

Chapter 1: General Policies

Section 1.1: Antitrust Compliance Policy

Date of Modification: August 2011

The Greater Albuquerque Association of REALTORS® (GAAR) does not and will not establish or maintain fixed or recommended rates of commission. Commissions are a matter of negotiations between the parties (the principal and the Broker), and GAAR will not interfere in those negotiations or inhibit in any way the freedom of the parties to negotiate.

The GAAR/SWMLS Antitrust Compliance Policy applies to officers, directors, and members of GAAR. This policy requires that such individuals be familiar and fully comply with all applicable federal and state antitrust laws in all dealings on behalf of GAAR/SWMLS. GAAR facilities will not be used by any officer, director, employee, committee, or member in connection with any anticompetitive or unlawful purpose or unreasonable restraint of trade. Conduct expressly prohibited includes the following:

- A. Any discussion or effort to directly or indirectly fix, peg, stabilize, raise, lower or affect prices on commissions, products, advertising or credit terms;
- B. Any discussion of real estate commissions or other fees or specific non-price business practices of any particular member(s), except in the context of professional standards proceedings. (This limitation shall not extend to discussions of methods of operation, maintenance, and similar matters in which cost or efficiency is merely incidental.)
- C. Any discussion or effort by or among any members, non-members, or competitors to eliminate or limit competition, to divide or allocate territories or customers, or to limit the nature of business carried on or products or services sold or to be sold;
- D. Any discussions or effort to engage in any group boycott or concerted refusals to deal;
- E. Any discussions or effort to injure or disparage the business or the trade of anyone.

If a topic is raised which appears to involve a violation of the antitrust compliance policy, at any formal or informal GAAR/SWMLS meeting, anyone in attendance has the right and all have the duty to interrupt and demand the discussion be stopped. Those in charge of the meeting are responsible for seeing that this policy is enforced so that the prohibited conduct is stopped immediately. If the prohibited conduct persists, those responsible persons shall terminate the discussion, cancel the remainder of the meeting, and refer the matter to the President and /or GAAR legal counsel for further action to ensure compliance with the Antitrust Compliance Policy.

Section 1.2: Whistleblower Policy

Date of Modification: August 2011, September 2020

The Greater Albuquerque Association of REALTORS® (GAAR) is committed to high standards of ethical, moral, and legal business conduct. GAAR is further dedicated to acting in good faith with those officers, directors, employees, or volunteers who raise concerns regarding incorrect financial reporting, unlawful activity, or otherwise improper conduct.

This Whistleblower Policy aims to provide officers, directors, employees, or volunteers with an avenue for raising such concerns, and to reassure such officers, directors, employees, or volunteers that they will be protected from reprisal or victimization as a consequence of reporting the alleged wrongdoing of any officer, director, employee, or volunteer of GAAR.

Statement of Policy

No officer, director, employee, or volunteer of GAAR shall take any harmful action with the intent to retaliate against any person, including interference with employment or livelihood, for providing any truthful information relating to the commission or possible commission of any offense. Nor will any officer, director, employee, or volunteer of GAAR take any harmful action with intent to retaliate against any person for reporting to the CEO, President of GAAR, or the Board of Directors (BOD) the suspected misuse, misallocation, or theft of any GAAR resources.

Safeguards

Harassment or Victimization – GAAR will not tolerate the harassment or victimization of any officer, director, employee, or volunteer who raises concerns under this policy.

Confidentiality – GAAR will make every effort to treat a complainant's identity with an appropriate regard for confidentiality with the understanding that the details of complaints may need to be shared with others in order to investigate such complaints properly.

Anonymous Allegations – Because a thorough investigation often depends on an ability to gather additional information, GAAR encourages complainants to put their names to allegations of wrongdoing. GAAR will explore anonymous allegations to the extent possible but may weigh the prudence of continuing such investigations against the likelihood of confirming the alleged facts or circumstances from the attributable sources.

Bad Faith Allegations – Allegations made in bad faith may result in disciplinary action to be determined by the BOD.

Procedure

Process for Raising a Concern:

Reporting – GAAR intends this policy to be used for serious and sensitive issues. Such concerns, including those relating to financial reporting and/or unethical or illegal conduct, may be reported directly to the CEO. In the event that an individual's concern rises to the level that he or she reasonably believes that notice to the CEO will be disregarded or otherwise not fairly considered or directly implicates the CEO, the individual may then report violations or suspected violations to the President of GAAR or, if necessary, an Officer or Director of GAAR. In that event, the President of GAAR or the BOD shall be designated to handle the report or concern and can delegate authority to the Executive Committee to conduct necessary investigations. Employment-related concerns should continue to be reported through supervisors and human resources.

