a) Same as B but on the State level.
- 5) **National Association Activity (5%)**
 - a) Same as B but on the National level.

Salesperson of the Year

The Salesperson of the Year will be selected annually based on the following criteria:

- 1) Number of closed transactions, dollar volume,
- 2) Active and continuous dedication to the WRAR through participation in committees and events;
- 3) Recipient should be striving for designation or have one;
- 4) Should exemplify team spirit, leadership, loyalty, cooperation with peers; and
- 5) Dedication to community service.

- 6) Nominee must have been associated with the nominating firm for at least one year and must be a REALTOR[®] member in good standing.
- 7) Only Designated REALTORS[®] may nominate REALTORS[®] for this award.
- 8) The last five recipients who are able to serve will make the final choice.

Sally Noffsinger Scholarship Award

Annual award up to \$225 toward G.R.I. or any NAR or NCAR sponsored advanced course. **NOTE:** Staff will pay the monies to the organization sponsoring the course and not to the individual.

- 1) A WRAR REALTOR[®] for a minimum of one year, a maximum of three years Nominee must have 1) Attended at least one local Association or State sponsored seminar, in addition to required continuing education; 2) Closed at least 5 transactional sides during their WRAR membership. The principal broker of the firm may submit one written nomination for the "top rookie" in their office explaining why that person is worthy. (See BofD Minutes 07-21-2011)
- 2) Suggested guidelines for the Designated REALTOR[®]'s selection:
 - a) Honest;
 - b) Adherence to Code of Ethics;
 - c) Enthusiastic;
 - d) Congenial;
 - e) Positive attitude;
 - f) Prompt;
 - g) Courteous;
 - h) Reliable;
 - i) Dependable;
 - j) Success oriented;
 - k) Educationally motivated;
 - l) Professional image
- 3) The last five recipients who are able to serve will make the final choice.

BOARD OF DIRECTORS

Directors are required to shred notes after every meeting (See BofD Minutes 2-17-2011)

BROKER BRIEFING

Broker Briefing will:

- 1) Include REALTOR[®] Luncheons, event info, misc. announcements, etc., in a condensed format;
- 2) Be alphabetically categorized into sections such as CE, Events, Governmental Affairs, New subdivisions, REALTOR[®] luncheons.
- 3) Deadline of Friday at 4:00 pm.
- 4) Never include listings (See Communication Committee Minutes 11-18-2002-**NOTE:** BofD made no changes 11-21-02)

BYLAW CLARIFICATIONS

Article IV, Section 1(g)

Life Members: “...exemplary and outstanding..” found in Article IV, Section 1(g) of the Bylaws includes at a minimum 35 consecutive years or 40 cumulative years as a REALTOR®. (see WRAR BofD Minutes 9-20-2001) The Member Services Committee shall make a recommendation to the officers as to who is eligible and any recommendation that they wish. The corporate officers shall decide who will receive the award. Life Members are exempt from the payment of local dues (which is why there is no dues requirement in Bylaws, Article X) (see WRAR BofD Minutes 12-16, 2004)

Article V, Section 1(c) and Article X, Section 2(d) – Allied Members:

- 1) An individual joining as an Allied Member must designate him/herself as the firm.
- 2) Staff will charge the initiation fee and annual dues to:
 - a) A sole practitioner would pay the current initiation fee and pro rata dues.
 - b) A company with multiple employees would pay the initiation fee and the person so designated would pay pro rata dues;
 - i) Other individuals within the firm may pay the fee set annually pro rata which would cover the quarterly meeting expenses. (see BofD Minutes 5-27-99)

Article VI, Section 11

Article VI, Section 11 shall be interpreted as requiring the Designated REALTOR® to print a report from the NCREC website showing all licensees affiliated with their office or firm including noting any who are primary at another REALTOR® association/board. (see BofD Minutes 07-23-09)

A fine in the amount of \$50 shall be paid by the Designated REALTOR® for failing to report the affiliation of a licensee within three business days pursuant to Article VI, Section 11 of the Bylaws. (see BofD Minutes 03-18-04)

Article X, Section 10

WRAR dues are waived for REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award (see BofD Minutes 12-16-2010).

All Directors, whether those elected by the REALTOR® members or those elected by the Executive Roundtable are elected to staggered three year terms. The ballot specifies the number of years for which the Director will serve. Usually two directors are elected to a three year term by the REALTOR® members. However, if a vacancy occurs, the Board may fill the position for the remainder of the calendar year. At the Annual Meeting that appointed position is filled for the term remaining and the person so elected takes office on January 1 following their election. This same methodology is followed when Directors are elected by the Executive Roundtable except that the Board cannot fill any vacant position. The vacant positions are filled by the Executive Roundtable members themselves. (Adopted BoD Minutes 5-27-99)

Further, the Board of Directors may appoint a Director whose firm is not a member of the Executive Roundtable; such director shall serve a one year term. If the Director transfers to a firm who is a member of the Executive Roundtable, or if the firm becomes a member of the Executive Roundtable such Director automatically forfeits the position. (Amended 12-03-09)
The election procedures are as follows:

1. During the month of August, Staff shall notify the officers of the opportunity for the Board to appoint a member.
2. Staff shall prepare:
 - a. A spreadsheet that shows the closed production of REALTORS® who are not associated with an Executive Roundtable firm for the period of August 1 of the preceding year through July 31 of the current year.
 - b. A list of REALTORS® who during the last two years and the current year are involved in Association/MLS/RCASENC activities.
 - c. A copy of the ballot noticed to the membership.
 - d. An analysis of which firms are likely to become Executive Roundtable members. (**NOTE:** This is done to minimize the possibility that the Board would appoint a REALTOR® whose firm becomes an Executive Roundtable member on January 1, thus forfeiting their seat.)
3. The leadership shall report their conclusions along with recommendations of candidates to the Board of Directors no later than the September meeting.
4. The Board will elect the Director during the September meeting.
5. If the person elected becomes associated with an Executive Roundtable firm prior to January 1, the appointment is automatically revoked; if the director becomes associated with an Executive Roundtable firm, after January 1, the position is automatically declared vacant. The Board may fill the vacancy by completing the procedures above. (WRAR BofD Minutes 03-19-09)

ELECTORAL CANDIDATE SUPPORT POLICY

I. The Membership of the Wilmington Regional Association of REALTORS® Inc., (WRAR) may support electoral candidates (candidate) that favor issues pertinent to the real estate industry such as preserving private property rights and enhancing quality of life.

The WRAR Board of Directors (Board) may provide support and/or requests funding from NC RPAC, as deemed appropriate, when the candidate requests such. All requests for support must be submitted to the Governmental Affairs Director (GAD). The GAD working with a Candidate Selection Task Force (CSTF) will recommend to the Board which electoral candidate(s) to support and the amount of funding (if requested) for each. The CSTF shall consist of the following representatives:

1. A director or officer currently serving on the Board appointed by the Board,
2. A representative from the Ambassador Program,
3. RPAC Chair,
4. Two At-Large members,
5. Regional members as determined by the Board based upon the number of positions open in each municipality and
6. Two members from the RCASENC membership appointed by the REALTORS® Commercial Alliance (RCA) Board President.
7. All CSTF members must read the Conflict of Interest Policy and execute a Service Statement.

Candidates for the offices listed below, which fall within the jurisdiction of the WRAR, may be considered for support:

- N.C. General Assembly
- County Commissioner
- County Board of Education
- Mayor and City Council
- Mayor and Town Aldermen
- Mayor and Town Commissioner
- Mayor and Town Council
- Other offices may be considered with a majority vote of the Board, such as, County Sherriff, District Attorney and Soil and Water Conservation Representative

II. The WRAR recognizes that to have the most positive impact for an electoral candidate, membership support and funding are needed as early as possible in a campaign. Thus, after the filing period closes for an office, the CSTF and GAD will promptly begin the support process as follows:

- The GAD will notify the Board of positions available and those candidates having filed. Candidate information shall also be provided to include the candidates(s)' past voting record and support of the real estate industry and WRAR (if applicable).
- For those positions in which the Board determines that support is in the Association's best interest, the CSTF and GAD shall formulate questions, consistent with the WRAR Strategic Planning Goals, as approved by the President and the CEO. The questionnaire shall be sent (via hard or electronic copy) to each candidate. The questionnaires must be held confidential pending their release to all candidates.
- The GAD will prepare, send out, receive and review all candidate questionnaires. All candidates will be given the same questionnaire. The completed questionnaires will then be made available to the CSTF for consideration in determining if interviews with candidates are required.
- All WRAR members wishing to share pertinent information with the CSTF or GAD regarding any candidate or issue may do so, and such information may be considered during deliberations.
- If interviews are not required, candidate support recommendations will be made by the CSTF and the GAD, and submitted to the Board for consideration.
- If interviews are requested, the interviews will be arranged by the GAD.
- The CSTF members may not ask the candidate any questions not previously approved by the CSTF and GAD. An exception would be to allow follow-up questions if the candidate's initial response needs clarification.
- The GAD will serve as the timekeeper/doorkeeper, and will introduce the candidates and may ask follow-up or previously approved questions but may not vote on which candidate receives support.
- The Board and RCA Board may send up to two observers each during the interview process but may not ask candidates questions or participate in the committee's deliberations.
- Every effort should be made to interview all candidates during the same time period so direct comparisons can be made.
- The CSTF, along with the GAD, shall make their support decision within a reasonable amount of time following the completion of all interviews. The GAD will then submit the support recommendations to the Board for their consideration.

- The CSTF shall determine funding levels for each candidate to be presented to the Board for approval. Funding requests from NC RPAC will be made by the GAD.
- Candidate support and funding recommendations shall remain confidential until the presentation, approval and adoption by the Board.

III. Upon the approval of the Board (and NC RPAC when appropriate), WRAR shall limit support of candidates to the following activities:

- Inviting candidates to Association meetings to receive RPAC checks, speak, participate in photo opportunities, and be introduced to the WRAR membership. If RPAC check presentations do not occur during Association meetings, the WRAR officers, RCASENC officers, the RPAC Chair, GAD and CEO are authorized to make the presentation to the candidate. Photos taken during this presentation may be used for purposes determined by the GAD. (see BofD Minutes 12-20-07)
- Publicizing support in the Broker Breeze, Broker Briefing, on the WRAR and RCASENC website and by email broadcast of the Governmental Affairs Briefing, (see BofD Minutes 9-11-03)
- Issuing news releases to area media announcing support,
- Allowing candidates to place up to two political signs on the Association's property and put candidate materials in the lobby. (see BofD Minutes 10-20-05)
- The BOD must approve any and all additional activities. (WRAR 12/17/2009)

CANDIDATES SELECTION TO SERVE ON PUBLIC BOARD, COMMITTEES, COMMISSIONS AND OTHER APPOINTED POSITIONS

When a request is received from any municipal representative, Board, Commission, Committee, etc., is made to the WRAR and/or RCASENC such request must be approved by the WRAR and/or RCASENC board of directors ("Board").

The Board shall determine if representation is appropriate, and shall review potential candidates for said position(s). If a candidate is selected and approved by the Board, the candidate shall serve at the discretion of the Board and may be terminated or replaced at any time.

CAPITAL IMPROVEMENTS TO THE BUILDING

The CEO is authorized to spend up to \$5,000 annually from reserves to maintain the building. (WRAR 2-16-12 and MLS 2-16-12)

COMMITTEE, COUNCIL & TASK FORCE POLICY

The Chair of each committee or task force and staff are jointly given authority to remove those non-participating Members from that committee and task force. (WRAR 03-18-2004 [Task Force on Recruiting/Certifying Minutes])

The Property Management Council, the Appraisal Council, the Cape Fear Independent Real Estate Brokers and the Young Brokers Council may select or elect their own chairs. (WRAR 01-19-2006)

Minutes) Staff shall add REALTOR® members to the councils based upon interest and/or license/certification or if a registered trainee.

REALTOR® and Allied members of the Wilmington Regional Association and the Duplin-Sampson Association may serve on committees and task forces. (see BofD Minutes 07-21-2011)

COMPLIANCE, WHISTLEBLOWER & REPORTING FOR VOLUNTEERS

The Wilmington Regional Association of REALTORS®, the Multiple Listing Service of the Wilmington Regional Association of REALTORS® and the REALTORS® Commercial Alliance of Southeastern North Carolina ("**Organizations**") require directors, officers, members and employees ("**All**") to observe high standards of business, personal ethics in the conduct of their duties and responsibilities and adherence to the spirit of the **Code of Ethics** of the National Association of REALTORS®. **All** must practice honesty and integrity in fulfilling responsibilities. All must comply with all applicable laws, regulations, Bylaws and the policies adopted by the Board ("**Governing Documents**").

Reporting Responsibility

All must comply with the **Governing Documents** and must report violations or suspected violations in accordance with the procedures below.

No Retaliation

No one who, in good faith, reports a violation of **Governing Documents** shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

A member who retaliates against someone who reports a violation, in good faith, is subject to discipline and fines as determined by a hearing panel of the Professional Standards Committee and as ratified by the Board of Directors including suspension of membership for a term not more than six months nor less than one month. The **Organizations** encourage anyone to raise serious concerns within the **Organizations** prior to seeking resolution outside the **Organizations**.

Encouragement of Reporting Violations

The **Organizations** encourage employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the employee's supervisor is in the best position to address an area of concern. Your concern is important and will be investigated. However, if you are not comfortable speaking with your supervisor or if you are not satisfied with your supervisor's response, you are encouraged to speak with another supervisor (CEO, COO, CTO, GAD, etc.) or the Compliance Officer, the one with whom you are most comfortable in approaching. Supervisors are required to report suspected violations to the CEO unless the CEO is the subject of the issue, in which case report to the Compliance Officer.

The **Organization** encourages members to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, to the CEO unless the

CEO is the subject of the issue, in which case, address the issue with the Compliance Officer. Your concern is important and will be investigated.

Compliance Officer

The ***Organizations'*** Compliance Officer will be anyone who is not on the Board of Directors. The WRAR President must appoint the Compliance Officer annually only after seeking the advice and consent of the Board of Directors. S/he is responsible for investigating and resolving all reported complaints and allegations. At the Compliance Officer's sole discretion, s/he may advise the CEO, but must when it is a monetary issue, contact the CPA and the Audit Committee. If the issue is a legal one, the Compliance Officer must notify the Association's legal counsel. The Compliance Officer is authorized to contact and to incur expenses up to \$1,000 as necessary with the CPA and/or Association's legal counsel. All additional funding must be approved by a majority vote of the Board of Directors.

Audit Committee

The WRAR President must appoint the Audit Committee annually only after seeking the advice and consent of the Board of Directors. The Organization's Compliance Officer shall be the chair of the Audit Committee. The Audit Committee will meet at least annually with the CPA.

The Audit Committee must address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the committee until the matter is resolved. The resolution shall be reported to the Board of Directors.

Acting in Good Faith

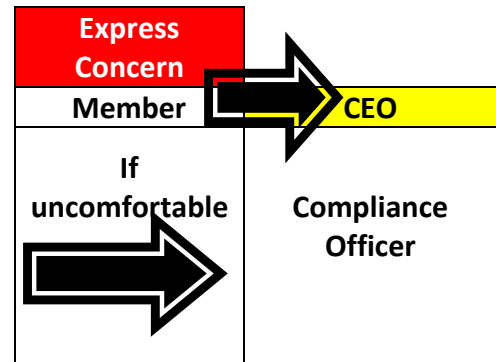
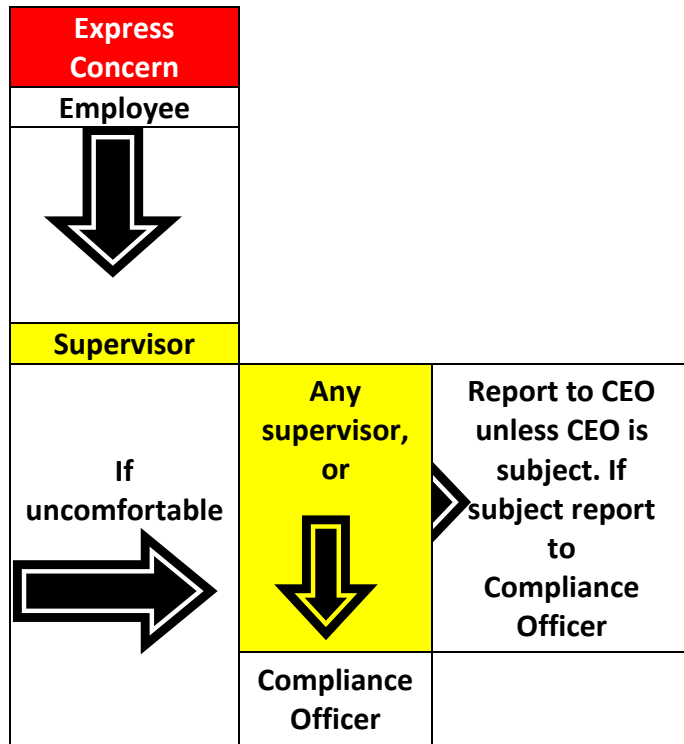
Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegation that proves not to be substantiated and, if proven to have been made maliciously, or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the whistleblower. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, the identity may have to be disclosed to conduct a thorough investigation, to comply with the law or to provide the accused individuals their legal rights of defense. The ***Organizations*** will not retaliate against anyone who refuses to participate in an activity that would result in a violation of state or federal law. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any employee who believes he/she is being retaliated against must contact the CEO or, if the CEO is the person who is allegedly retaliating, to the Compliance Officer. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated, or disclosures that would constitute a violation of the attorney-client privilege.

