

# **Eastern Shore Association of Realtors® Inc.**

**POLICY**

**&**

**PROCEDURES MANUAL**

**(Drafted 2006)**

Updated: January 21, 2015

# Office Policies & Procedures Manual

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## **SECTION 1—MEMBERSHIP**

### **A. Applications**

1. All Realtor® applicants must have their license number prior to making application.

### **B. Types of membership**

1. Primary – The Association that collects NAR and VAR dues in addition to local dues.
2. Secondary– REALTORS® who hold Primary membership in another association and pay ESAR dues only.
3. Affiliates – Non real estate members, working in field related to real estate.
4. Licensed Appraisers.

### **C. Orientation Process**

1. Orientation is required for all active REALTOR® members. Classes and hours to be approved by the Board of Directors.
2. Fees for orientation are set by the Board of Directors.

### **D. Application Process**

1. All dues and fees must be paid and application fully completed to apply.
2. An application fee is charged to all new members.

### **E. Orientation Policy**

1. A new Realtor® member applicant must attend an orientation class sanctioned by the Board of Directors within one hundred eighty days (180) of the date of acceptance of their application for membership. If no orientation course is scheduled due to lack of four (4) or more applicants, then applicant must attend the next scheduled orientation.
2. Following suspension for failure to attend the required orientation course, an applicant may be reinstated by: (a) re-applying for ESAR membership, (b) paying any applicable fees; and, (c) registering for the next orientation course. Special circumstances shall be addressed and considered by the Board of Directors.
3. Orientation class will be held when four (4) or more applicants are signed to attend.
4. Attendance of orientation classes shall be kept as a permanent record.

### **F. Transfers**

1. A REALTOR® has 30 days to transfer to another firm after leaving his/her current firm.
2. Paper work must be received, along with the transfer fee, within 30 days.

## **SECTION 2—DUES AND FEES**

### **A. Dues and Fees**

1. Dues and fees are to be determined by the Board of Directors.
2. Dues and fees will be sent to the Principal Broker and payment is the responsibility of the Principal Broker and may be paid by check or money order.
3. Partial payment of dues or fees will not be accepted.
4. Two-party checks will not be accepted.
5. A refund of dues shall not be made to any member in the event of membership loss regardless of cause.
6. Postdated checks will not be accepted.
7. Any non-sufficient funds (NSF) check shall be promptly returned to the issuer with the notice that the amount of the check plus a NSF fine, as established by the Board Of Directors, must be provided to the Association within seven (7) business days. Funds must be remitted by cashier's check, money order, certified check.
8. Whenever Association bills are paid with a financial instrument that has been refused in two instances for lack of funds, the company or individual will be placed on a "cashier's check, money order, or cash basis only" for the remainder of the year.
9. A former member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of the Bylaws or other Rules and Regulations of the Association or any of its services, departments, divisions, or subsidiaries may apply for reinstatement after making payment in full of all accounts due effective on date of termination. A "New Member Fee" must accompany application for reinstatement.
10. Former members, who apply to other Associations for membership, will not receive a "Letter of Good Standing" from the Association until financial obligations are fully satisfied.
11. Members, who transfer from one firm to another, are required to notify ESAR within 10 (ten) days of the effective date of transfer, in writing, and pay a transfer fee, as established by the Board of Directors.
12. Members, whose membership in the Association is terminated, may Re-activate their membership by re-submitting an application, paying any applicable past dues, and paying the "New Member Fee," as established by the Board of Directors.
13. New firms making application to join the Association are required to pay The "New Firm Fee," as established by the Board of Directors. The "New Branch Fee" for existing brokers is established by the Board of Directors.
14. In the event that monies are owed to the Association by the member, then any and all efforts to collect such funds, including-- but not limited to court action, will be borne by the member.

### **SECTION 3—FINANCES**

- A. Any funds remaining from the previous year's operating fund will be placed in a savings account as directed by the Board of Directors.
- B. The President, Treasurer and Association Executive are authorized to sign Association checks and make transfers from one account to another. Any capital expenditure (other than NAR, VAR, and RPAC dues) exceeding \$10,000 (ten thousand) will require membership approval at the annual meeting or any properly called special meeting at which a quorum of members eligible to vote are present. Approval of requested expenditure(s) will be by a simple majority.
- C. Only members in good standing, whose dues and fees are paid in full, are eligible to receive a financial statement of the Association upon request.

### **SECTION 4—ACCOUNTING PROCEDURES**

- A. An invoice will be given on day of purchase.
- B. Any account in arrears over 30 (thirty) days will be subject to a late fine – See Appendix 1 – Schedule of Fees and Fines
- C. Any account in arrears over 30 (thirty) days will be subject to a interest charge – See Appendix 1 – Schedule of Fees and Fines

### **SECTION 5—BOARD OF DIRECTORS**

- A. Composition.**
  - 1. The Board of Directors shall consist of:
    - a. President (officer)
    - b. President Elect (officer)
    - c. Secretary(officer)
    - d. Treasurer (officer)
    - e. Immediate Past President
    - f. Directors not less than Six (6) Directors
    - g. Association Executive shall be a Non-Voting member.
- B. Function:** To serve as the governing body for the general membership in conducting and directing the ongoing operations of the Board and establishing and maintaining the policies of the Board.
- C. Absence**
  - 1. Each member of the BOD will be required to attend all meetings of the Board of Directors.
  - 2. Absence from three regular Board of Director meetings per calendar year, without an excuse deemed valid by the Board of Directors, shall be considered as resignation.