Timing – The earlier a concern is expressed, the easier it is to take action.

Evidence – Although a complainant is not expected to prove the truth of an allegation, he or she should be able to demonstrate that he or she has made a report in good faith.

How the Report of Concern Will Be Handled:

Initial Inquiries – The CEO, President of GAAR, or the BOD will make initial inquiries in consultation with legal counsel, if necessary, to determine whether or not further investigation is necessary or appropriate.

Further Information – The CEO, President of GAAR, or the BOD may seek further information from any officer, director, employee, or volunteer of GAAR, and shall act in accordance with the confidentiality provision of this policy.

Reporting – The BOD shall receive information on each complaint as referenced in the first paragraph. In consultation with the CEO, if appropriate, and legal counsel, if necessary, the BOD will determine an appropriate response to a report of concern. Officers, directors, employees, and volunteers of GAAR who may be implicated in such reports shall not participate in any deliberation of the BOD related to the complaint, except to present information directly to the BOD on his or her own behalf.

Section 1.3: Conflict of Interest Policy

Date of Modification: August 2011, September 2020

In their capacity as officers, directors, employees, and volunteers, the individual leaders of Greater Albuquerque Association of REALTORS® (GAAR) must act at all times in the best interest of the organization they represent.

What Is a Conflict of Interest?

A conflict of interest may arise in any circumstance that may compromise the ability of an officer, director, employee, or volunteer to make unbiased and impartial decisions in the best interest of GAAR. Such circumstances include but are not limited to family relationships, business transactions, professional activities, or personal affiliations.

Officers, directors, employees, or volunteers are encouraged to err on the side of disclosure and to report any set of circumstances to the Executive Committee that may appear to pose a conflict of interest, even if there is uncertainty as to whether such circumstances should be disclosed.

How Are Conflicts of Interest Identified?

When evaluating a particular set of facts or circumstances, the Executive Committee shall consider the following non-exhaustive list of factors that may indicate a conflict of interest:

- A. Solicitation or acceptance of gifts or other items of value that may create an appearance or expectation of special treatment;
- B. Any incident of abuse or misuse of a leadership position for personal or third-party gain or benefit;
- C. Situations in which an officer, director, employee, or volunteer may be divided between personal interests or the interests of another organization and the best interests of GAAR;
- D. Business, professional, or other activities that would materially and adversely affect GAAR either directly or indirectly; and,
- E. Any arrangement in which an officer, director, employee, or volunteer provides goods or services to GAAR as a paid vendor or has a direct or indirect ownership or employment relationship with such a vendor.

The Executive Committee may request additional information from any officer, director, employee, or volunteer at any time; however, no individual whose relationships or activities are under review may participate in deliberations, debate, or any vote of the Executive Committee while such review is pending. The findings of the Executive Committee shall be forwarded to the BOD with a recommendation for action.

How Are Conflicts of Interest Resolved?

If the Executive Committee or the BOD identifies an actual, potential, or apparent conflict of interest, the BOD may take one of the following actions to resolve such conflict:

- A. Waive the conflict of interest as unlikely to affect the officer's, director's, employee's, or volunteer's ability to act in the best interests of the organization;
- B. Determine that the individual officer, director, employee, or volunteer should be recused from all deliberation and decision-making related to the particular transaction or relationship that gives rise to the conflict of interest. This course of action should apply particularly when the transaction or relationship is one which presents a conflict only with respect to one or two discrete programs or activities; or
- C. Recommend that the individual officer, director, employee, or volunteer resign from his or her service to GAAR. This course of action should apply when the conflict of interest is so pervasive that the officer, director, employee, or volunteer would seldom, if ever, be able to act solely in the best interests of the organization.

The Executive Committee may refer any such matter to the BOD at any time. The BOD may overrule any recommendation of the Executive Committee with regard to any actual, potential or apparent conflict of interest, and the BOD reserves final authority over the resolution of all conflicts of interest (See GAAR Bylaws, Article XI, Section 8).

May Officers, Directors, Employees, or Volunteers Do Business with GAAR?

A conflict of interest exists any time an officer, director, employee, or volunteer seeks to enter into a business relationship with GAAR. Similar conflicts arise through family members or through organizations in which officers, directors, employees, or volunteers serve in a leadership, employment, or ownership capacity.