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.



CONFLICT OF INTEREST POLICY: VOLUNTEERS

INTRODUCTION

Service as a volunteer for the corporations gives rise to certain legal obligations to the corporations. One of your obligations is the fiduciary duty owed to the corporations. It requires the exercise of reasonable care in performing functions including exhibiting honesty and good faith and encompasses the responsibilities of both care and loyalty. The duty of loyalty requires the corporations' volunteer to avoid conflicts of interest and be looking out for the corporations' best interests, not your own nor your company's best interests.

A conflict of interest may exist when one participates in the decision-making process on an issue for the corporations while concurrently having other business, professional or personal interests that could tend one toward bias or predisposition on the issue. The fiduciary duty of a volunteer also requires a **volunteer** to avoid the appropriation of programs and activities, particularly business prospects that properly belong to the corporations. The corporations' volunteer must also maintain the confidentiality of corporations' information. These obligations run from the corporations' volunteer to the corporations as a whole.

Even where the corporations' volunteer might be appointed or elected because of membership on the Executive Roundtable or the RCA-SENC, the obligations of the corporations' volunteer is to the corporations as an organization, not to the corporations' volunteer's constituency. The following policies apply to all volunteers, including but not limited to officers, directors, committees, task forces, advisory groups, councils, divisions and members of all corporations decision-making bodies.

CONFLICT OF INTEREST POLICY

According to Black's Law Dictionary a conflict of interest is defined as, *"A term used in connection with public officials and fiduciaries and their relationship to matters of private interest or gain to them."*

This policy is focused upon material financial interest of, or benefit to any volunteer. Any volunteer will be considered to have a conflict of interest whenever that volunteer:

1. is a principal, partner, officer, director, member, manager or has a greater than one percent owner of a business ("the Business") providing products or services to or competing with the corporations;
2. is a principal, partner, officer, director, member, manager or has a greater than one percent owner of the Business being considered as a provider of products or services to or competing with the corporations; or
3. holds any unique position and/or substantial interest in the Business, financial, managerial, or otherwise, such as a familial, personal, employer-employee, contractor-contractee, shareholder or governance relationship with the business.

Anyone who has a conflict of interest or who is concerned that another volunteer may have a conflict of interest must immediately disclose that interest at the outset of any discussions by a

decision-making body pertaining to the Business or any of its products or services or professional standards matters or potential referrals to the Grievance Committee. This list is not all inclusive and volunteers should err on the side of disclosing rather than remaining silent.

A leader shall be excused from such discussions unless otherwise requested by the Board of Directors and shall respond to any questions asked of them. Furthermore, no volunteer with a conflict of interest may vote on any matter in which the volunteer has a conflict of interest, including votes to block or alter the actions of the decision-making body in order to benefit the Business in which they have any interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the volunteer recused him/herself from the discussion of the pros and cons and vote on the matter.

FINANCIAL/OWNERSHIP DISCLOSURE POLICY

If the corporation's volunteer has personal knowledge that the corporation is considering doing business with an entity in which the corporation's volunteer has any financial or ownership interest, then such volunteer must disclose the existence of his or her financial or ownership interest.

If the volunteer has a financial or ownership interest in an entity that the volunteer knows is offering competing products and services as those offered by the corporation, then such volunteer must disclose the existence of his or her financial or ownership interest.

Volunteers with a financial or ownership interest must disclose their interest at the outset of any discussion by a decision-making body pertaining to the corporation or any of its products or services. The volunteer shall be recused from such discussion unless otherwise requested by the Board of Directors and shall respond to any questions asked of them. Furthermore, no volunteer with a financial or ownership interest may vote on any matter in which the corporation's volunteer has a financial or ownership interest, including votes to block or alter the actions of the decision-making body in order to benefit the corporation in which they have an interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the leader recused himself or herself from the discussion of the pros and cons and vote on the matter.

CORPORATE OPPORTUNITIES POLICY

Any volunteer who learns of a business opening, investment, project, or program through his or her service to the corporation may not pursue that opportunity outside of the corporation without first offering it to the corporation. Only if the corporation decides not to proceed (i.e., abandons the corporate opportunity) may he or she proceed independently of the corporation.

NOTE: No volunteer is prohibited from engaging in conduct in the same general line of commerce as the corporation, but he or she must conduct his or her own activities in good faith and without injury to the corporations. For example¹, assume that part of your service on a committee entails development of an educational course to be delivered to the corporation's

¹ Any examples given within these various policies are for illustrative purposes only and are not exclusive in nature.

members. It would be a violation of this Policy to take the work of the committee and use it to create an educational course for your personal financial gain.

CONFIDENTIAL INFORMATION POLICY

All volunteers must

- (a) maintain in confidence and not disclose or cause to be disclosed to anyone, other than the corporation, any information designated as confidential at the corporations' sole discretion; prior to or during deliberation by the corporations. All information in Board of Director and committee and other groups' packets is deemed confidential;
- (b) keep all materials physical and digital containing confidential information in a safe and secure place to protect against inadvertent disclosure; and
- (c) preserve confidential information indefinitely, even after expiration of the volunteer's service.

A Board member's personal assistant may receive confidential Board communications once the conflict of interest policy is executed. (See MLS BofD Minutes 11-17-11)

Upon expiration of the volunteer's service, the volunteer must promptly destroy or return to the corporations' staff, upon request, any materials containing confidential information sent to or acquired by the volunteer relating to the volunteer's work for the corporations.

SERVICE STATEMENT

Any person serving the corporations in an elected or appointed position must sign a service statement (attached) in a form designated by the corporations prior to serving.

RECRUITING/CERTIFYING COMMITTEE

No member appointed to the Recruiting/Certifying Committee may run for an elective office; however, if during the course of the interviews a committee member decides to run, they must resign immediately but no later than the last meeting where a final vote is taken by the committee placing the ballot before the members. Further, a member is disqualified from serving when related by blood, marriage, or is a companion to an applicant (See BofD Minutes 7-20-06; 10-23-2008).

SERVICE STATEMENT

Dear Volunteer:

As a volunteer member of the Board of Directors, REALTORS® Commercial Alliance of Southeastern North Carolina (RCASENC), Wilmington REALTORS® Foundation, council, committee, task force, advisory group or other similar body for the Wilmington Regional Association of REALTORS® (WRAR), or the Multiple Listing Service of the Wilmington Regional Association of REALTORS® (MLS) assisting in WRAR's mission ***"To support and enhance the individual and corporate careers of our members."*** you also may be exposed to certain confidential information related to WRAR and/or MLS. Therefore, it is important that you agree to the following (examples, where indicated, are illustrative and not exclusive):

1. You will maintain in confidence and not disclose or cause to be disclosed to anyone, other than WRAR and/or MLS, any information designated prior to or during deliberation as confidential by WRAR and/or MLS in WRAR and/or MLS's sole discretion. You will keep any materials containing confidential information in a safe and secure place to protect against inadvertent disclosure. You will preserve confidential information indefinitely, even after expiration of your service. Upon expiration of your service, you will promptly return to WRAR and/or MLS's staff, upon request, any materials containing confidential information that you have been sent or acquired relating to your work for WRAR and/or MLS. **You should assume that all communications are confidential and if you have any concerns about making a disclosure ask staff or the President for clarification.**
2. Any material developed by any group on which you serve will be the property of WRAR and/or MLS, and you hereby assign to WRAR and/or MLS all right in and to any such material, including copyrights and other proprietary interests. For example, assume that part of your service on a committee entails development of an educational course to be delivered to the Association members. It would be a violation of this Policy to take the work of the committee and use it to create an educational course for yourself or others.

Please sign the enclosed copy of this letter and send it back to the undersigned in the envelope provided to confirm your acceptance of these conditions. Thank you very much for your cooperation and your continuing work and devotion to WRAR and/or MLS.

Sincerely,

Karen Parkin
President

Signature evidencing
agreement:

Print Your Name:

Date:

Fax To: **762-9860**

BORROWING MONEY

Other than a nominal amount, members shall not request money from staff's personal monies. A violation of this policy is a violation of a membership duty. When such a request is made, staff shall (1) explain the policy orally to the member; (2) memorialize it in writing; (3) provide a copy to the member; (4) attach it in the membership database to the member's record, and (5) notify their supervisor. (See WRAR BofD Minutes 12-16-2010)

CONSENT AGENDA

Staff shall only notice the names of those whose membership may be terminated to the President. The Consent Agenda will show the notice to the President. (WRAR 7-15-99)

CREDIT CARDS

The CEO must authorize employee and member use of the credit/debit cards. Unintentional unauthorized use by either a Member or an employee must be reimbursed immediately. (WRAR 8-14-03)

DONATIONS

When another organization makes a request for a donation from WRAR, Staff shall explain that

1. WRAR is a not-for-profit corporation;
2. WRAR does not make donations however, the Wilmington REALTORS[®] Foundation does;
3. If a written request is made, the staff will send it to the President of the REALTORS[®] Foundation for action. (WRAR 8-20-98)

EXECUTIVE ROUNDTABLE

- 1) A three-person Nominating Committee will be formed each June. The staff will prepare a drawing with one-third of the names of each of the companies according to their ranking on the Executive Roundtable into three separate containers. At the June meeting, the members shall draw one name from each container. **Example:** If there are 18 companies, then the first container will have the names of the first six companies based upon the highest number of licensees; the second container will have the next six ranking companies; the last container will have the last six companies. The Committee shall not submit the name of any REALTOR[®] so as to permit more than three REALTORS[®] from the same firm to serve on the Board of Directors ("firm" is defined as an entity whose owners are the same or substantially the same).
- 2) Staff will mail notice to the committee members requesting that the firm appoint a voting member for the purpose of election.
 - a) Staff will mail an **Application For Appointment** to each firm. Those who wish to be considered for a position will complete the form and return it to the Staff. The application shall advise the applicant that a criminal and license (broker/appraisal) background check will be made. (See BofD Minutes 1-13-2011)
 - b) Staff will coordinate with the Nominating Committee to assure that all applications are processed.

- 3) The Nominating Committee will send a sample ballot to the authorized voting member of each Executive Roundtable firm no later July 20. Additional nominees may be added to the Ballot by a Voting Member provided staff receives it prior to August 1.
- 4) On August 1 staff shall send the ballot by email, return receipt requested to the Voting Members, except, however, if there is only one candidate, staff shall notify the members that the person so noticed is declared elected and no ballot shall be mailed. The ballot shall contain the following notice when more than one person is on the ballot: **Note: The person with the next highest vote total who is not elected, shall serve as the Alternate Director.** An Alternate Director automatically fills a vacancy created by Executive Roundtable Director's inability to continue their term if the Alternate is qualified to do so. The ballot may be returned via fax or in person to the Association office. Staff will call all firms whose ballots have not been received by August 20th. Any ballot not received by close of business on August 31st will be declared void. (modified by BofD 10-17-02 per Executive Roundtable request; 06-17-2010)
- 5) The Nominating Committee will certify the election results, notify the member(s) elected and the Alternate Director, the members of the Executive Roundtable, the Board of Directors of the Wilmington Regional Association of REALTORS[®] and Multiple Listing Service of the Wilmington Regional Association of REALTORS[®]. The total votes received by any candidate during an election will be disclosed to any member or candidate upon request.
- 6) Similar procedures will be used for any special election. (See Executive Roundtable Minutes 6-18-99)

FINANCIAL POLICY

1. Dual Signatures are only required on non-routine/unbudgeted or otherwise not Board of Directors authorized/payments over \$5,000. All officers may sign checks.
2. Electronic payment in lieu of a paper check may be issued. Staff will attach appropriate documentation to the purchase journal for review. (see WRAR & MLS BofD Minutes 09-24-09)
3. The Vice President/MLS President-Elect shall review key reconciliations and initial approval monthly including but not limited to: cash bank statements, major accounts receivables and payables. (See Minutes 7-10-97)
4. In extreme circumstances the MLS President or the CEO may make an exception to the Rules regarding discontinuance of service for non-payment. The MLS President or the CEO shall notify the MLS Board of Directors at their next regularly scheduled meeting to determine if the service may continue to be provided. (MLS 9-11-97)
5. The staff shall have the authority to write off outstanding invoices up to \$100. Such write-offs shall be either on the sales journals as a credit invoice or in a write-off batch. All such entries shall be maintained in the monthly reconciliations seen by the Vice President/MLS President-Elect.
6. Bad debt write-offs shall be maintained alphabetically by the member's last name. Staff shall check each application against the list. All applications and reapplications for membership shall be conditional upon the write-off being paid in full. (MLS 9-11-97 & WRAR 8-14-97 & 2-19-98)
7. An audit shall be conducted every three years with a review conducted between audits (Note: Next audit will be conducted on 2000 statements and paid for in 2001). (WRAR 8-20-98)
8. Annually the CEO shall make a lump sum request to the Board of Directors for all monies needed to administrate employee salaries and benefits for the next fiscal year. The amount of

total compensation paid to each employee shall be at the discretion of the CEO within the guidelines of the insurance companies. For example, if it is permissible under the group insurance policy for an employee to waive insurance, the CEO may allocate to salary any or all of the portion of the insurance premiums that would have been paid for the benefit of the employee. (WRAR 7-16-99 and opinion from William Robert Cherry after consultation with legal counsel experts on employee law—see bill dated November 2, 2004 from W. R. Cherry. Discussed on Agenda at BofD meeting 11-18-04)

9. Purchases that exceed \$1,500 will be capitalized; purchases equal to or less than \$1,500 will be expensed.

Reserves

Reserves will be accumulated based upon the acquisition or replacement cost of items purchased. Also, reserves shall be accumulated to fund 5 months operating expenses. Unspent funds in excess of budget at the end of each year will be placed in an unrestricted fund.

The CEO shall report at least annually to the Finance Committee using a spreadsheet to show major capital purchases. Major capital purchases are those which may be either expensed or depreciated. The chief staff executive shall work with the CPA and report those findings to the Finance Committee.

The Finance Committee shall review the spreadsheet(s), approve it, and recommend its adoption by the appropriate Board of Directors. This should occur during the normal budget process.

Restricted Funds

These assets are placed into an account but are allocated for specific use, such as a roof replacement every 15 years, parking lot resurfacing, copier replacement, etc.

Operating Reserves

These assets are placed into an account and are maintained at a level equal to five months operating expenses.

Financial Objectives

1. **The corporations desire to sustain basic operations and core member services during a short-term economic downturn.** Short term is defined as 12-18 months. Therefore staff shall keep the Board informed of the progress toward setting aside an ***Operating Reserve*** equal to five months annual budget. (**NOTE:** As of 12/20/02 Merrill Lynch insures first \$200,000 via FDIC, from 200,001 to 500,000 via SIPC (Securities Investment Protection Corporation), 500,001 – 50,000,000 M/L purchased insurance.)
2. **To continue the operation of those activities designed as “fee for service” maintaining a strong income over expense.** Staff shall recommend ways to charge a fee for each service offered and an appropriate profit for each.
3. **To sustain essential member services during a transition to a long-term economic downturn.** Long-term economic downturn is defined as a period of time beyond 12-18 months that has more of a permanent nature than a short-term economic slump. Staff shall make recommendations for cutting expenditures. If necessary, staff shall recommend additional revenue generating fees.
4. **To cover unbudgeted and extraordinary expenditures brought about by unanticipated challenges or opportunities for emergency funding, such as critical activities.** Unrestricted

reserves will address this objective cover both unanticipated circumstances and one-time or episodic situations (such as all of the extra expenses incurred as the result of lobbying or monitoring that necessitates additional member and staff travel expense, hurricane damage not covered by insurance, etc.).

5. **To Maximize investment returns to fund reserves and current services.**

In-House Investment by the Chief Staff Executive

1. U.S. Treasury bills, notes and bonds
2. Fannie Maes
3. Ginnie Maes
4. Freddie Macs
5. Student Loan Association
6. Certificate of Accrual on Treasury Securities
7. Separate Trading of Registered Interest and Principal of (Treasury) Securities STRIPS)
8. Mutual and Money Market Funds that invest solely in U.S. Government securities
9. Certificates of Deposit insured by FDIC or FSLIC
10. Banker's Acceptances (U.S. Banks)
11. A or better rated Corporate Bonds (U.S. Corporations)
12. Commercial Money Market Funds as overnight "sweeps" or investments of otherwise idle funds
13. Indexed securities with principal protection.

Implementation

1. Investments must be in one or more of the above listed approved investments, and may be (a) direct or (b) indirect through an intermediary that is explicitly recommended by the Board of Directors. All investments through intermediaries must be fully collateralized with investments from the listed categories.
2. Investments nine through thirteen inclusive can only be made with the explicit recommendation of an approved investment advisor based on the advisor's "preferred lists."
3. Brokered CDs and multiple CDs in a given institution are subject to the cap on FDIC/ FSLIC insurance coverage and must therefore be limited to that amount.
4. The Chief Staff Executive is free to consult directly with any approved investment advisor.
5. Approved investment advisors may directly execute transactions in accordance with this policy based on written instructions from the Chief Staff Executive. To this end, each approved investment advisor will be provided with a copy of this policy. The copy shall be acknowledged by signature with a copy retained by the Chief Staff Executive.
6. Portfolios in authorized investments are not constrained by concentration ratios or maturity lengths except for overnight investments in Commercial Money Markets.