#### **D. Duties and Responsibilities**

1. The Board of Directors shall have the duty to conduct the general business and operations of the Association, delegate and adopt such rules and regulations as deemed proper and not in conflict with the Association's Bylaws, Association's Strategic Plan, nor in conflict with VAR and NAR Bylaws and policies and procedures as applicable to local Associations; also not in conflict with any regulatory agency policy and/or law as related to the industry.
2. Be empowered to fill vacancies that may occur on the Board of Directors.
3. Directors, Officers or the Association Executive can neither obligate the Association for any expenditure or contract exceeding 1 (one) month, nor authorize an expenditure in excess of \$500.00 (five hundred) without the approval of the majority of the Board of Directors.
4. The Board of Directors will approve the dues to be paid by the membership.
5. The Board of Directors may authorize an audit of the books and accounts of the Association at their discretion.
6. The Board of Directors will approve or disapprove Committee members presented by the President.
7. The Board of Directors shall oversee the Committees to confirm that they are functioning effectively and within their guidelines.
8. The Board of Directors receives Committee reports and approves or disapproves Committee Motions.
9. The Board of Directors will approve or disapprove changes in this policy manual.
10. It is the duty of the Board of Directors to ensure that the association has a minimum of one (1) years worth of operating funds/savings at all times.

#### **E. Meetings**

1. The Board of Directors shall hold regularly, scheduled meetings with the prerogative to cancel a meeting when conditions permit. Whenever possible, the meeting should be held on the same day each month as decided by the current Board.
2. All Board members are expected to attend the Installation ceremony and attend the Board of Directors Orientation as well as Board functions throughout the year.
3. The membership meetings shall be held as needed, per the BOD, excepting the Annual Membership Meeting (October) Furthermore, meetings of the members may be held at other times as the President or the BOD may determine, or upon the written request of at least 25% of the Members eligible to vote.
4. A quorum for the Board of Directors shall consist of 1 or more than the elected majority.
5. Voting by proxy shall not be allowed.
6. Email voting shall be allowed by a simple majority of the BOD.

7. Information on the BOD's meeting shall be sent to the Directors prior to the meeting.
8. The minutes of any meeting of the Board of Directors will be available to any member in good standing of the Association, or in accordance with the bylaws.

#### **F. Policies**

1. The Association Executive will prepare preliminary annual updates to the Association Bylaws, MLS Rules and Regulations and the Policy and Procedures Manual, for presentation to the appropriate committees.
2. Any changes, except those mandated by the NAR, to the Bylaws, MLS Rules and Regulations or Policy Manual must be reviewed and approved by the appropriate committees before being submitted to the Board of Directors for final approval.
3. The Association Executive shall review all documents annually to ensure compliance with NAR policy along with the best interest of the Association. The Association Executive will report any discrepancies to the BOD

### **SECTION 6---OFFICERS AND STAFF JOB DESCRIPTIONS**

#### **A. Association Executive**

- a. The Association Executive (AE) is responsible for basic administration of the Eastern Shore of Virginia Association (ESAR). ESAR is member-focused so the AE should have basic knowledge of its REALTOR® members and where to find information important to members' daily business. The AE will work closely with volunteers and elected leadership on the management of the organization. The Board of Directors will have broad decision-making authority in accordance with the By-laws of ESAR.

#### **B. Governance of Association Structures and Organizational Operations:**

- a. The AE will administer basic functions of ESAR as determined by the Board of Directors. He/She implements and maintains policies and procedures that are in place for operations, financial management, budgeting and record-keeping as drafted and recommended by NAR (National Association of Realtors), VAR (Virginia Association of Realtors) and ASAE. (American Society of Association Executives)
- b. Assist with committee administration on an as-needed basis.
- c. Ensures that governing documents and policies are based on industry models to execute effective administration of ESAR

- C. Physical and Financial Resources;**
- a. Maintains an office location with basic office equipment.
  - b. Ensures sufficient source of revenue is generated to administer ESAR at a basic level of service.
  - c. Works with volunteer leadership to develop a detailed budget. Ensures that basic level of reserves is available to support ESAR operations.
- D. Staff Competencies:**
- a. Is competent in basic office management skills. Understands and supports efforts that impact legal and regulatory issues affecting ESAR. Understands political fundraising reporting requirements.
  - b. Ensures staff compensation is locally competitive.
  - c. Ensures that administrative-oriented professional development opportunities are funded by ESAR.
  - d. Is responsible for basic administration of ESAR, some services may be outsourced
- E. Member Services:**
- a. Maintains internal communications systems and delivery vehicles focused on current industry information
  - b. Provides support to Brokers in their new-member recruitment and retention programs and provides new member orientation programs based on programs from VAR and NAR.
  - c. Provides basic skills in processing professional standards complaints according to established policies and procedures
  - d. Offers required education programs based on review of current needs
  - e. Is reasonably knowledgeable of business and marketing tool services and provides basic/limited access to such tools
  - f. Implements industry ideas and member services decisions made by Association leadership.
  - g. Administers networking and social opportunities that are planned, organized and implemented predominantly through committee volunteers
- F. Internal and External Relations:**
- a. Administers day-to-day operations with clerical support and outside Resources, if necessary.
  - b. Supports Association in identifying and recruiting future leaders,
  - c. Works with members to forge strong relationships.
  - d. Develops positive relationships with local, state and national associations; attends local, regional and state meetings.
  - e. Works with an accounting firm and an attorney to support ESAR operations, as directed by the Board of Directors.
  - f. Supports volunteer leadership as they foster effective relationships with local government leaders and legislators, service providers/vendors, media etc.
  - g. Is a helpful resource to Brokers.

- h.** Supports efforts to impact legal and regulatory issues.
- i.** Provides administrative support for fundraising efforts and member mobilization efforts.
- j.** Implements political awareness and fundraising plans developed by leadership.
- k.** Supports VAR and NAR advocacy efforts and works with members on advocacy issues at ESAR level.

**G. PRESIDENT:**

- a.** One-year term
- b.** Responsible to the Board of Directors
- c.** Presides at all meetings of BOD/Association/Executive Committee
- d.** Determines the substance of the agenda for the meetings over which he/she presides.
- e.** Keeps the members and Board of Directors informed on conditions/operations of the Board/Association and real estate industry.
- f.** Serves as spokesperson for the Association.
- g.** Directs the BOD in formulating policies and programs.
- h.** Conducts an annual review of the organizational performance and effectiveness of the Association, including a review of the Association Executive's performance.
- i.** Has check signatory authority.
- j.** Recommends committee members to Board of Directors for approval..
- k.** Ex-officio member of all committees.
- l.** Work with AE to assure that basic policies and programs that will further the goals and objectives of the association are planned, formulated and presented to the Directors
- m.** Qualifications and Requirements: Should have been an officer or director one year.
- n.** Should attend the VAR leadership conference.

**H. PRESIDENT ELECT**

- a.** One-year term.
- b.** A member of the Executive Committee.
- c.** Responsible to President.
- d.** Perform the duties of the President in his/her absence.
- e.** Counsel with other officers in seeking to reach objectives.
- f.** Serve as ex-officio member of committees as assigned.
- g.** Represent Association at community functions in absence of President.
- h.** Qualifications and Requirements: Should have been an officer or director one year.
- i.** Should attend the VAR Leadership Conference.

## **I. TREASURER**

- a.** One-year term.
- b.** A member of the Executive Committee
- c.** Responsible to President
- d.** Responsible for financial stability of the association, liquidity, demands and maintaining available funds.
- e.** Has check signatory authority.
- f.** Function is to:
  - a.** Present the financial statements at the Board of Director's meeting
  - b.** Help prepare the Association's annual budget.
  - c.** Authorized signatory on checking account(s)
  - d.** Monitors association expenditures
- g.** Serves as Chairperson of the Budget and Finance Committee
- h.** Carry out responsibilities as defined by President or Directors.
- i.** Publish annual financial report
- j.** Qualifications and Requirements: Should have been an officer or director one year.
- k.** Should attend the VAR Leadership Conference

## **J. SECRETARY**

- a.** One-year term.
- b.** A member of the Executive Committee
- c.** Responsible to President
- d.** Function is to:
  - a.** Prepare and present to the BOD, the minutes of the BOD, Executive Committee, Annual Meeting of the Membership, the Installation of Officers and Directors, and any special meetings called by the BOD and/or the membership.
- e.** Carry out responsibilities as defined by President or Directors.
- f.** Qualifications and Requirements:
- g.** Should attend the VAR Leadership conference

## **K. IMMEDIATE PAST-PRESIDENT**

- a.** One-year term
- b.** Member of the Executive Committee
- c.** Responsible for recruiting potential Board of Director members

## **D. DIRECTOR**

- a.** Serve a three (3) year term or the remainder of the unexpired term of a director who has resigned or been terminated.
- b.** Responsible to the President.
- c.** Function is to formulate and implement all plans, operations and financial policies so as to operate the Association to best serve the membership.
- d.** Should attend the VAR Leadership conference

## **SECTION 7 COMMITTEE DESCRIPTIONS**

### **A. Appointments**

1. The President shall appoint members, subject to confirmation of the Board of Directors, for all committees to function during his/her term as President.
2. Committees shall elect their own chairpersons
3. All committee requests for funds or funds exceeding their Respective budget must be brought before the Board of Directors for approval.
4. Notice must be sent prior to any committee meetings. All meetings should be scheduled on the Association calendar and held at the Association office unless prior arrangements have been made through the Association Executive.
5. A quorum shall be a simple majority of those entitled to vote. Voting must be in person and each person is entitled to only one vote. In the event of a tie, the Chairperson or presiding person shall cast the deciding vote.

### **B. EXECUTIVE COMMITTEE**

1. The Executive Committee may consist of:
  - a. President
  - b. President Elect
  - c. Immediate Past President
  - d. Secretary
  - e. Treasurer
  - f. Association Executive will be an ex-officio member
2. **Duties and Responsibilities**
  - b. The Executive Committee will serve as the “Personnel Committee” as it relates to performance evaluations of the AE as well as recruiting and hiring for the AE position. It shall conduct the performance evaluation of the Association Executive prior to each year’s Budget Committee meeting for the next fiscal year. The Committee shall report the findings of the review to the Board of Directors.
  - c. The President shall serve as the official spokesperson for the Association. In the absence of the President, the President-Elect or Association Executive shall serve as the spokesperson.

### **C. BUDGET COMMITTEE**

1. The fiscal year of the Association shall be the calendar year.
2. Association Executive shall prepare the association financial documents to present to the committee for use in creating a preliminary budget prior to forwarding to the Board of Directors.
3. Budget shall be presented to the Board of Directors for approval by September of each year.