7. A or better Corporate Bonds means a rating due to (a) individual financial strength of the issuer as assessed by Moody's or Standard and Poor's or (b) collateralization of the issue by U.S. Government Securities with a face value equal to at least 100% of the principal amount of the issue.
8. This policy establishes the "outer boundaries" of acceptable investments; the Chief Staff Executive is free to choose any mix within these boundaries.

Accountability

At least annually the Finance Committee shall review the investments and the institutions authorized and make their report to the Board of Directors. (WRAR 12-16-99 & 12-14-2006)

End of Financial Policy

FREE ADVERTISING

The chief staff executive shall be permitted to place information into Broker Briefing, blogs, and in such other places when requested by any organization when such information may help the members of the corporations increase their knowledge, skill, or ability; except, however, when such information may cause financial harm to the corporations or where the sponsoring organization is a real estate company and it is probable that the company will use the opportunity to solicit real estate licensees. **Example:** NCAR offers a **Top Producer** course that competes with a course(s) offered by the corporations. Staff would not be permitted to advertise the course. (WRAR 10-14-99)

INSTALLATION BANQUET

Complimentary tickets:

- 1) All being installed WRAR including spouse or guest (See BofD Minutes 12-18-08)
- 2) WRAR, MLS, RCA incoming president and
 - a) Spouse or companion
 - b) Children;
 - c) 8 guests for WRAR President (See BofD Minutes 12-18-08)
- 3) WRAR, RCA outgoing president and spouse or companion;
- 4) All being installed for RCASENC and RCA past presidents are paid out of the RCA budget.
PLEASE NOTICE FREE TO THEM! [see RCA BofD Minutes 1-18-2006]
- 5) Installer and spouse/guest;
- 6) Staff plus spouse/guest;
- 7) NCAR President or representative/spouse/guest if attending
- 8) Elected Officials
 - a) Chairman of
 - i) New Hanover Chair plus spouse/guest
 - ii) Pender counties Chair plus spouse/guest;
 - b) Mayor plus spouse/guest from
 - i) Wilmington
 - ii) Kure

- iii) Carolina Beach
 - iv) Wrightsville Beach
 - c) NC House plus spouse/guest
 - d) NC Senate plus spouse/guest
 - e) US House plus spouse/guest (WRAR 8-14-03 and 12-16-2004)
- 9) 8 tickets for 2-\$1,000 sponsors;
- 10) President/spouse/guest-Mortgage Bankers Association;
- 11) President/spouse/guest-WCF Home Builders Association;

KEYS TO BUILDING & ALARM CODES

The following people may hold keys and the security access code to the Association office: All staff, the cleaning service, and the President. (WRAR 8-14-03)

LEADERSHIP ACADEMY

Overview

Recognizing that leadership development is an essential element in the process of improving the Association, the WRAR began offering a Leadership program in 2008.

Objectives

- 1) To identify WRAR members who have demonstrated leadership potential and an interest in the REALTOR® organization.
- 2) To train participants by developing leadership skills.
- 3) To motivate participants by:
 - a) Increasing awareness of real estate and association management issues and challenges.
 - b) Involvement in problem-solving activities on issues of current interest.
 - c) Providing a network of leaders across the state who is actively involved in improving our associations and profession.

Eligibility, Application and Selection

- 1) All REALTOR® members of the Wilmington Association of REALTORS® are eligible to apply for the Leadership Academy.
- 2) The participants must be active in business, education, the arts, religion, government, community-based organizations, or real estate specialty areas.
- 3) The electronic application will be made available via Broker Briefing and on WRAR.com in September.
- 4) An anonymous selection committee selects Participants based upon the application. The committee will be seeking representation from a cross-section of the profession reflecting the diversity of the WRAR. The committee selects a maximum of 12 individuals
- 5) The committee strongly encourages applicants who are not selected apply the next year.

Additional Information

- 1) Tuition is \$250.
- 2) Participants are responsible for transportation to the meetings and events.
- 3) Attendance is required at the following sessions:

- a) Four meetings with guest speakers
 - b) One WRAR Board of Directors' meeting
 - c) The WRAR Legislative Luncheon, and
 - d) One elective event chosen by the applicant from a list provided.
- 4) If there is a scheduling conflict, participants may take that session the following year. Graduation is dependent upon completing the make-up session during the next year. (See BofD Minutes 0723-09)

LEGISLATIVE COMMITTEE

There shall be a ten-member Legislative Committee that shall advise the Governmental Affairs staff and make reports to the Directors for action. The members shall be appointed as follows:

1. 5 RCA members appointed by the RCASENC Board of Directors and
2. 5 WRAR member appointed by the WRAR Board of Directors
3. The vice chair position will be appointed by the WRAR President for the odd years and by the RCASENC President for the even years. The vice chair automatically becomes chair the following year. (See WRAR BofD Minutes 8-18-2011)
4. The Legislative Committee shall advise the Governmental Affairs staff and shall make reports to the Directors for action.

LOBBYING

The CEO shall annually complete all documents necessary and pay necessary fees to register the GAD as a NC lobbyist.

MEMBER SERVICES COMMITTEE

The Committee shall plan four meetings per year during each of the quarters. The first quarterly meeting will be a legislative breakfast; the third quarterly meeting shall be the Annual Meeting and Election and shall occur during the month of September, and the fourth quarterly meeting will be an awards and recognition luncheon. All committee and council chairs will receive a nominal gift at the luncheon. (See BofD Minutes 01-24-08, 01-19-2012 and Bylaws Article XII, Section 1)

MEMBERSHIP AND BILLING ISSUES

Membership-WRAR

There is no initiation fee for secondary REALTOR[®] members, only pro rata local dues. (WRAR 11-19-98)

The initiation fee for applicants whose office is strictly commercial is one hundred dollars; this program is in place until 2012 budget cycle. (See BofD Minutes 07-21-2011)

REALTORS[®] transferring from another Association within one year of the date that their resignation was approved and who left as members in good standing without pending ethics or arbitration hearings must attend Orientation, pay \$100 fee, be billed an invoice for one-half of the amount of the budgeted WRAR dues for the fiscal year plus any assessment, and will be billed monthly for dues thereafter. (WRAR 11-19-98; & 12-19-08)

When a member who has resigned in good standing (paid all of their bills in full), or who fails to resign but has paid all of their bills in full, applies to the WRAR within twenty-four months of the date the Board of Directors approved the resignation, the Staff shall collect: 1). a \$150 reinstatement fee, pro rata dues for the month and will be billed monthly for dues thereafter. (See WRAR BofD Minutes 12-18-2008 & 09-23-2010 & 12-16-2010)

If a member fails to resign or is made a nonmember sales person and has outstanding bills, but reapplies within twenty-four months, the former member must pay all of the outstanding bills in full, a \$150 reinstatement fee, pro rata dues from January to date of reinstatement and will be billed monthly thereafter. (See WRAR BofD Minutes 11-19-98 & 4-27-00 & 09-23-2010 & 12-16-2010)

When a member is suspended for noncompliance with the Bylaw requirement for **Continuing Member Code of Ethics Training** (quadrennial), the member shall be fined \$55 which must be paid before being reinstated. (WRAR BofD Minutes 05-20-04)

All non-REALTOR[®] licensees and any REALTOR[®] who does not hold secondary membership in the WRAR shall be billed directly to the Designated REALTOR[®] Participant Member for any and all monies owed to the Wilmington Regional Association of REALTORS[®] and/or to any subsidiary corporation, division or any of its services, departments, divisions, or subsidiaries; however, when a REALTOR[®] hires a personal assistant and where the REALTOR[®] provides a credit/debit card for WRAR staff processing, the invoice may be created on the non-member's account. This does not relieve the Designated REALTOR[®] of his/her ultimate responsibility to pay the invoice. (WRAR 12-17-98; revised 4-17-03) When the staff is notified of a new non-member sales licensee, staff shall charge the Designated REALTOR[®] a \$100 processing fee for each corporation. (WRAR 07-27-00). Dues are not prorated for non-members. (WRAR 12-15-2005)

Dues Billing Members Joining on or after January 1, 2009

1. Staff shall, upon receipt of a new member's application, bill an invoice for one-half of the amount of the budgeted WRAR dues for the fiscal year plus any assessment.
2. Beginning on the first day of the month thereafter, the member shall be billed monthly in such amount as established annually through the budget approval process.
3. NAR and NCAR dues and assessments shall be billed on October 1

Existing Membership who "opt-in" to Monthly Dues Billing

Members who opt-in will pay a pro rata portion from January to date of adoption and then dues will be billed monthly in the same manner as new members. (See BofD Minutes 12-18-2008)

Regular or Designated REALTOR[®] Orientation

The Staff shall provide the following information to anyone seeking a reduction from the requirement for membership or reapplication to membership: *"The WRAR REALTOR[®] members have adopted bylaws that specifically address membership applications and reapplications in the Bylaws under Article V, VI, and X. The Board of Directors does not have the power to deviate from those provisions."* (WRAR 5-1-98)

Applicants are required to attend the next available orientation (regular or DR) immediately following the submission of the application. Staff is to notify the member and their Designated REALTOR® about the policy for non-attendance which is:

1. Staff shall charge a fifty dollar (\$50) fee to the member who has been scheduled to attend the Orientation but does not attend absent extreme circumstances (death or serious illness of a family member, personal hospitalization, etc.).
2. Staff shall reschedule the member for the next Orientation. Failure to attend will result in termination of all services.

Cancellation Policies

EVENT: If you register for this event and are unable to attend, you must cancel by _____ (time), _____ (date) to avoid all associated costs. To cancel, please call 762-7400 or email membership@wrar.com. Canceling allows others to register. Thank you. (WRAR 12-17-98, revised 7-15-99, 03-18-04)

CONTINUING EDUCATION:

1. **Agency Forms Agency Rules and Laws:** If you need to cancel for the registered class, a 48 hours' notice is required and you may select another date. NO Shows or late arrivals will be charged \$45 if you want to reschedule.
2. **Mandatory Update, BICAR AND Elective:** We do not give refunds. If you need to cancel for the registered continuing education class, **48 hours'** notice is required and you may select another class. If registered within 48 hours of the class, you will not be able to reschedule. If class is canceled due to lack of participants or anything beyond our control, you may select another date. **NO Shows or late arrivals** will forfeit **ENTIRE** fee.
3. **Designation or Certification Classes:** We do not give refunds; however, you may change to another scheduled designation class subject to space availability if notice is given at least 10 days prior to your scheduled class. If class is cancelled due to lack of participants or anything beyond our control, you will be allowed to register for the next available time the course is being offered. **NO shows or late arrivals** will forfeit **ENTIRE** fee. (No Exceptions!)

Certification by Designated REALTOR®

1. Staff shall send an email to the Designated REALTOR® July 1st;
2. During July a notice will appear in Broker Briefing;
3. A reminder email will be sent on the business day closest to July 15th advising that a \$100 fine will be levied for failure to return certification by July 31st as required in Article VI of the WRAR Bylaws;
4. A phone call utilizing the One Call Now or similar phone service will be made on the business day closest to July 25th to each Designated REALTOR® who has not returned their certification.
5. The August statement will include the \$100 fine; staff will email a letter no later than August 4, notifying the member to appear at a hearing before the Board at their August meeting. The purpose will be to determine whether to terminate their membership for failing to abide by a membership duty. (See BofD Minutes 09-24-2009)
6. When a Designated REALTOR® is fined for the first time, staff is authorized to write-off the fine. All other requests shall be denied. (See BofD Minutes 8-18-2011)

NAME CHANGES

All requests to change the name in any database maintained by the Association or any of its subsidiaries will be done once staff is given proof that the appropriate regulatory Board has issued a license in that name. If the person is not licensed by a regulatory Board, the staff may change the name upon a written request to do so. (WRAR 06-23-04)

REFUND OF DUES

All dues and initiation fee payments are non-refundable except **(1)** as provided in Bylaws Article V, Section 3(b).

TRANSFER FEES

Staff shall charge a transfer fee as determined annually by the Board of Directors during the budget process. There shall be no transfer fee charged for intra-office transfers. (WRAR 1-22-98)

When the DR/BIC is out of town and unable to physically sign the Listing & KeyBox Transfer Form, it is acceptable for the staff to accept an email from a DR/BIC. (MLS BofD 03-19-09)

WAIVER REQUESTS

The Staff shall provide the following information to anyone seeking a reduction from the requirement for membership or reapplication to membership: ***The WRAR REALTOR® members have adopted bylaws that specifically address membership applications and reapplications in the Bylaws under Article V, VI and X. The Board of Directors does not have the power to deviate from those provisions.***

PAYMENTS

New Members

New members must pay electronically for any and all fees, dues, etc. (See BOD Minutes 04-18-02 & 08-19-04)

Automatically by Credit or Debit Card

Members wishing to pay by MasterCard or Visa credit/debit card may do so automatically by placing their number on file with the Association. The member shall complete such form as may be necessary by law to empower the Association to automatically deduct the invoice amount monthly. (See BOD Minutes 08-22-02)

Using the Internet with either a Credit/Debit Card or Electronic Check

Members also have the option to pay by MasterCard or Visa credit/debit card or by Telecheck (electronic debit from your checking account). Members may do so by going to www.wrar.com clicking on Internet Member Services, entering their NRDS number and password, and clicking on the appropriate selection to pay their bill over the Internet. This option requires the

Member to do it personally as opposed to the option immediately above where the Association staff will process for you. (See BOD Minutes 08-22-02)

Existing Members Paying Electronically

A Member who joined prior to May 1, 2002 and whose membership is terminated for non-payment and who wishes to reinstate may no longer pay by check or money order and must pay electronically using one of the above options.

A Member whose account incurs late fees may no longer pay by check or money order and must pay electronically using one of the above options. (see BOD Minutes 2-24-05)

A Member who wishes the staff to process a credit or debit card over the phone will be given the option of either completing a written authorization for automatic payment by staff or will be taught how to do it using Internet Member Services. (See BOD Minutes 02-22-04)

Check Processing Fee

When a member is entitled to pay by check the cost is an amount established by the Board of Directors. However, the check processing fee is waived when a member pays annually in advance for all dues, fees, etc. **Example:** MLS fees are \$45 monthly. A member may pay \$45 x 12 = \$540 if paid by December 31; **Example:** A member could pay annual WRAR/NAR/NCAR dues in December without incurring a check processing fee.

NSF Checks

When an Allied, REALTOR[®] or Subscriber has a check returned for insufficient funds, the Staff shall add the maximum fine allowable by law to the account. When an Allied, REALTOR[®] or Subscriber has a second check returned for insufficient funds, the Staff shall notify the Allied, REALTOR[®] or Subscriber in writing that they shall only make payment by credit/debit card or by Telecheck. The Staff shall notify the Board of Directors of such action at their next meeting. The Allied, REALTOR[®] or Subscriber shall have the right to be present and explain why such action should not be taken. (See BOD Minutes 02-22-04)

MEMBERSHIP-MLS POLICY

All MLS waivers will be granted by staff and only disputed staff decisions will be brought to the MLS Board of Directors and all waivers must have the broker owner or broker-managers acknowledgement. (MLS 01-20-05)

Charging a \$5 per month charge for office staff who need access to the IRIS system payable for the year in advance (MLS 2-16-04)

Change of MLS Participant: When the firm appoints a new MLS Participant, the fee is \$200; however, if the MLS Participant is either a primary or secondary REALTOR[®] member of the Wilmington Regional Association of REALTORS[®], the fee is waived. (See MLS BofD Minutes 09-23-2010)

IDX and VOW Fees

- 1) Changes to the fee matrix for IDX and VOW:
 - a) **Broker requesting a feed of IDX listings (attorney recommended addition)**
 - i) There is a set-up fee and an annual fee for this service for every web site operated using this data.
 - ii) The broker signs the Participant Data Access Agreement (PDAA). If broker is working with a technology partner who will have access to the RETS feed OR to the listing data of other brokers, the technology partner must sign the PDAA as a consultant.
 - iii) WRARMLS bills the broker one time for IDX Setup Fee (\$250) and annually bills the broker for Annual IDX Fee (\$100). WRARMLS performs these billings one time per web site domain operated using this data.
 - b) **Broker requesting a feed of listings for a VOW (attorney recommended addition)**
 - i) There is a set-up fee and an annual fee for this service for every web site operated using this data.
 - ii) The broker signs the Participant Data Access Agreement (PDAA); item 1 in Exhibit A should be modified to read "Uses under the Virtual Office Website policies of MLS". If broker is working with a technology partner who will have access to the RETS feed OR to the listing data of other brokers, the technology partner must sign the PDAA as a consultant.
 - iii) WRARMLS bills the broker one time for Back-Office/VOW Setup Fee (\$250) and annually bills the broker for Annual VOW Fee (\$200). WRARMLS performs these billings one time per web site domain operated using this data.
 - iv) The fee for a VOW entails the right to operate an IDX site in conjunction with the VOW. (The IDX data is a subset of the VOW data, and most VOWs start with IDX functionality before the consumer registers.)
- 2) Authorizing the officers to negotiate a contract with others where the MLS would not incur any expense but would receive income (07-23-2009)

Branch Office

If the NC Real Estate Commission requires the appointment of a broker-in-charge for a branch office then the firm shall pay \$50 to the MLS. The firm may appoint another Participant Member. (MLS 8-14-97 & letter from D. Hanrahan, NAR Member Policy Division, 8-20-97 in NAR file) . WRAR does not charge any fee for the branch office. (WRAR 8-21-97)

REACTIVATION FEE

The Board approves the amount of this fee annually in the budget.