4. The Treasurer shall serve as the Chairperson of the committee.
5. The immediate past Treasurer shall be one member of this committee.
6. The Committee shall be comprised of 4 to 5 members.
7. The Committee shall consist of 1 other Board member and the remaining (2-3) to be members at large.

#### **D. EDUCATION**

1. Provide direction, advice, guidance and suggestions for the continuing educational advancement of members.
2. Develop, conduct and evaluate seminars.
3. Any educational meeting/seminar can be cancelled up to four (4) days prior by the Association Executive.

#### **E. GOVERNMENT AFFAIRS COMMITTEE**

1. Promote the interest of real property through recommendations to the Board of Directors by monitoring legislative activity on all levels.
2. Keep members and the public informed on legislative matters affecting the industry.
3. Monitor VAR's "bill review" process to assess which issues need membership attention and input.
4. Continue "Calls to Action".
5. Give recognition to members who serve on local government boards, committees, councils, chamber, partnership, etc.

#### **F. GRIEVANCE COMMITTEE**

##### **(ESAR participates in a Multi-Board/Regional Grievance or Professional Standards Committee for Code Enforcement with the VAR)**

1. Chairperson selected by the President-Elect
2. Board of Directors to approve the Chairperson and committee members.
3. Members may serve for three (3) years.
4. Shall review complaints of alleged unethical conduct or requests for arbitration to determine if such complaints or requests are properly presented and if they have the validity and substance to warrant hearings before the Professional Standards Committee.
5. Follow the association grievance procedures of the Code of Ethics and Arbitration Manual of the National Association of REALTORS®
6. All Committee members are required to attend the VAR Professional Standards Training Seminar.

#### **G. NOMINATING COMMITTEE**

1. The Nominating committee is appointed by the president and approved by the BOD and shall consist of 3 (three) members.
2. The Nominating Committee Chairperson shall notify the membership of the nominating process and important deadlines by September 20th.
3. The Nominating Committee shall meet and personally review all nominees information and select the slate.

4. Membership will be notified of the slate and advised that additions to the slate may be made by petition.
5. Petitions must be accompanied with a list of signatures of 10% of the membership eligible to vote, delivered to the Association office in the required time frame. Petitioners must meet all criteria for the position as stated in the Association bylaws.
6. The elections shall be by electronic ballot during the third week in November.
7. Names will appear alphabetically on the ballot.
8. The President with the approval of Board members shall appoint two REALTOR® members to conduct and verify the election results.

**E. PROFESSIONAL STANDARDS COMMITTEE**

**(ESAR participates in a Multi-Board/Regional Grievance or Professional Standards Committee for Code Enforcement with the VAR)**

1. Conduct ethics and arbitration hearings as required.
2. Members shall be appointed by the President-elect and the AE, subject to confirmation by the Boards of Directors. (NOTE: The natural progression is to serve on Grievance first and then on PS&A)
3. All procedures shall be governed by the Code of Ethics & Arbitration Manual of the National Association, as amended from time to time.
4. Arbitration deposits shall be the sum of \$500 for each party. The prevailing party will have their \$500 refunded, or in special situations, the Hearing Panel will decide the disbursement.
5. All members are required to attend the all-day VAR Professional Standard Training Seminar.
6. NAR's Expedited Ethics Procedures shall be offered to those REALTOR® Respondents who have not been found in violation of the Code of Ethics within the previous three (3) years allowing them to waive their right to an ethics hearing by acknowledging the conduct alleged in the complaint and agreeing to accept the discipline imposed. A Professional Standard panel would then consider the facts of the case and select the appropriate discipline.

**SECTION 8---VAR/NAR**

1. The BOD shall elect the Association's Delegate to NAR
2. The BOD shall elect no more than three Delegates and three alternates to the VAR Delegate Body.

## **SECTION 9---POLICY ON HARASSMENT**

We recognize the importance of protecting the personal information you provide. ESAR maintains the following privacy policy:

1. We do or may gather the following types of information needed to process your transactions, fulfill your requests, and maintain our membership records:

- Contact information you provide (for example, your personal and business addresses, phone and fax numbers, firm affiliations and titles).
- Tracking information which our Web server automatically recognizes each time you visit one of our sites or communicate with us by e-mail (for example, your domain name, your e-mail address, and what pages you visit); and
- Information you volunteer, via applications or surveys (for example, education, designations, specialties, affiliations with other real estate organizations and general demographic data).

2. We use this information to:

- Improve and customize the content and layout of our sites and other communications tools.
- Notify you of any updates.
- Notify you of relevant products and services.
- Notify you of upcoming events and programs.
- Compile specialty directories about which you will be made aware.

3. ESAR does not share, sell or trade e-mail addresses, but may provide you with on-line informational or marketing messages that have been approved by NAR for the purposes described in Part 4 of this policy.

4. We will not share, sell or otherwise provide other information about you to third parties, except for:

- Partners in our Affiliate Program for the limited purpose of notifying you of-approved promotions.
- Exhibitors at any ESAR trade shows for the limited purpose of contacting you one time.
- Other vendors for the limited purpose of contacting targeted groups of members, through marketing vehicles approved by ESAR.
- When required by law or valid legal process, or to protect the personal safety of our members or the public.

5. Credit information that you and credit authorizers provide when you make payments by credit card or electronic check for products, dues or other services via the REALTOR<sup>®</sup> Electronic Commerce Network ("E-Commerce Network") will only be used to process the transactions you request. This information will be provided to and maintained by reputable credit reporting databases, but will never be sold, shared or provided to other third parties.

6. We maintain security procedures and standards which we believe are as safe as today's technology permits.

Adopted by the Eastern Shore Association of Realtors Board of Directors January 2008.

## **SECTION 10 ANTI TRUST POLICY**

**INTRODUCTION:** The Eastern Shore Association of Realtors is currently a for-profit organization. The Association is not organized and may not play any role in the competitive decisions of its members, nor in any way restrict competition among members or potential members. Rather it serves as a forum for a free and open discussion of diverse opinions without in any way attempting to encourage or sanction any particular business practice.

The Association provides a forum for exchange of ideas in a variety of settings including its annual meeting, educational programs, committee meetings and board meetings. The Board of Directors recognizes the possibility that the Association and its activities could be viewed by some as an opportunity for anti competitive conduct. Therefore, this statement supports the policy of competition served by the antitrust laws and to communicate the association's uncompromising policy to comply strictly in all respects with those laws.

While recognizing the importance of the principal of competition served by the antitrust laws, the Association also recognizes the severity of the potential penalties that might be imposed on not only the Association but its members as well in the event that certain conduct is found to violate the antitrust laws. Should the Association or its members be involved in any violation of federal/state anti trust laws, such violation can involve both civil and criminal penalties that may include imprisonment for up to 3 years as well as fines up to \$350,000 for individuals and up to \$10,000,000. for the Association plus attorney fees. In addition, damage claims awarded to private parties in civil suit are tripled for anti trust violations. Given the severity of such penalties, the Board intends to take all necessary and proper measures to ensure that violations of the antitrust laws do not occur.

**Policy:** To ensure that the Association and its members comply with anti trust laws, the following principals will be observed:

- The Association or any committee, section, chapter or activity of the Association shall not be used for the purpose of bringing about or attempting to bring about any understanding or agreement, written or oral, formal or informal, expressed or implied, among two or more members or other competitors with regards to prices or terms and conditions of contracts for services or products. Therefore, discussions and exchanges of information about such topics will not be permitted at Association meetings or other activities.
- There will be no discussions discouraging or withholding patronage or services from, or encouraging exclusive dealing with any supplier or purchaser or group of suppliers or purchasers of products or services, any actual or potential competitor or group of actual potential competitors, or any private or governmental entity.
- There will be no discussions about allocating or dividing geographic or service markets or customers.
- There will be no discussions about restricting, limiting, prohibiting or

sanctioning advertising or solicitation that is not false, misleading, deceptive or directly competitive with Association products or services.

- There will be no discussions about discouraging entry into or competition in any segment of the marketplace.
- There will be no discussions about whether the practices of any member, actual or potential competitor, or other person are unethical or anti-competitive, unless the discussions or complaints follow the prescribed due process provisions of the Association's bylaws.
- Certain activities of the Association and its members are deemed protected from antitrust laws under the First Amendment right to petition government. The antitrust exemption for these activities, referred to as the Noerr-Pennington Doctrine, protects ethical and proper actions or discussions by members designed to influence: 1) legislation at the national, state or local level; 2) regulatory or policy-making activities (as opposed to commercial activities) of a governmental body; or 3) decisions of judicial bodies. However, the exemption does not protect actions designed to cover up anticompetitive conduct.
- Speakers at committees, educational meetings or other business meetings of the Association shall be informed that they must comply with the Association's antitrust policy in the preparation and the presentation of their remarks. Meetings will follow a written agenda approved in advance by the Association or legal counsel.
- Meetings will follow a written agenda. Minutes will be prepared after the meeting to provide a concise summary of important matters and actions taken or conclusions reached.
- At informal discussions at the site of any Association meeting all participants are expected to observe the same standards of personal conduct as are required of the Association in its compliance.(Approved 10-10-06)

**ASSOCIATION MEETINGS:** (To minimize the possibility of antitrust problems at association gatherings, the following guidelines should be followed at all meetings of the Board of Directors, General Membership, and committees, as well as all association sponsored conventions, trade shows, training seminars, conferences and task force and working group sessions.)

- **DO NOT** discuss your prices or competitors prices with competitor (except when buying from or selling to that competitor) or anything, which might affect prices such as cost, discounts, terms of sale, or profit margins.
- **DO NOT** agree with competitors to uniform terms of sale, warranties or contract, or provisions.
- **DO NOT** agree with competitors to divide customer or territories.
- **DO NOT** act jointly with one or more competitors to put another competitor at a disadvantage.
- **DO NOT** try to prevent your supplier from selling to your competitor.

- **DO NOT** discuss your future pricing, marketing, or policy plans with competitors.
- **DO NOT** discuss your customers with your competitors.
- **DO NOT** make statements about your future plans regarding pricing, expansion, or other policies with competitive overtones. Do not participate in discussion where other members do.
- **DO NOT** propose or agree to any standardization, which will injure your competitor.
- **DO NOT** attend or stay at any informal meeting where there is no agenda, no minutes are taken, and no association staff member is present.
- **DO NOT** do anything before or after association meeting, or at social events, which would be improper at a formal association meeting.
- **DO** alert association staff and legal counsel to anything improper.
- **DO** send copies to an association staff member of any communications or documents sent, received, or developed by you when acting for the association.
- **DO** alert every employee in your company who deals with the association to these guidelines.
- **DO** be conservative. If you feel an activity might be improper, ask for guidance from association staff or legal counsel in advance.