REALTORS® COMMERCIAL ALLIANCE POLICIES

RCA-SENC Orientation Policy: Staff shall do the following:

1. Schedule Orientation quarterly.
2. New members are required to attend the next course offered.

3. Staff is to notify the member and their Designated REALTOR[®] about the policy for non-attendance.
4. Staff shall charge a fifty dollar (\$50) fee to the member who has been scheduled to attend the Orientation but does not attend absent extreme circumstances (death or serious illness of a family member, personal hospitalization, etc.).
5. Staff shall reschedule the member for the next Orientation. Failure to attend will result in termination of all services.
6. The Fundamentals of Real Estate course will be scheduled twice a year in conjunction with an Orientation class.
7. Staff shall charge a fifty dollar (\$50) fee to the member who has been scheduled to attend the Fundamentals of Real Estate course but does not attend. Absent extreme circumstances (death or serious illness of a family member, personal hospitalization, etc.) staff shall discontinue services until attendance is complete.
8. Members who have earned the CCIM, SIOR, CPM, or RLI designation shall be exempt -from the Fundamentals of Real Estate course. (See RCA BofD Minutes 07-13-2006)

SUPRA ACTIVEKEY POLICY

1. There is a seventy dollar (\$70) initiation/activation fee.
2. If an ActiveKey is lost, the Member is billed the current Supra replacement cost. (WRAR 8-14-03)
3. The staff is authorized to grant a REALTOR[®] cooperating access to the KeyBox system on a provisional basis. Staff shall provide specific notice on the Board of Directors on their Consent Agenda. The Board will either ratify or deny the provisional access. (MLS 10-21-04)

MEMBERSHIP ROSTERS

End of Membership and Billing Issues

MEMORIALS

When a member dies, staff shall send money to the REALTORS[®] Foundation with instructions that it be placed in the REALTORS[®] Helping REALTORS[®] fund:

1. Staff shall send a donation from the WRAR to the Foundation in the following amounts:
 - a. Member \$25 and card sent to the family
 - b. Director/Officer (current) \$35 and card sent to the family
 - c. Current/Past President \$50 and card sent to family
2. Every effort shall be made by the following to represent the Association at either the visitation, the funeral, or the grave side services;
 - a. President
 - b. Chief staff executive
3. Any book shall be signed as: Wilmington REALTORS[®] Association and then the name of the person attending and their title with the Association.
4. Staff will notify all members of their opportunity to contribute to the fund in the name of the deceased. Staff will forward a letter to the family with the names of the donors. (WRAR 4-27-00)

NCAR/NAR CANDIDATE ENDORSEMENT POLICY

1. The WRAR may endorse any of the following:
 - a. NCAR President-Elect
 - b. Treasurer
 - c. Region 2 Vice-President
 - d. Region 2 Finance Committee Representative
 - e. Region 2 RPAC Trustee
 - f. Region 2 NCREEF Director
 - g. NAR Director
 - h. RCA positions
2. All candidates must be interviewed. Candidates other than officer candidates will be interviewed by the NCAR directors only. Prior to the interview a set of questions will be developed and a written response required. The questions will be drafted by any member of the Board of Directors, any NCAR Director and the staff. A recommendation will be made to the Board of Directors. A 2/3 affirmative vote by the NCAR Directors will be required in order to make any recommendation to the Board.
3. All officer candidates must be interviewed by the Board of Directors. An agenda and questions will be developed and a written response must be received prior to the interview.
4. Members of the Board of Directors, the NCAR Directors and staff should avoid as much as possible discussing the positions of a candidate prior to an interview. An affirmative statement might be appropriate to help the candidate understand the Wilmington Policy.
5. A 2/3 affirmative vote by the Board of Directors will be required in order to endorse any candidate.
6. Where two Wilmington REALTORS[®] wish to run for Officer Positions, they must decide among themselves who will run in what year. The Board will not interview or vote where an agreement cannot be reached by the two REALTORS[®]. The following positions are classified as Officer Positions: **Regional Vice President** President-Elect and Treasurer.
7. The President shall communicate the endorsement to the candidate, the membership and any other party as appropriate.
8. A Designated Reserve in the amount of \$20,000 should be part of the budget process to assist candidates who run for NCAR office.

NAR & NCAR POLICIES FOR DIRECTORS AND MEMBERS

1. Each NAR and/or NCAR Director shall complete an application for a committee unless their appointment to a committee is automatic because of the office they hold (ex. RVP is automatically a member of the Executive Committee);
2. If a Director or member receives compensation from another entity for travel expenses, then the reimbursement would be reduced by the portion received;
3. That attendance be mandatory at each of the following:
 - a. **NCAR**
 - i. Committee meeting if an appointee;
 - ii. Regional Caucus (if Director)
 - iii. Board of Directors' meeting (if Director)
 - iv. NCAR Legislative Day (if Director)
 - b. **NAR**

- i. Committee meeting if an appointee;
 - ii. Regional Caucus (if Director)
 - iii. Board of Directors' meeting (if Director)
 - iv. Delegate Body (if President or if appointed)
4. If the Director or committee member fails to attend any of the above there will be no reimbursement for that day. If any or all of the expenses have been paid or advanced, then the staff will bill the Director for those expenses.
 - a. The president and the chief staff executive will determine whether there were sufficient extenuating circumstances where the Director would not be billed for expenses.
5. The order in which NCAR Directors will be selected is: WRAR President; MLS President; RCA President; MLS President-Elect; WRAR Past President and such additional directors, if any, shall be elected by the Board of Directors. (See BofD Minutes 7-22-04, 7-20-06 & 10-18-07)
6. All others desiring to be a NCAR and/or a NAR Director shall complete an application. Staff shall forward all applications to the Board of Directors which shall act upon the applications within the time frames established for reporting directors to NCAR and NAR. (See BofD Minutes 11-16-06 & 03-17-08)
7. WRAR values and encourages its members to undertake leadership roles in the North Carolina Association of REALTORS[®]. Accordingly, WRAR will endeavor to reimburse reasonable travel and lodging expenses for those who notify the executive staff of their NAR leadership role and of the planned travel in advance of said travel. These notifications must be in writing and the failure to so notify will serve as a bar to reimbursement. It is expressly understood that any and all reimbursement for travel is voluntary, not guaranteed and is in the sole discretion of the Board of Directors of WRAR. Reimbursement is done as an accommodation and is subject to budgetary constraints and may or may not be granted on a case by case basis.
 - a. **Automobile Reimbursement:** Maximum IRS rate permissible unless it is higher than the amount budgeted. Members who serve on NCAR committees should drive together. When committee members do not drive together, the mileage reimbursement will be calculated based upon one trip to the destination then divided by the number of cars driven. **EXAMPLE:** Three members are on a committee. Two people carpool and the other one drives separately to Greensboro. The total miles equals 450, rate equals 50¢ per mile, reimbursement equals $\$225 \div 2 \text{ drivers} = \112.50 for each person who drove their car. (See BofD Minutes 01-14-2010)

PAST PRESIDENT LUNCHEON

1. The luncheon will be an opportunity for WRAR to celebrate and recognize the Past Presidents of the Association in an informal setting;
2. The luncheon will be held the first Wednesday in the month of March from 11:30AM-1:00PM;
3. Invitations will be mailed to all Past Presidents;
4. At the luncheon, the WRAR President will present his/her platform to the Past Presidents of the Association;
5. There will be no theme for the event;
6. There will be a special time set aside to memorialize the deceased Past Presidents at the luncheon;
7. No gifts will be purchased for the Past Presidents;

8. WRAR members who are Past Presidents from other Associations (non-WRAR related) will not be invited to attend;

(Note: Professional Standards Policy Manual is at the end)

PRIVACY POLICY: WEB SITE

The Wilmington Regional Association of REALTORS® is the sole owner of the information on this site.

Application Forms

If you apply for membership in the Association, we require that you provide certain personally identifiable information, including your name, address, phone number, and credit card number. This information is necessary to process your application and to contact you. All files are first encrypted and then sent to staff to protect your privacy.

Customer Service

Based upon the personally identifiable information you provide us, we will send you a welcoming email. We will also communicate with you in response to your inquiries, to provide the services you request, and to manage your account. We will communicate with you by email or telephone, in accordance with your wishes.

The Wilmington Regional Association of REALTORS® does not collect any personal information from anyone visiting the public side of our website.

Products Purchased

We do have an agreement with the On-line REALTOR® Store. Information collected by them is not shared with third parties but is stored to keep return visitors from reentering in shipping information. You may store credit card information with them if you choose but you do not have to do so. The company does not retain share, store or use personally identifiable information for any other purposes.

Service Providers

We use other third parties for on-line Continuing Education courses. When you register for a continuing education course, your information is not shared with third parties but is stored to keep return visitors from reentering information. You may store credit card information with them if you choose but you do not have to do so. The company does not retain share or use personally identifiable information for any other purposes.

Cookies

We do not have cookies on the public side of this site.

Links to Other Sites

This Web site contains links to other sites that are not owned or controlled by the Wilmington Regional Association of REALTORS®. Please be aware that we, the Wilmington Regional Association of REALTORS®, are not responsible for the privacy practices of such other sites.

We encourage you to be aware when you leave our site and to read the privacy statements of each and every Web site that collects personally identifiable information.

Changes in this Privacy Statement

If we decide to change our privacy policy, we will post those changes to this privacy statement, the homepage, and other places we deem appropriate so that you are aware of what information we collect, how we use it, and under what circumstances, if any, we disclose it.

We reserve the right to modify this privacy statement at any time, so please review it frequently. If we make material changes to this policy, we will notify you here, by email, or by means of a notice on our home page.

Contact Us

If you have any questions or suggestions regarding our privacy policy, please contact us at: 910-762-7400, by fax at 910-762-9860, by email to: Webmaster@WRAR.com, or by US mail CEO, 1444 S. 17th Street, Wilmington, NC 28401. (See BofD Minutes 12-15-2005)

PUBLIC INQUIRIES

If a member of the public wants the name(s) of a REALTOR® to assist them with property, staff shall furnish the WRAR President's name for residential property or the RCASENC for non-residential property and direct them to the appropriate website for a roster of all members.

QUADRENNIAL CODE OF ETHICS TRAINING

The NAR Code of Ethics on-line course be approved for the quadrennial training requirement (WRAR minutes 11-21-00)

Courses and instructors approved by the NCREC are approved; A task force composed of three Members shall be charged with making a determination as to whether the course and instructor should be approved for Quadrennial credit if they have NOT been approved by the NCREC; with the exception of the NAR on-line course, the Instructor must submit a copy of their Roster by either facsimile or email to the Association in order for a Member to receive credit for a course taken outside the Association's sponsorship or the Member may provide an original of their course completion certificate. (WRAR minutes 4-17-03)

REALTOR® HELPING REALTORS®

Purpose To assist REALTORS® who are in need of financial help

Organization A Task Force that: establishes and recommends changes to the qualifications for

recipients of financial gifts; coordinates fund raising events; recommends recipients and the amount each should receive; all of which is approved by the WRAR Board of Directors. (**NOTE:** The REALTORS® Foundation will appoint one member to the Task Force)

Eligibility For Funding

1. Completing an Application;
2. A current REALTOR® member.
3. A former REALTOR® who because of illness has resigned within the last year. (WRAR 8-14-03)

RECRUITING/CERTIFYING COMMITTEE

The President appoints five members (Bylaws Article XI, Section 4(a)) one of whom must be a current member of the Board of Directors (See WRAR BofD Minutes 04-19-08).

A person whose spouse or companion applies to run for a position on the Board of Directors shall automatically be disqualified as a member of a Recruiting/Certifying Committee. (**NOTE:** See Service Statement where this and other language is incorporated).

1. Applicants for Director must have been a REALTOR® at least two years prior to taking office (**NOTE:** Not applying for the position but before taking office).
2. Applicants for an officer position must have been a REALTOR® for at least two years prior to taking office and must have served on the Board of Directors within the previous five years or on the Board currently. (Amended 2-17-2011)
3. Criminal and NCREC and/or NC Appraisal background checks will be performed to ensure that there are no previous, current or pending issues before these regulatory Boards.
4. The Recruiting/Certifying Committee must evaluate the service applicants have performed on committees and task forces.
5. Recruiting/Certifying Committee meets during first part of February to discuss their responsibility and to discuss possible officer candidates.
6. A letter will be sent to the Designated REALTORS® around March 1 asking them to recruit members within their own office IF they believe that they have leadership skills and/or potential.
7. Depending upon responses, Chair calls meetings as needed to interview candidates.
8. The Committee will finalize report to the Membership by May 31st.
9. The September issue has ballot and link to previous issue (which resides on the website) and Internet/absentee/in-person voting instructions.
10. On-line voting will begin at least three weeks but no more than four weeks prior to the Annual Meeting. On-line voting closes three hours before the start of the Annual Meeting. The total votes received by any candidate during an election will be disclosed to any member or candidate upon request. (WRAR Minutes 06-18-09)

Staff Checklist for Recruiting/Certifying Committee

January:

- WRAR President appoints Committee of five REALTOR® members—one of whom must be member of current Board (See BofD Minutes 4-17-08) (Association Bylaws, ARTICLE XI - OFFICERS AND DIRECTORS, **Section 4. Election of Officers and Directors**)
- WRAR President appoint Chair with the approval of the Board
- Staff places committee into Magic (Code: WRC)

January:

- Staff calls Chair to set first meeting in February
- Staff sends updated Welcome Letter to Chair for approval (F:\Kathy\Recruiting-Certifying Committee\Blank Documents\RecCert Welcome Letter.docx)
- Staff will send approved Welcome Letter to committee members
- Acknowledge Conflict of Interest Policy and Sign Confidentiality Agreement
- Review entire process
- Discuss possible officer candidates based upon criteria: Review Article XI, carefully
- Annual Meeting date is: _____
- Job descriptions must be available for viewing along with the applications.
- Staff will send an application notice with link to the Members during first Broker Briefing in January and the first issue **each month** until a final notice determined by Committee.

Staff begins to process applications as they arrive:

- Notifies Applicant by phone of receipt of Application
- Staff calls the appropriate licensing board to check for problems (NCREC 919-875-3700 ext 131)(NCAB 919-870-4854). If there is a problem, staff notifies Committee members.
- Notifies Applicant by phone to set day/time for appointment
- Committee member assigned to call applicant
- Pulls Applicants historical information from Rapattoni Magic (F:\Kathy\Recruiting-Certifying Committee\Recruiting-Certifying\Candidate Template for Recruiting Certifying Committee)
- Staff pulls Applicants 4 year historical sold (listing and selling side) information from Rapattoni MLS
- Send copy to each Committee member

March 1

- Email from R/C Chair to DR re: applicants (use template)

March – May : Interviews continue

- Before May 31st :**
- Staff runs criminal background check for each probable candidate prior to Committee finalizing the ballot
- Committee must finalize candidates and report Sample Ballot to the membership
- Notify** applicants by letter as to whether they will or will not be on ballot
 - Chosen:** F:\Kathy\Recruiting-Certifying Committee\Recruiting-Certifying\Recruiting-Certifying Committee letter after interview-chosen

- Include October-December dates of future Board of Director meetings to add to their calendars. If elected they will be sent Board of Directors package and invited to attend the remaining meetings.
- Not Chosen:** F:\Kathy\Recruiting-Certifying Committee\Recruiting-Certifying\Recruiting-Certifying Committee letter after interview did not choose you
- Notify WRAR President that and Election Committee needs to be appointed. The committee should consist of three REALTOR® members and the CEO.

June- August

- Work with Marketing Director to establish when Broker Breeze will display new candidate(s) bio and/or link to a video. All must be done prior to election starting.
Scheduled dates: _____
Scheduled dates: _____
- Confirm receipt of candidate bios for Broker Breeze and Broker Briefing
- Submit sample ballot with Internet instructions
- Create links in the ballot to the candidate-submitted biographical information
- Notice that electronic voting starts _____ (Must be 3-4 weeks prior to Annual Meeting.)

September

- September 1: Review with President, members who are attending Annual Meeting and select three REALTORS® to certify the election results.
- Prepare BoD manuals for the incoming Directors
- Enter elected Directors into committees in Magic; make sure the dates reflect the correct year.

Association/Committee	
Association	WILM Wilmington Regional Associatio
Committee	09MB 2009 MLS Board of Directors
Type	BO
Staff Coordinators	Jerry Kathy
Member's Committee Detail	
On Committee	From 01/01/09 Thru 12/31/09
Position Code	PP WRAR Past President
Status	A Active
Status Date	06/18/08 Choice Number 1
Nominated By	
Comment	

December:

- First Broker Briefing in January has Application notification. Notify CEO that WRAR President needs to appoint a committee and chair.

REQUESTS FOR AFFINITY PROGRAM

If a service or company is represented by a REALTOR® partner, the corporations will not accept a competing company. Staff may refuse the service or company. (See BofD minutes 10-15-98)

REQUESTS FOR INFORMATION

All requests for information concerning the Wilmington Regional Association of REALTORS® Incorporated, and/or any of its services, departments, divisions or subsidiaries that may be

deemed confidential, including but not limited to, minutes, financial reports, tax returns, etc., shall be made to the chief staff officer. If there is a request for copies of information, then such request shall be made in writing upon the **Request For Information** form. The request form shall include the following:

1. the purpose of the information
2. a non-disclosure clause
3. the costs for the service
4. the date I wish to inspect the record(s) is _____ (at least five business days prior notice must be given to inspect corporation records)

Staff costs for visual inspections shall be the same as for written requests except that where the time is nominal (five to ten minutes), staff may waive the costs. All such requests whether in writing or visual shall be made at such time as is convenient with the staff.

The person making such request shall fill out the form: F:\Users\Jerry\Forms\Request for Information.doc. (WRAR 2-20-97)

RESERVATIONS

It is the policy of the WRAR/MLS to charge all individuals making reservations for an event that involves food and/or a speaker, **unless a written cancellation is received in the WRAR office not later than noon the day before the event.** The WRAR is required by contract to notify the facility manager or caterer of the number of attendees. The WRAR/MLS is required to pay for the number contracted regardless of whether all attend. **We regret any inconvenience this necessary policy may cause.**

SAFETY DEPOSIT BOX

Any officer, the CEO, and one staff appointed by the CEO may enter the safety deposit box. (WRAR 1-16-97 & 2-19-98) CEO and COO have a key as of July 2011.

SHAREHOLDER VOTING

When the corporations receive a shareholder voting request, the CEO shall provide a copy of it to the Vice President/MLS President-Elect. They shall together decide how to vote. When there is a difference of opinion as to how to vote upon a specific issue, the decision shall rest with the Vice President/MLS President-Elect. A copy of the ballot shall be provided to the Board at their next meeting. (WRAR 6-22-00)

SPONSOR POLICY FOR EVENTS

When there has not been participation by the Allied members for sponsorships then committees may approach non-members for sponsorships. Non members must pay in advance. (See WRAR BofD Minutes 12-16-2004)

STRATEGIC PLANNING

Beginning 2010 and every even numbered year thereafter, the strategic planning process shall be a full retreat with a follow-up session with the consultant. Beginning 2011 and every odd

numbered year thereafter, the strategic planning process shall only be done by the Board of Directors with an update from outside sources for the board. It is anticipated that the process in the odd numbered years will occur via conference call or webinar. (See BofD Minutes 4-16-08)

TERRACES ON SIR TYLER

MLS Participants/Subscribers and nonprofit corporations receive a 15% discount on the rental rates for The Terraces on Sir Tyler. (See BofD Minutes 07-21-2011) Charging inter-company rental rates of \$50 per side for The Terraces on Sir Tyler. Charging RPAC funded candidates a fee of \$100 per side for The Terraces on Sir Tyler. (See BofD Minutes 03-15-2012)

TRAVEL: NAR AND NCAR

Officer/ Position	NCAR Inaugural Meetings/ Banquet	NCAR Midyear Meeting	NCAR Conven- tion	NAR Leadership Summit	NAR Midyear Legislative Meeting	NAR Annual Governance Meetings/ Convention
NCAR DIRECTOR	Yes	Yes	Yes			
NAR Director					Yes	Yes
WRAR President	Yes Vision Quest	Yes	Yes & Guest		Yes	Yes & Guest
MLS President	Yes Spokes- person Vision Quest	Yes	Yes & Guest	Yes	Yes	Yes & Guest
MLS President- Elect	Yes	Yes	Yes			Yes
RCA President	Yes	Yes	Yes & Guest		Yes	Yes & Guest
RCA President- Elect	Yes	Yes	Yes & Guest	Yes	Yes	Yes & Guest
CEO	Yes Vision Quest	Yes	Yes	Yes	Yes	Yes
RCA EVP	Yes	Yes	Yes	Yes	Yes	Yes
Gov. Affairs Director	Yes	Yes	Yes		Yes	Yes

1. Staff shall provide all officers and NCAR directors a list of all of probable travel dates and policies associated with such travel prior to the commencement of the year. Prior to a specific meeting, the officers and NCAR directors will receive an email from staff explaining

travel options (airline and hotel reservations, carpooling, etc.) and a deadline of not less than two weeks for responding. The day before the deadline staff shall call or have an automated calling service call each officer and/or NCAR director reminding them of the deadline. Officers and NCAR directors who do not respond by the deadline will be required to make their own travel arrangements and will only receive reimbursement up to the amount of the most expensive ticket booked by staff (See WRAR & MLS BofD Minutes 9-22-2011).

2. The WRAR President-Elect shall attend the NAR Leadership meeting. The WRAR President and the MLS President shall attend the NCAR Leadership meeting (Vision Quest). The WRAR President and the MLS President shall attend the NAR Mid-Year meeting. (**NOTE:** The RCA determines by policy who attends what meetings.) MLS President attends NCAR Spokesperson Training.
3. All NCAR Directors are allocated to the WRAR budget except for the MLS President and MLS President-Elect which are allocated to the MLS budget and RCA President which is paid from the RCASENC budget. All presidents, president-elects and all NCAR Directors shall be reimbursed as follows (**NOTE:** RCA pays for all travel associated with its officers).
 - a. Reimbursement expense reports (mileage, travel, food for events, etc.) must be submitted no later than five business days after the last day of the month in which the expense was incurred.
 - b. Expenses submitted after deadline do not qualify for reimbursement.
 - c. **Automobile:** Maximum IRS rate permissible; however, companion mileage is not included. Members who serve on NCAR committees are required to drive together. The majority who decide to leave at a certain time will be reimbursed for mileage; the other(s) will not.
 - d. **Air:** Coach class including first two bags.
 - e. **Hotel:** Single room rate at the headquarters hotel except that at the Annual Convention, if the presidents' spouse/significant other attends, the room rate shall be for a double room. Members are encouraged to share rooms.
 - f. **Expenses:** \$75 per diem for meals and incidentals for all NCAR meetings. \$100 per diem for meals and incidentals for all NAR meetings. Departure and return airport parking (except when driving) and ground transportation will be reimbursed. Members must provide a receipt to staff no later than five business days after the last day of the month in which the expense was incurred. Members will be given a 1099 for all monies received and are encouraged to retain their receipts for tax filings.
 - g. If travel involves only a portion of the day, staff shall compute costs based upon \$10/\$13-breakfast,\$15/\$20-lunch, and \$50/\$67-dinner.
 - h. **Registration:** The NCAR Directors registration fee to attend the NCAR Convention will be paid for all NCAR Directors allocated by membership totals per the NCAR Bylaws but not including any based upon their election to a NCAR position. The registration fee for the NAR Annual Convention shall be paid for the three presidents and the MLS President-Elect. (Revised: WRAR 01-22-04)
 - i. **Companion Travel** If a companion's travel is paid as noted in the above table, they shall be reimbursed as follows:

Air	Coach class
Expenses	\$75 per diem for meals and incidentals for all NCAR meetings. \$100 per diem for meals and incidentals for all NAR meetings. g. If travel involves only a portion of the day, staff shall compute costs based upon \$10/\$13-breakfast,\$15/\$20-lunch, and \$50/\$67-dinner.

Registration The registration fee to attend the NCAR and NAR Annual Convention shall be reimbursed. (See WRAR and MLS BofD Minutes 07-23-09: entire travel policy revised)

BUSINESS CONTINUITY PLAN

Purpose:

This report will lay out the process of recovery for the WRAR during any event that disrupts normal operations such as Internet based attacks as well as natural threats such as hurricanes. This plan will set guidelines to be followed in case of such a disruption in regards to the following criteria:

- What Risks we may face in the Wilmington Area as well as how that risk should be handled.
- Which business functions are most vital for operation and when are they the most sensitive in a month.
- What is the maximum acceptable outage for each department, as well as which functions have a higher priority
- How much and when will a loss begin to incur due to the lack of full operation of this function, as well as if this loss is tangible or intangible

Emergency Contact Lists

In the event of an emergency causing a stop in operation a call-to-action will be initiated by the CEO. If no contact has been made by CEO within 4 hours of a disaster, the Chief Technology Officer will begin the initiation process. The CEO (or CTO), using the current Emergency Contact List will call the first employee with instructions that they call the next employee on the list. The instructions will include a request that the employee call the next person on the list and then call the CEO (or CTO) to confirm that they were contacted and have called the next person on the list. This process continues until all employees have been contacted and each has contacted the CEO (or CTO). It is conceivable that not every employee can be contacted, so the CEO (or CTO) will need to know who was not contacted. **NOTE:** Emergency Contact Form is managed by staff.

Risk Evaluation:

Before creating this plan we looked at what risks we may face due to our location as well as the type of business we perform. New Hanover County is exposed to many hazards, all of which have the potential to disrupt day to day business, and cause damage. Some potential hazards for our area:

- [a. Hurricanes, Tropical Storms and Nor'easters](#)
- [b. Structure fire](#)
- [c. Floods](#)
- [d. Winter storms and freezes](#)
- [e. Hazardous materials](#)
- [f. Power failures](#)
- [g. Accidents at Brunswick Nuclear Power Plant](#)
- [h. Earthquakes, Sinkholes and Landslides](#)
- [i. Technological Attacks/Failures](#)
- j. Internal Threats Sabotage/loss of employee

WRAR Risk Matrix

High	*Brunswick Plant Accident *Structure fire *Flood	*Hurricanes *internal threats
Impact	*Earthquakes, Sinkholes *Hazardous materials	*Winter storm *Power Failure
Low	Probability	
	Low	High

Low Probability/ High Impact= Insure
 High Probability/ High Impact= Prevent
 High Probability/ Low Impact= Contain and Control
 Low Probability/ Low Impact= Accept Risk

Department Information:

	<i>Basic Business Function of Department</i>	<i>Manual process used as a back up procedure</i>	<i>Time period when function is a priority</i>	<i>Resources needed for full operation</i>	<i>Other Department s needed for full operation of function</i>	<i>Software and IT needed to for full operation</i>	<i>Records/Documents/Files needed for full operation</i>
CEO	Head of Operations	Could create emails and letters in Word at home but would need to connect to the server	The weekend because it is when I get the majority of my work done.	One laptop and Internet connection	None	MS Office Rapattoni Peachtree	All records are digital and require access to the servers.
IT Department	Keeping all computers up and running; Training Agents on the MLS and IRIS programs	There are no manual procedures for operation.		Possible phone line. Computer, Server	None.	Internet	Records/Documents/Files needed: In the notebook, when George is gone
Finance Accounting & Billing	Company Financials, Billing. Process payments, keep info in system up to date and Manage the store.	You would have to take a check for all members, and then input them in the system, arrange them into billing groups, and then balance and deposit them into the bank	Billing is generated the 1st of every month. Payments processed on the 10th and the 25th. November through January we process Annual Dues,	An internet ready computer and phone	Membership/Supra they have to balance the keys before I can start generating the billing E-commerce, Rapattoni, and NRDS are all intertwined into the payment processing.	Rapattoni, Microsoft Outlook, Internet Month end closing - Peachtree, Rapattoni	Yes, there is a manual we follow when generating the billing. Month end closing - Need access to cash receipts, payments, bank reconciliations, Rapattoni sales journal, Rapattoni Receivables. For processing you need a member's invoices and credit card information. The bill is generated internally by the Director of Finance and credit card information is attached to their member record
	<i>Basic Business Function of Department</i>	<i>Manual process used as a</i>	<i>Time period when</i>	<i>Resources needed for full</i>	<i>Other Department s needed for</i>	<i>Software and IT needed to for full operation</i>	<i>Records/Documents/Files needed for full operation</i>

		<i>back up procedure</i>	<i>function is a priority</i>	<i>operation</i>	<i>full operation of function</i>		
Membership /Supra Department	Processing/Receiving new members, Committee Maintenance. Responsible for LBx and Keys	None.	End of the month when it is time to balance the keys.	Phone, Fax Machine and Computer	Technology, Marketing, Communications and Billing	Local network Microsoft Office, Rapattoni, and internet	Need registered member record in Rapattoni and that is internally accessed
Marketing Department	Plan and create marketing strategies for WRAR/RCA. Also provide support materials, proofread etc.	None.	If there is an upcoming event. Daily basis.	Computer Copier	Technology, Membership, CEO	Microsoft office, Adobe Illustrator/Photo, Rapattoni,	Barbara's Folder on the Network.
Continuing Education	Registering realtors for CE classes, event planner, help membership	You can't register realtors for classes manually. However, events can be done manually forever	Have to email completed classes to the commission within 10 business days	Computer		Email to send reminders to the registered people and.	Registered member record in Rapattoni
Quality Control	Quality Control, Professional Standards	None	All function have big priorities daily	Computer	None	internet access is needed	None

Department Priorities, expected losses, and Maximum acceptable Outage

This time line was developed based upon the Business Impact Analysis responses from staff members. The rankings were created by looking at what Departments are dependent upon them, what time periods become most vital, what the loss would be if the department wasn't able to function and if there are manual procedures in place to perform the operation of a department. The human resource costs per day estimated at \$1,604 per day would be spread amongst all the departments.

1) **IT Department:** All other departments, as well as our members are dependent in some way on the IT department.

- Maximum acceptable Outage would be less than 24 hours.
- The main issue is the need for access to the internal network with servers at full operation.
- Backup tapes from the most recent day are taken off site, and the tapes from the previous day are stored in a fire proof safe on site. If prior notice of a disaster is available multiple backup tapes should be created to ensure data security.
- Procedures on how to get servers back on line must be clearly stated in a printed form and stored in a safe place both on site and off.
- There are no manual procedures available for this department. In order to have partial operating capabilities we would need a computer, servers, back-up tapes, as well as an Internet connection.
- There are no pertinent dates during the month when this department becomes more of a priority. This department is a daily necessity for operation.
- Future possible improvements: Off-site back-up server is an option, the data backups can be out sourced and stored in a separate location.

2) **Finance/Accounting/Billing:** If we are unable to maintain the servers, we cannot create invoices for payment. The opportunity for a loss of income is great.

- Maximum acceptable Outage would be 24 hours.
- The main issue here is the need to have members paying invoices electronically to ensure deposit payments are made to the checking accounts.
- All accounting software must be stored in a fire proof safe on location.
- Pay checks would need to be able to go out within a reasonable time period.
- This department becomes a high priority on the 10th and the 25th of every month when payments are processed, the 1st of every month when invoices are generated and the 15th and last business day when payroll is generated.
- Financial loss due to non-operation: We would lose tens of thousands of dollars if we aren't able to invoice our members. The loss would take a while to accumulate, since we bill our members monthly.
- Future possible improvements include Rapattoni having off-site mirror server

3) **Membership/Supra:** This is the most member-oriented department.

- Maximum acceptable Outage would be 24 hours.
- The main function to establish is the general support of our members insuring accurate records, access rights, application processing etc.

The full function of Supra becomes a priority at the end of the month when it is time to balance the keys. This must be done before invoicing can proceed on the 1st of each month.

- There are no manual procedures in place to operate at partial capacity.
- Tangible/Intangible loss due to non-operation: Tangible would be tens of thousands of dollars because each new member pays anywhere from \$700 (REALTORS[®]) to \$1,500 (Designated REALTORS[®]) when they first join. Intangible would be a loss of image that would make the Association look very unprofessional and the word would spread to potential new members that our service is terrible. The losses would start accruing on the first day.
- Future possible improvements: redundant servers off-site from Cape Fear Webmasters

4) **Marketing Department**- This is a supportive department that is important in maintaining internal communications with members, a positive public image as well as promoting member/sponsor events, CE classes, etc.

- Maximum acceptable Outage would be 48 hours.
- The main function to establish will be the various avenues used for providing information to our members.
- The times when this function becomes more of a priority are on every Monday for ***Broker Briefing*** and every Tuesday for ***Have/Wants***.
- Tangible/Intangible loss due to non-operation: Intangible loss of communication between us and members as well as members and other members.
- Future possible improvements include Rapattoni having off-site mirror server

5) **Quality Control**: This department focuses on enforcement of the rules and regulations of the MLS and is important in insuring members' have a reliable database.

- Maximum acceptable Outage would be 48 hours.
- The main function needed of this department is the data validating system (iCheck) this is a web based program that can be utilized by those with access from any computer with internet capabilities.
- If iCheck goes down the process of data validation can be done manually by searching with Ambiance and manually e-mailing out notices.

6) **Continuing Education**: The main function that needs to be established is the registering and scheduling of CE classes

- Maximum acceptable Outage would be 48 hours.
- This function becomes more of a priority within 10 business days or a completed class because the class must be e-mailed to the commission. Also their license would become inactive if their completed classes were not emailed to the commission by June 10.
- Future possible improvements include Rapattoni having off-site mirror server

Alternate or Emergency Site

In the event that an emergency disables the current office of WRAR we will have a temporary site for technology operations located at Cape Fear Webmasters.