**Antitrust Policy**

I, \_\_\_\_\_ acknowledge that I received the Associations Antitrust Policy on the date: \_\_\_\_\_.  
I have read and understand the Policy Statement and the Position of the Association regarding Antitrust Violations. I will abide by the Association’s recommendations to remove myself from discussions or actions that may be an antitrust violation in order to protect myself, my Association and fellow REALTORS.

\_\_\_\_\_  
Board Member Signature

\_\_\_\_\_  
President/AE or AE Signature

## SECTION 11 DO NOT CALL / DO NOT SPAM / DO NOT FAX DO NOT CALL

1. In order to comply with the Do not Spam/ Do not fax, Do not call legislation, ESAR may be considered as a “telemarketer.” The legislation defines telemarketing: a plan or program or campaign which is conducted to induce the purchase of goods or services.
2. Telemarketers are required to “scrub” their calling lists against the Registry at least once every (every what?) marketers and sellers are prohibited from calling a phone number listed on the Registry (exceptions exist).

### **EXCEPTIONS:**

- a. A business relationship based upon a transaction between the company
  - b. And the consumer with in the last 18 months.
  - c. or, within 3 months of an inquiry, application or request by the consumer.
  - d. Prior written permission to call.  
*NOTE: 1. Unsolicited autodialed or prerecorded calls are prohibited to any cell phone even if there is an established business relationship.*
3. The regulations only apply to residential phone numbers.
    - a. The FTC requires ESAR (telemarketer) to transmit its telephone number and, if possible, its name to consumers’ Caller ID services for all interstate calls.
    - b. A telemarketer’s use of calling equipment that can’t transmit Caller ID information is no excuse for failure to transmit the required information. The FCC rules prohibit blocking of ESAR’s company information through a caller identification service. The Rules further require that ESAR (a business) must provide a number in the caller ID where consumers can call the business during normal business hours and make a business-specific do-not-call request. *NOTE: ESAR calls to a home-based business should be related to the actual business being conducted in the home if the number is in the DNC Registry.*

**DO NOT SPAM:** Commercial electronic mail message:

### **Exempt: “transactional or relationship e-mails” whose primary purpose is to:**

1. Facilitate, complete or confirm a commercial transaction that the recipient has previously agreed to enter into with the sender.
2. Provide warranty information, product recall information or safety or security information for a product or service purchased or used by the recipient.
3. Provide information of a change in the terms, features, status... membership, ongoing purchase or use of products or services offered by the sender and used by the recipient.
4. Provide information directly related to an employment relationship or benefit plan in which the recipient is enrolled.
5. Deliver goods or services that the recipient is entitled to receive under the terms of a transaction that the recipient has previously entered into with the sender.

**How to determine primary purpose:**

1. E-mail content solely advertises or promotes a product or service it is commercial.
2. E-mail contains both commercial and “transactional or relationship content” it is commercial if either:
  - a. recipient deems from the subject line that the e-mail advertises or promotes a product or service
  - b. Transactional or relationship content is not located at or near the beginning of the e-mail.
3. E-mail contains both commercial and non-commercial content it is commercial if:
  - a. Recipient concludes from the subject line that the e-mail is commercial.
  - b. Recipient concludes from the text that the main purpose of the e-mail is to advertise or promote a product or service.

**All commercial emails must include:**

- A “clear and conspicuous notice” that the message is an advertisement or solicitation.
- A “legitimate” return e-mail address.
- A valid postal address.
- An Internet-based mechanism by which the recipient may “opt-out” of future commercial e-mail messages. The opt-out address must remain active for 30 days after the transmission of the e-mail and opt-outs must be honored within 10 days.

**DO NOT FAX:**

- Unsolicited commercial faxes may be sent without prior permission as long as: An “established business relationship” predates the enactment of the Junk Fax Prevention Act, or
  - In the case of a new “established business relationship”, the fax number was provided voluntarily by the recipient or is publicly available published directory, advertisement or website to which the recipient gave the fax number for publication. ESAR may not purchase fax list from third parties All unsolicited commercial faxes will include an opt-out provision on the first page of the fax and will be available 24hours/7 days and at no cost to the consumer, (e.g., (cost-free op-out mechanism) include an email address to which to reply, a local phone number with message option, and an 800 number with message option. NOTE: 1. a phone number that is a long-distance or toll call is not acceptable. 2. A verbal permission to fax is an allowed means of granting express permission to fax.

**SECTION 12---MISCELLANEOUS**

**1. Fiscal Policies:**

- A. Charge Account – The Association Executive is to have credit cards for Association business only.
- B. Donations to Charities—Committees may raise funds if approved by BOD

- C. Financial Records – Retained according to the I.R.S. guidelines.
- D. Petty Cash – No more than \$200 (two hundred) is to be kept in the office.
- E. Reserves and Investments – Administrated by the Board of Directors.
- F. The Association does not refund any portion of NAR, VAR or ESAR yearly Dues.

**2. Communication Policies**

- A. Call to Action – Association Executive faxes/emails all Call to Action material to Legislative Committee members and all brokers upon receipt of the material.
- B. Broadcast Email – Membership and Committees can submit to the association office items to be distributed to the membership. An item must be reviewed and deemed appropriate material by 2 Board members before dissemination to the membership via the MLS mass email system. Board member order of review will be: President and Vice President, followed by Treasurer, Secretary, and Directors in order of years in service ranking. ( 3<sup>rd</sup> , 2<sup>nd</sup> , 1<sup>st</sup> )
- C. Memos and Communiqués – Faxes/emails are sent to all offices as necessary.
- D. Notification of Meetings – Shall be disseminated according to the By-Laws for “called” meetings. Calendar, email or fax for all other meetings.
- E. Newsletter – The Association Executive may emit by fax or email to Association Members monthly news/information report as deemed necessary to keep members informed.