Hurricane/Foreseeable Disaster Procedures

- Send out an e-mail to all members asking them to remove all keyboxes and signs.
- Provide staff the Emergency Contact list. Make sure that if they are leaving the city to have a contact number of where they will be staying.
- Create two sets of back-up tapes for the servers. One will be taken off site by the CEO the other will be expressed mailed to return the next day.
- Shut down all servers. Put them in the hallway and enclose in plastic wrap.
- Bag all laptops. Put them in the closet and enclose them in plastic wrap.
- Take all desktop computers off the ground. Place them on a table in the hallway. Enclose in plastic and ensure that the table is sturdy.
- Wrap up copiers in plastic and move away from windows if possible.
- After CEO decides that it is safe he/she will begin the call-tree starting with the first person on the Emergency Contact list. That person will call the next person on the list and inform them of what plan of action will be taken. If the next person on the list cannot be contacted call the next person on the list. Inform the CEO that the staff person could not be reached.
- Inspect the building for any and all damage. If there has been damage call George Chadwick Insurance, their phone number is 762-2489.
- After the building has been deemed safe, the call tree will be started to have employees report for work.
- The departments will then be activated according to the Priority List as stated above.

CHIEF STAFF EXECUTIVE

CHARACTERISTICS AND QUALITIES OF CHIEF STAFF EXECUTIVE

The primary purpose of the CEO is service. A CEO is hired because the load of administrative responsibilities exceeds the time and energy which volunteer leadership can furnish. The Board sets goals by adopting a strategic plan. The CEO is charged with developing the business plan. The Board approves the business plan and budget. The CEO is responsible for the large volume of exacting detail, careful planning and sustained action that is necessary to implement all programs, projects, and proceedings including financial and human resource management. The CEO supports and motivates but does not "take over." The CEO provides guidance but not direction. The credit for success always and rightfully goes to the leadership. The CEO's satisfaction comes from the realization that the leaders and the corporations have successfully met their goals and expectations.

While the primary responsibility rests with the leadership, the CEO often hears the complaints of the membership. In feeling this "pulse" of the membership, the CEO must communicate this pulse to the leadership. The CEO must allow the leadership to respond as they see fit.

The CEO must provide a smooth transition from one term of office to the next. The CEO is the prime source of information on the total operations of the corporations, and the major link between incoming and outgoing administrations. By advising and assisting incoming officers in assuming their new responsibilities, the CEO is able to maintain the necessary continuity. An important part of the CEO's job is to know the members and become familiar with their areas of expertise so the corporations can effectively utilize their talents. The CEO is expected to communicate to the Board and to any nominating committee recommendations of capable members to serve on and chair committees, task forces and advisory groups.

The CEO must be intimately acquainted with Bylaws and Policies of both corporations. However, the responsibility to respond to criticisms regarding the policy and procedures of the corporations rests solely with the president. It is not the CEO's policy which is questioned, but the policy of the corporations as determined by the Board of Directors and the membership.

The membership depends upon the CEO's expert knowledge to assist them when personalities collide in their business relations. The CEO must never side with anyone. The CEO must always point out what the Bylaws and Policies say and help maintain the legal health of the corporations by requesting that any potential action be referred to legal counsel prior to implementation. Notification to the Directors of the corporations and to legal counsel is a primary responsibility when Bylaws and Policies are not followed. The CEO must not however hide behind Bylaws, Policies, and programs. The CEO should share personal and professional opinions, both positive and negative. Having a historical perspective enables a CEO to give feedback on previously tried options. The CEO must have a desire for professional expertise and improvement in his/her ability to serve and manage.

Chief Executive Officer

The Chief Executive Officer is responsible to the boards of directors for the effective conduct of corporations' affairs. The CEO recommends and participates in formulating all mission, goals, objectives, and related policies. Within that framework, the CEO plans, organizes, coordinates, controls, approves internal operating policies; and, directs staff, programs, and activities. The CEO works closely with the presidents and elected leaders to ensure that the strategic plans are implemented.

Responsibilities: The CEO performs the following with appropriate delegations and within the limits of the corporations governing documents established by the boards of directors.

1. Becomes a REALTOR[®] member of the National Association of REALTORS[®] if eligible.
2. Attends NAR and NCAR meetings providing a synopsis of actions to the board.
3. Ensures that the board of directors, executive committee, and officers are fully informed of association conditions and of all important factors influencing them.
4. Executes all decisions of the board of directors except when directors specifically make other assignments.
5. Represents personally the association in any and all local government matters affecting the real estate industry.
6. Solely recruits, hires, orients, trains, and motivates association personnel; responsible for all reviews, promotions, and terminations. Responsible for all salary administration. Annually updates the job descriptions for all staff positions. Ensures that staff receive proper training for their duties.
7. Solely defines staff duties, establishes performance standards, conducts performance reviews, and maintains competitive salary structure.
8. Executes contracts and commitments as authorized by the board of directors or within established budgets and/or policies.
9. Maintains effective relationships with other organizations, both public and private, and ensures that association and membership positions are enhanced in accordance with the policies and objectives of the organization.
10. Ensures that all entities operate within plus or minus 5% of the adopted budgets.
11. Conducts research and related projects on subjects deemed of importance to the membership, and prepares and publishes the results.
12. Develops education programs including continuing licensure education to advance the professional, technical, and managerial skills of the membership, operating within the budget and program objectives that the board of directors approves.
13. Speaks on behalf of the corporations when officers are unavailable and may delegate such to another staff or member who is more knowledgeable.
14. Participates in state and national activities and programs, within the limits of the association's budget, thereby providing a benefit to the association and the CEO.
15. Possesses a basic understanding of the real estate industry: license law, brokerage (residential and commercial), property management, etc.

16. Call the broker/owner or the broker/manager when a member inquires about taking any action that would place the firm in jeopardy (See MLS BofD Minutes 10-20-2010)

Relationships: Establishes positive working communications of mutual respect with the following:

1. Leadership of the local, state and national associations.
2. Executive officers of other associations.
3. Association counsel and consultants
4. City and county elected officials and their staffs.

Performance Standards:

The CEO's performance shall be assessed on an annual basis by the Administrative Committee. The Committee and the CEO shall agree upon measurable goals for each year.

Evaluation Form

Date:

Name: Jerry S. Panz

Designations: CAE, RCE

Certifications: e-PRO

Date of Employment: November 1996

Instructions: Place a \checkmark in the box under the appropriate rating.

Form approved by Administrative Committee on 06-15-2009)

Assigned Goals for (ENTER YEAR)					
1					
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
2					
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
3					
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
4					
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
5	Initiative: The degree to which CEO acts independently in new situations; sees what needs to be done and does it without being told to do it.				
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
	Must be told everything to do. Takes no personal initiative	Requires frequent instruction. Needs close supervision.	Initiative is satisfactory. Requires average supervision.	Thinks and acts independently. Resourceful in new situations.	Little or no supervision needed. Highly resourceful and aggressive.
	Comments:				
6	Planning, Organizing & Innovation: Demonstrated performance in anticipating needs, determining priorities, establishing a course of action, organizing and scheduling total activities as to achieve desired objectives.				
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
	Generally poor	Needs frequent	Plans and	Plans and	Outstanding

	job of planning and organizing. Not innovative.	help in planning and organizing. Too few new ideas.	organized adequately. Provides some new ideas.	organizes quite well. Innovative approaches and ideas.	planning and organizational skills. Innovates delivery of services.
Comments:					
7	Industry/Attendance: Willingness to work and assume responsibility; promptness. (List all groups) NCAR: Forms Committee; AE Committee; Director: Realfast; RPAC Trustee NAR: RCE Certification Board-Vice Chair; AE Competencies Work Group: Chair; RPAC Trustee NC Bar/NCAR Joint Forms: Secretary				
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
	Often late; no energy. Rarely assumes responsibility. Needs prodding	Occasionally late. Seldom assumes responsibility.	Satisfactory attendance. Generally assumes responsibility.	Good attendance; usual energy, drive. Readily assumes responsibility.	Maximum energy drive. Seeks responsibility.
Comments:					
8	Relations with Others: Ability to get along with association members, officers, suppliers and affiliated organizations. Consider cooperation, disposition, tact, sincerity and courtesy.				
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
	Frequently at odds with others. Ignores feelings of others.	Occasionally overlooks others' feelings Has some difficulty relating to others.	Relates to others fairly well. Satisfactory participation in cooperative efforts	Works well with others. Good participation in cooperative efforts.	Outstanding acceptance by others. Works at exceptionally high cooperative level.
Comments:					
9	Professional Development: Extent to which individual works to develop him/herself professionally to learn and grow in his/her professional skills and knowledge.				
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior

	Does very little to develop professionally.	Works toward professional development to a minor degree.	Satisfactory effort to develop professionally.	Works to develop professionally to a considerable degree.	Works to develop professionally to a very high degree.
Comments:					
10	Sound Financial Management: Ensure RCA, WRAR and MLS operate within plus or minus 5% of adopted budget (NOTE: applies to total revenue and total expense—not individual line items)				
	Unsatisfactory	Improvement Needed	Acceptable	Good	Superior
	Generally poor job of planning for fiscal issues and managing money. Corporations at risk.	Poor planning for fiscal issues. Budgets poorly managed.	Plans for next year and some future issues. Budgets usually managed well.	Plans and communicates fiscal needs. Budgets managed well	Outstanding planning fiscal skills. Reserves created appropriately and managed well
Comments:					
President Compliance Annually					
Initials					
	Development and Utilization of Staff: Annually update job descriptions and conduct performance reviews. (NOTE: Committee will be reviewing only for the purpose of compliance with Policy.) Ensure that each staff member has appropriate continuing education or professional development seminar or workshop per year but only as approved within the budget				
	Development and Utilization of Staff: Annually update job descriptions and conduct performance reviews. (NOTE: Committee will be reviewing only for the purpose of compliance with Policy.) Ensure that each staff member has appropriate continuing education or professional development seminar or workshop per year but only as approved within the budget				
	Leadership Development, Participation and Communication: Compose and distribute to leadership a one-page synopsis of each conference and convention attended.				
	Quality Products/Programs/Member Benefits: Ensure that member satisfaction with WRAR and MLS programs and services continues to increase. Conduct at least one survey, focus group, or other research to compare ratings to previous years.				
	Member Input/Data Gathering and Strategic Planning: Annually update the Association's strategic plan by planning and conducting at least a one-day plan				

	update session.
	Conduct at least 2 member input activities, including surveys, focus groups, office visits, phone calls, etc. Record the results and share with the planning committee and leadership.
	Conduct at least two annual meeting/sessions/breakfast/survey/focus group or other activity with WRAR's specialty groups: RCA, appraisal, auction, property managers, CFIB Council

Director

Qualification: Must have been a REALTOR[®] for at least two years prior to taking office.

What is it that a Director does? You bring issues to the Board from the Membership. You communicate actions from the Board to the Membership. You participate in deliberations before the Board so that the best possible decision is reached on all issues.

The Membership has empowered the Board of Directors to make decisions on its behalf with two exceptions: the Board cannot make a single non-budgeted expenditure in excess of \$12,000 within a fiscal year nor can they amend the Bylaws unless the amendment is mandated by the National Association of REALTORS[®].

As a Director you have a fiduciary and a NC legal responsibility to act solely in the best interest of the corporation—not on your own behalf, or any membership constituency or any company. Directors do not have a fiduciary responsibility toward the National Association of REALTORS[®] or the NC Association of REALTORS[®] nor are you a director for either entity.

The Board of Directors meets monthly for about 2 ½ hours. The meeting dates for the next year are set in December. The Strategic Planning session is normally held in February and lasts all day.

As a Director I will:

- 1) Make decisions deliberately and without undue haste or pressure.
- 2) Be as thoroughly and completely prepared as possible before making decisions.
 - a) I will read and understand the information given to me.
 - b) If I do not understand something, I will exercise care to receive clarification prior to the meeting, if possible.
 - c) If not possible, I will receive clarification during such time as the issue is before the Board.)
 - d) Ask questions until I get an answer that I understand
- 3) Become actively involved in deliberations during the Board meeting. Comment as appropriate on written materials and other's comments.
- 4) Ensure that written records of board preparation and deliberation are kept and I will safe guard confidential information. This paper trail will show compliance with procedural due care requirements under the law.
- 5) Have independent legal counsel and accountants prepare independent evaluations in a written report.
- 6) Remember that I do not represent any constituency within the Association. I do not represent my company, my franchise, or even a specific group, such as the Executive Roundtable, even though they may have elected me. My fiduciary responsibility is to the corporation under North Carolina law.
- 7) Accept assignments from the President.

- 8) Support the Board's decision and will not undermine the decision by distancing myself by informing others that I voted against it. I understand that the Board acts as a whole and I am responsible to support the Board's decision.
- 9) Seek input from the REALTOR[®] members regarding issues.
- 10) Not formulate a strong opinion until I hear from other Board members.
- 11) Voice my opinion and urge caution whenever I believe that the Board may take action that is contrary to the best interests of the corporation.
- 12) Attempt to reach consensus on each issue before the Board.
- 13) Attend all Board and Association meetings and functions.
- 14) Read and become informed about the Association's Strategic Plan, governing documents, and services.
- 15) Make a financial contribution to RPAC
- 16) Suggest possible nominees who can make significant contributions to the work of the corporations.
- 17) Keep up-to-date on industry trends and share these with the Board
- 18) Disclose any potential conflict of interest.
- 19) Support the CEO publicly and criticize him/her privately.
- 20) Not direct staff but will seek help from the CEO.

President

As a President I will:

- 1) Work closely with the CEO
- 2) Not direct staff but will work through the CEO.
- 3) Help the President-Elect and seek help from him/her.
- 4) Help the Board make decisions deliberately and without undue haste or pressure.
- 5) Be as thoroughly and completely prepared before each meeting.
 - a) I will read and understand the information given to me.
 - b) If I do not understand something, I will exercise care to receive clarification before the meeting.
 - c) If not possible, I will receive clarification during such time as the issue is before the Board.
 - d) Ask questions until I get an answer that I understand
- 6) Serve as the moderator and not become actively involved in deliberations during the Board meeting unless I surrender the Chair position.
- 7) Comment as appropriate on written materials and other's comments.
- 8) Ensure that written records of board preparation and deliberation are kept and I will safe guard confidential information. This paper trail will show compliance with procedural due care requirements under the law.
- 9) Have independent legal counsel and accountants prepare independent evaluations in a written report.
- 10) Remember that I do not represent any constituency within the Association. I do not represent my company, my franchise, or even a specific group. My fiduciary responsibility is to the corporation under North Carolina law.
- 11) Accept criticism as being helpful regardless of how it is delivered.
- 12) Lavish praise on others.
- 13) Support the Board's decision and will not undermine the decision by distancing myself by informing others that I voted against it. I understand that the Board acts as a whole and I am responsible to support the Board's decision.
- 14) Seek input from the REALTOR[®] members regarding issues.
- 15) Not formulate a strong opinion until I hear from other Board members.
- 16) Voice my opinion and urge caution whenever I believe that the Board may take action that is contrary to the best interests of the corporation.
- 17) Attempt to reach consensus on each issue before the Board.
- 18) Attend all Board and Association meetings and functions.
- 19) Read and become informed about the Association's Strategic Plan, governing documents, and services.
- 20) Make a financial contribution to RPAC
- 21) Suggest possible nominees who can make significant contributions to the work of the corporations.
- 22) Keep up-to-date on industry trends and share these with the Board
- 23) Disclose any potential conflict of interest

- 24) Serve as a NCAR Director
- 25) Serve on a NCAR Committee
- 26) Serve on an NAR Committee if at all possible

President-Elect/MLS President

As a President-Elect/MLS President I will:

- 1) Work closely with the CEO
- 2) Not direct staff but will work through the CEO.
- 3) Help the Vice President/MLS President-Elect and seek help from him/her.
- 4) Help the Board make decisions deliberately and without undue haste or pressure.
- 5) Be as thoroughly and completely prepared before each meeting.
 - a) I will read and understand the information given to me.
 - b) If I do not understand something, I will exercise care to receive clarification before the meeting. If not possible, I will receive clarification during such time as the issue is before the Board.
 - c) Ask questions until I get an answer that I understand
- 6) Serve as the moderator and not become actively involved in deliberations during the Board meeting unless I surrender the Chair position.
- 7) Comment as appropriate on written materials and other's comments.
- 8) Ensure that written records of board preparation and deliberation are kept and I will safe guard confidential information. This paper trail will show compliance with procedural due care requirements under the law.
- 9) Have independent legal counsel and accountants prepare independent evaluations in a written report.
- 10) Remember that I do not represent any constituency within the Association. I do not represent my company, my franchise, or even a specific group. My fiduciary responsibility is to the corporation under North Carolina law.
- 11) Accept criticism as being helpful regardless of how it is delivered.
- 12) Lavish praise on others.
- 13) Support the Board's decision and will not undermine the decision by distancing myself by informing others that I voted against it. I understand that the Board acts as a whole and I am responsible to support the Board's decision.
- 14) Seek input from the REALTOR[®] members regarding issues.
- 15) Not formulate a strong opinion until I hear from other Board members.
- 16) Voice my opinion and urge caution whenever I believe that the Board may take action that is contrary to the best interests of the corporation.
- 17) Attempt to reach consensus on each issue before the Board.
- 18) Attend all Board and Association meetings and functions.
- 19) Read and become informed about the Association's Strategic Plan, governing documents, and services.
- 20) Make a financial contribution to RPAC

- 21) Suggest possible nominees who can make significant contributions to the work of the corporations.
- 22) Keep up-to-date on industry trends and share these with the Board
- 23) Disclose any potential conflict of interest
- 24) Serve as a NCAR Director
- 25) Serve on a NCAR Committee
- 26) Serve on an NAR Committee if at all possible

Vice President/MLS President-Elect

Qualifications: Must have been a REALTOR® for at least two years prior to taking office and must have served on the Board of Directors within the last five years.

What is it that the Vice President/MLS President-Elect does? You Chair the Finance Committee and the Forum for Your Issues Forum. You bring issues to the Board from the Membership. You communicate actions from the Board to the Membership. You participate in deliberations before the Board so that the best possible decision is reached on all issues. And when necessary, you chair the meetings of the Board.

The Membership has empowered the Board of Directors to make decisions on its behalf with two exceptions: the Board cannot make a single non-budgeted expenditure in excess of \$12,000 within a fiscal year nor can they amend the Bylaws unless the amendment is mandated by the National Association of REALTORS®.

As the WRAR Vice President and MLS President-Elect, you have a fiduciary and a NC legal responsibility to act solely in the best interest of the corporation—not on your own behalf, nor any membership constituency or any company. You will be a NCAR Director by virtue of this office. You are not a director of the National Association of REALTORS®.

The Board of Directors meets monthly for about 2 ½ hours. The meeting dates for the next year are set in December. The Strategic Planning session is normally held in February and lasts all day.

The Vice President is the chair of the Finance Committee and Forum-(for)Your-Issues

As a Vice President/MLS President-Elect I will:

- 1) Work closely with the President
- 2) Not direct staff but will work through the CEO.
- 3) Help the Board make decisions deliberately and without undue haste or pressure.
- 4) Be as thoroughly and completely prepared before each meeting.
 - a) I will read and understand the information given to me.
 - b) If I do not understand something, I will exercise care to receive clarification before the meeting.
 - c) If not possible, I will receive clarification during such time as the issue is before the Board.
 - d) Ask questions until I get an answer that I understand
- 5) Comment as appropriate on written materials and other's comments.
- 6) Ensure that written records of board preparation and deliberation are kept and I will safe guard confidential information. This paper trail will show compliance with procedural due care requirements under the law.

- 7) Have independent legal counsel and accountants prepare independent evaluations in a written report.
- 8) Remember that I do not represent any constituency within the Association. I do not represent my company, my franchise, or even a specific group. My fiduciary responsibility is to the corporation under North Carolina law.
- 9) Support the Board's decision and will not undermine the decision by distancing myself by informing others that I voted against it. I understand that the Board acts as a whole and I am responsible to support the Board's decision.
- 10) Seek input from the REALTOR[®] members regarding issues.
- 11) Not formulate a strong opinion until I hear from other Board members.
- 12) Voice my opinion and urge caution whenever I believe that the Board may take action that is contrary to the best interests of the corporation.
- 13) Attempt to reach consensus on each issue before the Board.
- 14) Attend all Board and Association meetings and functions.
- 15) Read and become informed about the Association's Strategic Plan, governing documents, and services.
- 16) Make a financial contribution to RPAC
- 17) Suggest possible nominees who can make significant contributions to the work of the corporations.
- 18) Keep up-to-date on industry trends and share these with the Board
- 19) Disclose any potential conflict of interest
- 20) Serve as a NCAR Director
- 21) Serve on a NCAR Committee
- 22) Serve on an NAR Committee if at all possible

Professional Standards Options Adopted

Professional Standards Options Adopted (See BofD Minutes 2-24-00; 2-24-05)

NOTE: An Agreement has been executed between the Wilmington Regional Association of REALTORS®, the Brunswick County Association of REALTORS® and the Duplin-Sampson Association of REALTORS® regarding professional standards matters. That agreement shall govern procedures only when the ethics complaint or request for arbitration involves members of two or more signatories.

Statements of PS Policy #33 Any matter brought before the Board of Directors may be considered by a panel of Directors appointed by the President for that purpose. Five (5) Directors or a quorum of the Board of Directors, whichever is less, shall constitute such a panel, which shall act on behalf of the Board of Directors. The decision of the panel shall be final and binding and shall not be subject to further review by the Board of Directors.

PART 1 GENERAL PROVISIONS

Section 1 (b) Definitions relating of Ethics “Board” means this organization, either the Wilmington Regional Association of REALTORS®, the Topsail Island Association of REALTORS®, the Duplin-Sampson Association of REALTORS® or the North Carolina Association of REALTORS®.

Section 7 Notices: Any notice required to be given or paper required to be served or filed may be personally handed to the party to be notified, sent by registered or certified mail addressed to the party’s last known mailing address, or sent to the party by email. Any notice required to be given or paper required to be served or filed shall be deemed given, served or filed when handed to the party, mailed to the party, or sent to the party by email unless otherwise specified in the Manual. Notices sent by email shall include the association’s request that delivery be acknowledged by the intended recipient within twenty-four (24) hours by return email. If receipt of the notice has not been acknowledged by the intended recipient within twenty-four (24) hours, the recipient will be contacted by telephone to confirm receipt and the recipient’s confirmation will be noted in the file. If receipt of notices sent by email cannot be confirmed, the notices will be resent via registered or certified mail. (See BofD Minutes 12-17-09)

Section 6 Conduct of Hearing The Board shall, and any party may not at his own expense, have a court reporter or recorder present at the hearing, or may tape record* the proceeding, and, if transcribed, shall present a copy to the Secretary. **

Section 13 (b) Power to Take Disciplinary Action On the member's being convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of (1) a felony or (2) a crime involving moral turpitude or (3) on a member’s being determined by a court of competent jurisdiction, or official of the State of North Carolina authorized to make the determination, as having violated a provision of the North Carolina real estate law or a regulation of the North Carolina Real Estate Commission; or on a final judgment or

determination of a court of competent jurisdiction or by an authorized federal, state or local official that a member has violated the federal, state or local fair housing laws.

Section 14 ¶2 Nature of Discipline In addition to any discipline imposed, the Associations will impose an administrative processing fee in the amount of \$500 against respondents found in violation of the Code of Ethics or other membership duties except that when a member agrees to use the Option Waiver of Right To Hearing, then the administrative processing fee is \$250. Any administrative processing fee will be in addition to, and not part of any disciplinary sanction imposed.

Part Two, Section 15 & Part Eight, Section 38 Selection and Appointment of the Grievance Committee There will be a standing committee, known as the Grievance Committee, of at least 15 REALTOR® Members in good standing. The members of the Committee shall be appointed by the presidents, subject to confirmation by their board of directors. The appoint of chairs and vice chairs shall be in the manner prescribed in the Agreement.

Part Two, Section 16 & Part Eight, Section 39 Selection and Appointment of the Professional Standards Committee There will be a standing committee, known as the Professional Standards Committee, of at least 15 REALTOR® Members in good standing. The members of the Committee shall be appointed by the presidents, subject to confirmation by their boards of directors. The appoint of chairs and vice chairs shall be in the manner prescribed in the Agreement.

PART 3 THE GRIEVANCE COMMITTEE

Section 17 Authority There will be a standing committee, known as the Grievance Committee, of at least 15 REALTOR® Members in good standing. The members of the Committee shall be appointed by the presidents, subject to confirmation by their boards of directors.

Section 19 (C) Grievance Committee's Review of an Ethics Complaint If the Grievance Committee dismisses the complaint, the notice of dismissal shall specify the reasons for dismissing and the complainant may appeal the dismissal to the Board of Directors within twenty (20) days from receipt of the dismissal notice using Form #E-22, Appeal of Grievance Committee Dismissal of Ethics Complaint. The complaint and any attachments to the complaint cannot be revised, modified, or supplemented. The complainant may, however, explain in writing why the complainant disagrees with the Grievance Committee's conclusion that the complaint should be dismissed. If the Grievance Committee deletes an Article or Articles from an ethics complaint, the complainant may also appeal to the Board of Directors using Form #E-22, Appeal of Grievance Committee Dismissal of Ethics Complaint. The Directors (or a panel of Directors or the Executive Committee) shall consider only the information and documents considered by the Grievance Committee, together with the complainant's rationale for challenging the dismissal and render its decision, which shall be final. The parties are not present at the meeting at which the appeal is considered. (Revised 5/06)

PART 4 THE ETHICS HEARING

Section 20 (a) The Staff on behalf of the Grievance Committee will send a copy of the complaint to the party complained of and require the respondent to furnish it with a response before making its determination. (See Form #E-4, Grievance Committee Request for Information [Ethics Complaint] and Form #E-5, Response to Grievance Committee Request for Information, Part Six of this Manual).

Section 20 (c) Initiating an Ethics Hearing Appeals will be heard by members of the Committee who did not serve on the original tribunal

Section 20 (f) Initiating an Ethics Hearing Any person, whether a member or not, having reason to believe that a member is guilty of any conduct subject to disciplinary action, may file a complaint in writing with the staff, dated and signed by the complainant, stating the facts on which it is based (Form #1, Complaint, Part Nine); provided, however, that the complaint must be filed within 180 days after the facts constituting the matter complained of could have been known in the exercise of reasonable diligence.

Section 20(g) Initiating an Ethics Hearing Any complaint alleging a violation of the Code of Ethics by a Board Member or by any other person subject to the disciplinary authority of the Board, will be scheduled for review by the Grievance Committee (or by a panel thereof) at the next regular meeting. It will be a matter of local determination whether responses will be sought or accepted in instances where these optional enforcement procedures are utilized. (Revised 11/04)

Section 20 (h) Initiating an Ethics Hearing If the Grievance Committee concludes that the complaint is vague, overly general, does not allege violations of specific Articles, or is otherwise insufficient on its face, the complaint shall be referred back to the complainant accompanied by the Grievance Committee's initial conclusions. The complainant shall be free to refile an amended complaint.

Section 20 (i) Initiating an Ethics Hearing If the Grievance Committee concludes that the allegations in the complaint, if taken as true, could not support a finding that the Code of Ethics had been violated, then the complaint shall be dismissed and the complainant advised of the dismissal and of their right to appeal the dismissal to the Board of Directors using Form #E-22, Appeal of Grievance Committee Dismissal of Ethics Complaint. The complaint and any attachments to the complaint cannot be revised, modified, or supplemented. The complainant may, however, explain in writing why the complainant disagrees with the Grievance Committee's conclusion that the complaint should be dismissed. (Revised 5/06)

Section 20 (j) Initiating an Ethics Hearing If the Grievance Committee concludes that the complaint alleges conduct which, if taken as true, could support a possible violation of the Code of Ethics, then staff or counsel, or in the absence of staff or counsel, the Grievance Committee Chairperson will ascertain whether or not there were any prior violations of the Code of Ethics in the past three (3) years. The complaint will then be sent to the respondent together with a response form which will advise the respondent of the complaint; which will ask the respondent to affirm that they have not been found in violation of the Code of Ethics by any

Board within the past three (3) years. The complaint will then be sent to the Respondent together with the response (form E-20, Notice to Respondent [Ethics] and Optional Waiver of Right to Hearing); which will advise the respondent of the complaint; which will ask the respondent to affirm that the respondent has not been found in violation of the Code of Ethics by any Board with the past three (3) years; which will give the respondent an opportunity to waive the right to a hearing by acknowledging the conduct alleged in the complaint and by agreeing to accept discipline which will not exceed a fine in excess of \$5,000 or suspension for a period of thirty (30) days should a violation of the Code ultimately be determined. Any response provided cannot contest the facts stated in the complaint but may offer information in mitigation of any discipline that might be imposed (Revised 11/04)

Initiation of Ethics Mediation Procedures. If a determination has been made that a possible violation of the Code of Ethics may have occurred, and the complaint has not been brought by the Grievance Committee and/or does not involve a violation of the public trust, the parties to the complaint will be advised that ethics mediation is available as an alternative to a formal ethics hearing, provided that all parties agree to participate.

Section 20 (k) Initiating an Ethics Hearing Alternatively, the respondent has the right to a hearing pursuant to the procedures established in Part Four of this Manual.

Section 20 (l) Initiating an Ethics Hearing If the respondent does not acknowledge the conduct alleged in the complaint or waive the right to a hearing, or does not respond within twenty (20) days from receipt of the complaint, a hearing shall be scheduled in the manner provided for in Section 21, Ethics Hearing.

Section 20 (m) Initiating an Ethics Hearing If the respondent waives the right to a hearing and acknowledges the conduct alleged in the complaint, such elections will be affirmatively indicated on the response form which shall be returned to the Grievance Committee Chairperson (or staff or counsel) within twenty (20) days from receipt of the complaint by the respondent. The Grievance Committee Chairperson (or staff or counsel) will verify the respondent's assertions as to prior violations in the past three (3) years. In the absence of any prior violation within the past three (3) year period, the complaint will be referred to a panel of the Professional Standards Committee for consideration within thirty (30) days. The panel shall be appointed pursuant to the procedures established elsewhere in this Manual.

Section 20 (n) Initiating an Ethics Hearing The panel of the Professional Standards Committee will meet in executive session. Neither the complainant nor the respondent will be present. Board staff and counsel will be present as deemed necessary by the Chairperson. The initial question to be determined by the panel will be whether the allegations in the complaint, as acknowledged and agreed to by the respondent, support a violation of one or more of the Articles of the Code of Ethics. The panel shall prepare a brief, concise decision which shall include findings of fact, conclusions and a recommendation for discipline if a violation is found. Discipline that may be imposed, if a violation is determined, may only include one or more of the following: letter of warning or reprimand, mandatory attendance at a relevant educational program, probation, suspension for thirty (30) days, or a fine not in excess of \$5,000.

Section 20 (o) Initiating an Ethics Hearing The decision of the panel will be filed with the Secretary within ten (10) days after the panel's decision is final. The procedures for dissemination of the decision shall be those in Section 22(b), Decision of a Hearing Panel. Appeals of decisions shall be pursuant to the Agreement. (Adopted 4/95)

Section 20 (p) Initiating an Ethics Hearing The expedited Code enforcement procedures established in the Code of Ethics and Arbitration Manual are available only to REALTORS® holding primary or secondary membership in the Board enforcing the Code or other membership duties and are not available to REALTORS® who become subject to the Code of Ethics or other membership duties pursuant to their participation in or access to MLS under Board of Choice. (Adopted 11/96)

Section 20 (q) Initiating an Ethics Hearing Where an ethics complaint names more than one respondent, the expedited Code enforcement procedures are available only when all respondents are eligible and all respondents elect to utilize these procedures. (Adopted 11/98)

Section 21 (e) Ethics Hearing The complaint and response shall be provided to Hearing Panel members prior to the hearing. Such time period shall be not less than five (5) days prior to the hearing and shall be adhered to for all hearings. (Amended 4/91)

Section 22 Decision of Hearing Panel (a) Copies of the decisions disseminated pursuant to these procedures shall be complete and unedited.

Section 23 (b) Action of the Board of Directors If no appeal is filed, the Directors will adopt the Hearing Panel's recommendation and issue its order accordingly, unless:

1. the Directors, if concerned with a possible procedural deficiency, may refer the decision back to the Professional Standards Committee for a new hearing and recommendation by a different Hearing Panel; or
2. if the Directors are concerned with the appropriateness of the recommendation of sanction, the Directors may impose alternative discipline that does not exceed that recommended by the Hearing Panel, or may refer the decision back to the original Hearing Panel for further consideration and recommendation accompanied by the Directors' concerns regarding the proposed discipline; or
3. if the Directors conclude the findings of fact do not support a possible violation of the Code of Ethics, the complaint will be dismissed.

In such matters, advice of Board legal counsel will be requested and considered. (Revised 11/05)

Section 23 (c) Action of the Board of Directors All appeals must be in writing and must be accompanied by a deposit with the President in the sum of \$500.

Section 23 (m) Action of the Board of Directors Appeals to the Board of Directors will be heard by a panel of Directors appointed by the President for that purpose. Five (5) Directors or a quorum of the Board of Directors, whichever is less, shall constitute such an appeal panel, which shall act on behalf of the Board of Directors. The decision of the appeal panel shall be

final and binding and shall not be subject to further review by the Board of Directors. (Revised 11/91)

Section 23 (n) Action of the Board of Directors If the respondent is found in violation of the Code of Ethics a second time within three (3) years, the respondents name, the fact that the respondent has been found in violation of the Code of Ethics, the Articles(s) violated, and the discipline imposed will be published in the official communication vehicle of the Association. Such publication shall not include the name of the firm the respondent is (or was) licensed or affiliated with. In cases where the violator's name is similar to another member's name, the violator's license number or office address (or both) may also be published. **Note: Statements of Professional Standards Policy Applicable to Ethics Proceedings #45 states in part: Where the official communication vehicle is electronic or Internet-based, access must be limited to Board members. (Amended 11/04)**

Section 24 (¶3) Initial Action by Directors Upon determination that the member has refused to arbitrate a properly arbitrable matter, the Board of Directors may direct the implementation of appropriate sanction and should, if it has reason to believe that the imposition of sanction will become the basis of litigation and a claim for damages consequent to such sanction, should submit the complaint to the State Association prior to filing, and delay the effective date of implementing the sanction to a date following receipt by the Board of a judicial decision in a petition for declaratory relief filed by the Board to confirm the propriety of its action. On the other hand, if the complaint against the member is that, having properly submitted a dispute to arbitration, the member has refused to abide by the award, such refusal should not be referred to the Grievance Committee as a violation of the Code of Ethics unless it reflects an established pattern or practice of noncompliance with the commitment to arbitrate. A refusal to abide by an award in arbitration should be enforced in the manner set forth in Part Ten, Section 56, Arbitration of Disputes. * (Revised 9/87)

PART 5 CONDUCT OF AN ETHICS HEARING

Postponement of hearing Conduct of an Ethics Hearing: Postponement may be granted if there are extenuating circumstances. Requests for postponement must be made in writing. Permission can be given by the Chairperson of the Hearing Panel. All parties shall be advised of the date of the rescheduled hearing

Outline of Procedure for Ethics Hearing (whether for a Complaint and/or a Counter Complaint): Recording the hearing: The Association shall, and any party may not at their own expense, have a court reporter or recorder present at the hearing, or may tape record the proceeding, and, if transcribed, shall furnish a copy to the Secretary.