**3. Complaint Procedure**

- A. Complaints should be submitted to the AE in writing. To be placed on the next calendar Board of Directors agenda. The Board will address the complaint and respond to complainant via phone, email or letter.

**4. General Operating Policies**

- A. Professional Liability Insurance – Policy by NAR for directors/officers/staff/committees as long as governing documents are in compliance with NAR policy
- B. Confidential materials – Membership files are kept in office of the Director of Member Services. PS&A information and confidential files are to be shredded when no longer needed. Confidential material and important documents will be kept in a fireproof file cabinet with the key under the control of the Association Executive and the Director of Member Services. The President will have access to keys to the safe and a second key in a sealed envelope in case of emergencies. Use of Board Facilities/Equipment/Materials – Must be approved by Association Executive. Only members and affiliates may use the facility/equipment/materials. A modest “wear and tear” fee may be applied to office equipment that is loaned.
- C. Association Office Hours – Office Hours are 9:00 a.m. – 4:00 p.m., Monday through Thursday, Friday 9:00 am to 1:00 pm.  
Closed on standard posted holidays. With modern conveniences there will be a reasonable amount of flex time permitted for office personnel.

- D.** Smoking Policy – No smoking will be allowed in the office building.
- E.** During the nominating process, all BOD members may be asked to sign a Confidentiality Agreement as stated.

# **NRDS Standards and Policies**

## **I. OBJECTIVE**

The objective of these criteria is to insure there is a substantial focus by the Association Executive community on the nation-wide integrity and consistency of the membership records data maintained on all REALTORS<sup>®</sup> and Institute Affiliate members at all levels of the REALTOR<sup>®</sup> family.

## **II. POINTS OF ENTRY CRITERIA**

### **A. Definitions**

1. “Point of Entry” (POE) refers to the primary point of contact for the collection and maintenance of membership data between the members and the three levels of the National Association of REALTORS<sup>®</sup>. Since the local association is the primary source of membership data, the preference is for the local association to be the POE for its data.
2. “National REALTOR<sup>®</sup> Data System” (NRDS) is the database clearinghouse through which all membership data updates are processed. The NRDS will forward to all effected associations any member’s record update.

### **B. Minimum POE Qualifications**

1. Sign an acceptance letter committing the association to acquire and maintain required NRDS data fields and agreeing to abide by the NRDS Standards and Policies and the POE’s Privacy and Security Policy as modified from time to time by the Association Executives Committee.

### **C. Performance Requirements**

1. **Points of Entry Associations**
  - a) Process all member and staff additions, deletions or changes within seven (7) association business days of receipt of that data by the POE.
  - b) Agree to abide by all technical standards as established by the Association Executives Committee.

- c) Cooperate and coordinate with other REALTOR<sup>®</sup> associations, including the State Association, the member's secondary association, the Institutes, Societies and Councils, NAR and affected MLS: as may be necessary to effectively maintain the integrity and synchronization of the membership data at all levels of the REALTOR<sup>®</sup> family.
- d) POEs shall abide by any NRDS Guidelines published by their state association and shall maintain those NRDS fields deemed to be essential by the state association.
- e) Since the local association is the primary source of new members data and status changes, preference should be given to granting POE status to the local association for its data.

**2. State Associations**

- a) State associations shall maintain all membership data through NRDS when a local association in that state discontinues regular or consistently accurate membership record maintenance.
- b) State associations shall notify NAR when a local association is not performing under the performance standards referred to in C (1) above.

**3. NAR**

- a) POE status may only be granted to an Institute, Society or Council for Institute Affiliate (IA) members and for awarding designations to IS&C members.
- b) NAR's Association Executive Committee shall have the authority to de-certify **or** take any appropriate enforcement action needed for any POE that is not complying with the NRDS Standards and Policies and the POE's Privacy and Security Policy in accordance with the procedures established in Section II (E)(2).
- c) NAR will not become a POE for any association for any reason.

## D. POE Certification

1. A local association or a state association may be the POE for another association, and the two parties are free to negotiate an administrative fee for the service.

## E. De-Certification of a POE

1. **Voluntary De-Certification:** Upon 30 days notice to NAR and the state association, local POEs may request voluntary de-certification if local conditions preclude continued participation. The POE requesting de-certification must first explore the option to employ another association to become their POE.

2. **Involuntary De-Certification:**

- a. Any alleged violation of NRDS Standards and Policies and the POE's Privacy and Security Policy may be reported in writing to Association Executives Committee staff.

- b. The AEC and NAR staff shall conduct research to determine whether there is reason to believe that a violation of the NRDS Standards and Policies and the POE's Privacy and Security Policy has occurred.

- c. If it is determined that there is reason to believe that a violation of the NRDS Standards and Policies and the POE's Privacy and Security Policy has occurred, Association Executives Committee staff shall send a letter addressed to the Association Executive and Chief Elected Officer of the Association in possible violation notifying the Association of the nature of the violation and requesting that the violation be corrected within thirty days. The Association Executive of the State Association shall also be notified in writing. If the entity violating the policies is an MLS, the association executive of the MLS shall be notified in writing. If the entity violating the policies is an ISC, the association executive and Chief Elected Officer of the ISC shall be notified in writing. If the entity violating the policies is a DR, the association executive and Chief Elected Officer of the DR's primary association shall be notified in writing.