PART 6 SPECIMEN FORMS

*Adopted all specimen forms. Staff will insert the forms on stationery whenever possible.
Inserted the following box on form E-11: Should the Decision be forwarded to the NCREC?
Yes No*

Arbitration

STATEMENTS OF PS POLICY

#3 The Association will offer arbitration in Complaints dealing with members, classified as voluntary by Grievance Committee.

#33 Use of panels in place of the Board of Directors Any matter brought before the Board of Directors will be considered by a panel of Directors appointed by the President for that purpose. Five (5) Directors or a quorum of the Board of Directors, whichever is less, shall constitute such a panel, which shall act on behalf of the Board of Directors. The decision of the panel shall be final and binding and shall not be subject to further review by the Board of Directors.

PART 7 ARBITRATION GENERAL PROVISIONS

Section (b) Definitions Relating to Arbitration “Board” means Associations signatory to the Agreement or the North Carolina Association of REALTORS®.

Section 31 Conduct of Hearing The Board shall, and any party may not, at his own expense, have a court reporter or recorder present at the hearing, or may tape record the proceeding, and, if transcribed, shall present a copy to the Secretary.**.

Section 32 Notices: Any notice required to be given or paper required to be served or filed may be personally handed to the party to be notified, sent by registered or certified mail addressed to the party’s last known mailing address, or sent to the party by email. Any notice required to be given or paper required to be served or filed shall be deemed given, served or filed when handed to the party, mailed to the party, or sent to the party by email unless otherwise specified in the Manual. Notices sent by email shall include the association’s request that delivery be acknowledged by the intended recipient within twenty-four (24) hours by return email. If receipt of the notice has not been acknowledged by the intended recipient within twenty-four (24) hours, the recipient will be contacted by telephone to confirm receipt and the recipient’s confirmation will be noted in the file. If receipt of notices sent by email cannot be confirmed, the notices will be resent via registered or certified mail. (See BofD Minutes 12-17-09)

PART 8 MEMBERSHIP DUTIES AND THEIR ENFORCEMENT

Section 38 Selection and Appointment of the Grievance Committee There will be a standing committee, known as the Grievance Committee, of at least 15 REALTOR® Members in good standing. The members of the Committee shall be appointed by the presidents, subject to confirmation by their board of directors

Section 39 Selection and Appointment of the Professional Standards Committee There will be a standing committee, known as the Professional Standards Committee, of at least 15

REALTOR® Members in good standing. The members of the Committee shall be appointed by the presidents subject to confirmation by their board of directors

PART 9 THE GRIEVANCE COMMITTEE IN ARBITRATION PROCEEDINGS

Section 40 Authority There will be a standing committee, known as the Grievance Committee, of at least 15 REALTOR® Members in good standing. The members of the Committee shall be appointed by the presidents, subject to confirmation by their board of directors.

Section 42 (c) Grievance Committee's Review and analysis of a Request for Arbitration If the Grievance Committee determines that a matter should not be arbitrated by the Board (because of the amount involved or the legal complexity, or for any other valid reason specified in the Grievance Committee decision and written report), the reason(s) for dismissing the request will be stated in the notice of dismissal. Any party may appeal the decision to the Board of Directors within twenty (20) days of the date of notice of the committee decision using Form #A-20, Appeal of Grievance Committee Dismissal or Classification of Arbitration Request. The request for arbitration and any attachments cannot be revised, modified, or supplemented. The party appealing the dismissal may, however, explain in writing why they disagree with the Grievance Committee's conclusion that the request for arbitration should be dismissed. The Hearing Panel can also dismiss the arbitration request if the Hearing Panel concludes the matter is not arbitrable. (Amended 5/07)

The materials which were presented to the Grievance Committee when the Grievance Committee made its decision will be presented to the Board of Directors and considered with the appeal, together with any party's rationale challenging the Grievance Committee's dismissal. The parties to the arbitration (complainant and respondent) do not have the right to appear at the appeal hearing before the Directors. In the event a request for arbitration is dismissed, any deposit submitted by the complainant shall be returned to the complainant. (Revised 5/07)

PART 10 ARBITRATION OF DISPUTES

Section 44 (6) (b) Duty and Privilege to Arbitrate Where mandatory arbitration is consistent with applicable state law, the Code of Ethics, Article 17, requires only that disputes arising out of the real estate business between Realtors "...associated with different firms..." be arbitrated. The various provisions of this Section represent the interpretations of the Professional Standards Committee with approval of the Board of Directors of the National Association as to appropriate policy of a Member Associations in the matter of providing arbitration facilities by the Board. Thus, Member Boards must provide arbitration facilities for Board Members in the types of arbitration described in the preceding paragraphs (1), (2) and (3). Member Boards may and the Associations will provide arbitration facilities for the additional types of arbitration described in the preceding paragraphs (4), (5), and (6). However, Member Associations shall not establish any mandatory requirement of its Association Members to arbitrate in the circumstances described in paragraphs (4), (5), and (6). No arbitration shall be initiated by the

Associations and no arbitration shall be undertaken by the Associations unless it determines the dispute is properly arbitrable in accordance with the provisions of Part Ten, Section 45 of this Manual. (Revised 11/96)

Section 45 (b) Board's Right to Decline Arbitration Appeals will be heard in the manner prescribed in the Agreement.

Section 46 Duty to Arbitrate Before State Association By becoming and/or remaining members of this Association, all members bind themselves and agree to submit to arbitration by the arbitration facilities of the North Carolina Association of REALTORS[®] any dispute with a member of any other local Association or North Carolina Association of REALTORS[®], provided: (1) The dispute is a dispute as defined and for which arbitration is required by Article 17 of the Code of Ethics, and (2) The North Carolina Association of REALTORS[®] has established facilities for such arbitration.*

Section 47 (a) Manner of Invoking Arbitration A request for arbitration shall be in writing (Form #A-1 or #A-2, Request and Agreement to Arbitrate, **Part Thirteen**, or any other appropriate form permitted by law), must be signed by the complainant, must indicate the nature of the dispute and the amount in the dispute, and must be accompanied by the required deposit of \$500.00

Section 47 (b) Manner of Invoking Arbitration Mediation must be offered at the initial request for arbitration, if mediation is declined or the attempt is unsuccessful, then the staff shall promptly refer the request for arbitration to the Chairperson of the Grievance Committee for determination by the Committee within 10 days as to whether the matter is subject to arbitration.

The Grievance Committee will request the party(ies) named as respondent(s) in the request for arbitration to provide the Grievance Committee with a written response to the request for arbitration within 10 days. (See Form #A-5, Grievance Committee Request for Information [Arbitration Request] and Form #A-6, Response to Grievance Committee Request for Information, Part Thirteen of this Manual.)

Section 47 (c) Manner of Invoking Arbitration If the Grievance Committee finds the matter properly subject to arbitration, the Chairperson shall refer it back to the staff with instructions to arrange a hearing, notifying the parties of the Grievance Committee's decision, informing the parties as to whether the arbitration is mandatory or voluntary (and, if voluntary, of the date certain by which the respondent is requested to inform the Board of his decision) and informing the parties of their ability to challenge the classification (See Section 45(d), Board's Right to Decline Arbitration). The staff shall notify the respondent within five (5) business days of receipt of the Grievance Committee's instructions by mailing a copy of the request for arbitration, the Notice to Respondent (Arbitration) (Form #A-3), and two (2) forms for response (Form #A-4, Response and Agreement to Arbitrate, Part Thirteen), with directions to complete and return the written response and deposit amount of \$500.00 within fifteen (15) days from the date of mailing to respondent. *

Section 48 (a) Submission to Arbitration Submission of a dispute to arbitration by the Associations shall consist of signing and delivering to the staff either a request or response form provided by the Association (Form #A-1 or A-2, Request and Agreement to Arbitrate, or Form #A-4, Response and Agreement to Arbitrate) or any other similar writing permitted by law and making the appropriate deposit of \$500.00.* Agreements to arbitration are irrevocable except as provided under state law. (Revised 11/96)

Section 48 (b) Option #1 Submission to Arbitration Arbitration shall not proceed unless the signed Response and Agreement Form (**Part Thirteen**, Form #A-4) and deposit amount have been received from the respondent and the respondent appears and takes part in the hearing (11/05).

Section 49. Initial Action by Directors If the complainant alleges that a member has improperly refused to submit a dispute to arbitration, the complaint shall not be referred to the Grievance Committee or a Hearing Panel, but shall be brought before the Board of Directors at the next regular meeting or at a special meeting called by the President for that purpose. The procedures for notices, time of notice, and hearing prescribed for matters before a Hearing Panel shall apply. The sole question of fact for the Directors to decide will be whether the respondent has failed to submit an arbitrable matter to arbitration in violation of Article 17. (Revised 11/95)

Section 50. Preliminary Judicial Determination Prior to Imposition of Discipline If the Board of Directors has reason to believe that the imposition of a proposed sanction will become the basis of litigation and a claim for damages, it should submit the complaint to NCAR prior to filing, and specify that the discipline shall become effective upon entry of the final judgment of a court of competent jurisdiction in a suit by the Board for declaratory relief declaring that the discipline proposed violates no rights of the member.

Section 51(b) Arbitration Hearing The arbitration request, and response if any, shall be provided to Hearing Panel members prior to the hearing. Such time period shall be ten (10) days and shall be adhered to for all hearings.

Section 53 (c) The Award If an award has been rendered, the non prevailing party must, within ten (10) days following receipt of the award, either (1) pay the award to the party (ies) named in the award or (2) deposit the funds with the Association's executive officer to be held in a special account maintained for this purpose. Failure to satisfy the award or to deposit the funds with the Association within this time period may be considered a violation of a membership duty and may subject the member to disciplinary action at the discretion of the Board of Directors. (Adopted 11/87)

The nonprevailing party shall have twenty (20) days following service of the award to request procedural review of the arbitration hearing procedure or to have legal counsel notify the Board Secretary or Executive Officer that a legal challenge to the validity of the award has been initiated. (Adopted 11/87)

Section 53 (d) The Award If a request for limited procedural review of the arbitration procedure is received within twenty (20) days, the funds deposited with the Association shall be retained in the Association's account until the review is completed. If the arbitration award is confirmed by the Board of Directors following the conduct of the limited procedural review, the non-prevailing party shall have an additional fifteen (15) days to institute an appropriate legal challenge to the validity of the arbitration award. In such case, the non-prevailing party shall also cause legal counsel to advise the Board in writing that a suit challenging the validity of the arbitration award has been filed during this additional fifteen (15) day period. After fifteen (15) days, if written notice of a suit challenging the validity of the arbitration award has not been received by the Board, the funds shall be released from escrow and paid to the prevailing party. If written notification is received during the fifteen (15) day period, the funds will be held in escrow pending the determination of the matter by a court of competent jurisdiction. (Adopted 11/87)

If the non-prevailing party does not request the Association to conduct a procedural review of the arbitration hearing process during the twenty (20) day period following service of the award, then written notification that a legal challenge has been instituted must be received within the twenty (20) days following service of the award. Failure to provide written notification that a suit challenging the validity of the award has been filed within twenty (20) days following service of the award will result in the award being paid from the Association's account to the prevailing party. (Adopted 11/87)

Section 53 (e) The Award Any failure to make the necessary deposits with the Association shall be referred to the Board of Directors for action at their next meeting or at a special meeting called for that purpose. The party failing to make the deposit on a timely basis shall be advised of the date, time, and place of the meeting and shall have an opportunity to explain why the required deposits were not made on a timely basis. The Board of Directors may, at its discretion, impose discipline or may give the party an additional period to make the required deposits. The Directors may also stipulate appropriate discipline to be automatically imposed if the party fails to make the deposit within the time established by the Directors. (Adopted 11/87)

Section 53 (f) The Award Any interest accrued on the funds shall become the property of the party to whom the funds are ultimately released by the Association. (Adopted 11/87)

Section 54 Costs of Arbitration The deposit of the prevailing party will be returned. The deposit of the other party will be forfeited. If the award is divided between the parties, the deposit fee will be refunded in inverse portion to the award (i.e., The party that is awarded 60% receives 60% of their deposit back; the party that is awarded 40% gets 40% back.) When a REALTOR[®] requests arbitration to determine which of multiple respondents is entitled to disputed funds, or where a party makes no claim to the disputed funds, that party may not be assessed an arbitration filing fee. (*Revised 11/95*)

Section 55 (a) Request for Procedural Review by Directors (a) a written request for procedural review of the arbitration hearing procedures must be filed with the President through the staff

within twenty (20) days after the award has been served on the parties and be accompanied by a deposit in the sum of \$500.

After all procedural remedies provided for in the Association's procedures have been exhausted, a member is not precluded from asserting any legal rights to which he/she is entitled, provided that such right has not been waived or varied in accordance with the procedures set forth in this Manual. The assertion of such legal rights in the courts does not violate Article 17 of the Code of Ethics.

Section 55 (c) Request for Procedural Review by Directors The request for procedural review will be heard by a panel per the Agreement.

Section 56 Enforcement The judgment of any competent court of record in North Carolina, state or federal, may be rendered upon the award. If a member fails to comply with an award, the recipient to whom the award has been rendered by the arbitration panel shall be advised by the Association to seek judicial enforcement and to request reimbursement of legal fees incurred in seeking enforcement.

Outline of Procedure for Arbitration Hearing Postponement may be granted if there are extenuating circumstances. Requests for postponement must be made in writing. Permission can be given by the Chairperson of the Hearing Panel. All parties shall be advised of the date of the rescheduled hearing.

Recoding of the Hearing: The Board shall, and any party may not, at his own expense, have a court reporter or recorder present at the hearing, or may tape record the proceeding, and, if transcribed, shall present a copy to the Secretary.

Part 13 Specimen Forms *All Specimen Forms adopted with changes made as necessary to accommodate optional provisions adopted.*

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

Ombudsman Procedures

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

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

Ombudsmen cannot refer concerns they have regarding the conduct of any party utilizing their services to the Grievance Committee, to the state real estate licensing authority, or to any other regulatory body. The prohibition is intended to ensure impartiality and avoid the possible appearance of bias. Ombudsmen are, however, authorized to refer concerns that the public trust may have been violated to the Grievance Committee. Questions about when informal dispute resolution began or ended will be determined by the chief staff executive. Staff shall keep a written log of each referral to the Ombudsman and the date upon which the referral was made.

Qualification and Criteria for Ombudsmen At a minimum, ombudsmen should be thoroughly familiar with the Code of Ethics, state real estate regulations, current MLS Rules and Regulations and current real estate practice. Ombudsmen may be REALTORS[®] or others acting on behalf of the Associations to the Agreement.

Referring Complaints to Ombudsman Upon the receipt of an oral or written complaint, staff shall offer the services of the Ombudsman. Staff shall provide the following information:

We have a free-no-cost Ombudsman program. The Ombudsman will attempt to informally resolve your concerns through communication. They can field and respond to a wide variety of inquires and complaints, including general questions about real estate practice, transaction details, ethical practice, and enforcement issues. Ombudsmen can also receive and respond to questions and complaints about members; can contact members to inform them that a client or customer has raised a question or issue; and can contact members to obtain information necessary to provide an informed response. Their primary function is one of communication and conciliation. An Ombudsman can help the parties reach a resolution to their problem. If the REALTOR[®] fails or refuses to comply with the terms of a mutually agreed on resolution, you are entitled to file a formal complaint.

When the complainant refuses the services, staff shall follow the procedures for filing an ethics complaint or an arbitration request. The time the matter was originally brought to the Association's attention (usually when referred to an ombudsman rather than a written ethic's complaint) will be considered the filing date for purposes of determining whether an ethics complaint is timely filed (thus starting the 180 day rule for filings).

Complaints Not Resolved by Ombudsman If the Ombudsman is unable to resolve the problem, s/he shall advise the parties that they may contact the Staff to file a formal complaint using the Professional Standards Procedures adopted by the Associations.

Additional Provisions Adopted

1. Alternates are permitted to attend and remain for the entire hearing process.
2. **Ethic Hearing Panels shall make a recommendation to the Board of Directors as to whether the facts warrant a referral to the NCREC. (See BofD Minutes 4:27-00)**
3. **The Decision of the Hearing Panel (form E-11) shall be the only documentation forwarded to the NCREC. Where no Decision is filed, the entire case file will be sent. (See BofD Minutes 4:27-00)**
4. **The Chief Staff Executive shall chair all hearing panels for both ethics and arbitration.**

(End of Professional Standards Options)