- d. If the POE believed to have violated the NRDS Standards and Policies and the POE's Privacy and Security Policy claims that no violation has occurred or is unable or unwilling to correct the violation within thirty days of the date of the notice provided in

(c) above, a hearing panel of three AEs appointed by the Chairperson of the Association Executives Committee shall convene a hearing to determine whether a violation has occurred. At that hearing the POE believed to have violated the POE Minimum Standards will have the opportunity to present its position regarding the alleged violation. For the convenience of all parties, hearings shall be conducted as needed at the next available NAR Annual or Mid-year Meeting, Leadership Summit, AE Institute or with the approval of the POE believed to have violated the NRDS Standards and Policies and the POE's Privacy and Security Policy by telephone or other electronic conferencing means. If the POE believed to have violated the NRDS Standards and Policies and the POE's Privacy and Security Policy is unwilling or unable to be present at the hearing the POE shall be required to attend by telephone or other electronic conferencing means available at the hearing site.

e. If the hearing panel determines that a violation has occurred and the POE is unwilling or unable to correct the violation, the Association Executives Committee shall revoke the POE's access to NRDS. The Committee may allow the POE an additional thirty days maximum to correct the violation after which time revocation of access to NRDS shall take place automatically if the violation has not been corrected.

3. **Temporary Transfer of POE:** A Temporary Transfer of POE status may occur when a local association is no longer able to perform its duties and/or there is no one left at the local association to request a de-certification. In those cases, the State may, after first providing written notice to such local association not less than thirty (30) days in advance, assume POE duties itself or assign these duties to another POE that has agreed to provide them. In the event of conflict between the state and local associations in determining the need for temporary transfer of POE status, the local and state associations will direct all inquiries to the Association Executives Committee through AEC staff. If the conflict cannot be resolved the AEC shall determine the need for temporary transfer of POE status and select the association to whom the POE duties are assigned.
4. **State Association Responsibilities:** When a local association voluntarily relinquishes its POE status or its POE status is revoked, the State association will notify all local associations in the state of the opportunity to become the POE for that association and may assign that responsibility to another POE

which has agreed to provide these services. In the event no other POE is willing or able to assume POE duties for the association relinquishing its POE status or the association that has had its POE status revoked by the AEC, the state association shall assume these duties. The association assuming this responsibility may assess the local association requiring POE services a reasonable fee.

5. **State Association De-Certification:** Should a state association be unable to comply with the POE Minimum Performance Criteria, or should a state request voluntary de-certification; the Association Executives leadership, in concert with the assigned NAR Leadership Team Liaison and NAR NRDS staff executive, shall immediately contact that association's Chief Elected Officer to address possible solutions, including transfer of POE responsibilities to another REALTOR<sup>®</sup> Organization.

**F. Re-Activation of POE status**

1. Voluntarily de-certified POE's can become re-certified as soon as they are able and pay any applicable fees, as discussed in E (4) above.
2. Involuntarily de-certified POEs can become re-certified when they overcome the deficiencies which had caused them to lose their certification, pay any applicable fees (as discussed below); and complete a minimum 90 day probation period.
3. **Expenses:** Associations that desire to re-establish themselves as POEs will be responsible for the costs they incur; as well as any costs associated with the transfer of the association's information management services to the entity that had been performing POE services.

## **APPENDIX I SCHEDULE OF FEES & FINES**

(Adopted August 10, 2006- UPDATED January 21, 2015)

Fees established by the Board of Directors are as follows.

### **OFFICE FEES:**

ESAR Dues: ----- \$200.00 per year

Late Payment of Dues Fine: ----- \$25.00 per month

MLS Reconnect Fee \$500.00

Accounts over 30 days will be charged 2% interest per month (APR 24% per annum) on the unpaid balance

Agent Transfer Fee: ----- \$100.00

NSF Fee: ----- \$35.00 per incident  
(one check returned NSF twice = \$70.00)

New Member Application Fee: ----- \$450.00

New Firm Application Fee: ----- \$1,305.00

MLS Firm Application Fee ----- \$450.00

New Branch Office of an existing Member Firm Fee: ----- \$250.00

Key Purchase Fee: ----- \$150.00

Lock Box Purchase Fee: ----- \$150.00

Lock Box Abuse Fee: ----- \$150.00

Office Equipment Fee: As Appropriate. ----- \$ TBD

### **ETHICS FILING FEES:**

“A filing fee of \$50.00 must accompany all Ethics complaints when filed. The deposit shall be held and returned if respondent is found guilty.”

### **ARBITRATION AND APPEAL FEES:**

Arbitration Fee: ----- \$500.00 deposit per party

Arbitration Procedural Review Fee: ----- \$250.00 deposit

Audio Tape Duplication of Hearing Fee: ----- \$25.00/tape

Appeal Fee: ----- \$250.00 deposit

Administrative processing fee; ----- \$500.00

**MLS FEE SCHEDULE**

Section 1.1: Minimum Fine of ----- \$100.00

Section 6A: The monthly user fee is ----- \$230.00/ By annually

Section 6B: MLS Only Participant fee is ----- \$160.00/ month

Section 6F: Minimum Fine of ----- \$100.00

**Section 9.3B: FINES**

First Offense ----- \$100.00

Subsequent Offenses maybe fined up to:

Second Offense ----- \$300.00

Each Additional Offense ----- \$500.00

Section 10.1: A minimum Fine of ----- \$100.00

(MLS Fees Amended 01/15)