Such conflicts do not, however, necessarily preclude business relationships with GAAR. The following procedure is designed to resolve conflicts of interest whenever an officer, director, employee, volunteer, or a related party, seeks to provide goods or services to GAAR as a paid vendor, or applies to receive a significant grant or contract from either organization:

- A. The officer, director, employee, or volunteer must promptly disclose the intent to enter into a business relationship with GAAR, either to the Executive Committee, the BOD, or both.
- B. The officer, director, employee, or volunteer must recuse himself or herself from all deliberation, debate, and voting related to the contemplated business relationship.

- C. If the value of the transaction annually exceeds \$5,000, GAAR must solicit proposals or applications from a broad range of other qualified candidates for the agreement, contract, or grant under consideration.
- D. The BOD must determine, without the presence or participation of the officer, director, employee, or volunteer under review, that the transaction is fair and in the best interest of GAAR.
- E. If the BOD approves the business relationship under consideration, the officer, director, employee, or volunteer may not participate in any process by which his or her performance as a vendor, grantee, or recipient is evaluated, or in any such evaluation of a related party.

Section 1.4: Records Retention Policy

Date of Modification: August 2011, September 2020

The purpose of this policy is to ensure that necessary records and documents are adequately protected and maintained, as well as to ensure that records no longer needed, or of no value, are discarded at the appropriate time.

Records that are relevant to litigation or potential litigation must be preserved until legal counsel advises that they are no longer needed. This includes audits, investigations, litigation, as well as notice of a claim or notice of potential litigation.

Organizational and Legal Records

Articles of Incorporation	Permanent
Charter	Permanent
Policies and Procedures	Permanent
By-Laws	Permanent
Minutes of BOD Meetings	Permanent
Deeds and Titles	Permanent
Leases	6 years after expiration or termination
Contracts and Agreements	6 years after expiration or termination
Public Filings	6 years
Press Releases	6 years
Attorney Opinion Letters	After expiration or termination of agreement to which opinion applies; otherwise, 6 years
Legal counsel will be consulted to determine the retention period for particular documents	Generally, 6 years

Member Records

Member Folders

Enrollment Forms	3 years after inactive/termination
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Membership Change Forms	3 years after inactive/termination
Training and Education Records	3 years after inactive/termination
Professional Standards Decisions in arbitration and ethics matters	3 years after inactive/termination
Enrollment Forms	3 years after inactive/termination
Enrollment Forms	3 years after inactive/termination

Professional Standards Records

Ethics Complaints Files	1 year after completion of disciplinary action or ratification of decision
Arbitration Files	1 year after payment of award
Mediation Files: Agreements to Mediate And Confidentiality Statements only	1 year after mediation conference or case is closed

Ombudsman Program Records

Only high-level topics or categories of concern and trending data will be retained.

Employment, Payroll, and Personnel Files

Job Announcements and Application Materials	6 months
Employment Eligibility Verification	3 years after employee terminates
Time Sheets	7 years
Garnishments	7 years
401(k) Plan Enrollments	3 years after employee terminates
All employment tax regulation filings (i.e. Forms 941 and 940, SUTA reports, State withholding)	7 years

Benefit, Medical, Health and Safety Records

Insurance Enrollment Forms	3 years after employee terminates
Incentive Plans	7 years after expiration
Retirement Plans	7 years after expiration
Accident / Incident Reports	6 years
Disability Claims	3 years after life of claim
Workers Compensation Claims	3 years after life of claim

Federal, State, and Local Tax Records

IRS Form 990, NM CIT-1, and Support	Permanent
Gross Receipts Tax Reports	6 years
State Public Regulation Commission filings	6 years

Accounts Payable/Accounts Receivable Records

Original Invoices	7 years
Employee Expense Reports	7 years
1099 Forms	7 years
Accounts Receivable	7 years
Receipts	7 years
Uncollected Accounts	7 years

Bank and Investment Records

Bank Statements	7 years
Deposit Records	7 years
Bank Reconciliations & Support	7 years
Wire Transfer Records	7 years
Investment Records	7 years
Bank Statements	7 years

Financial Records

Annual Financial Reports (audited)	Permanent
Audit Reports and Work Papers	Permanent
General Ledgers	7 years
Subsidiary Ledgers	7 years
General Ledgers	7 years
Subsidiary Ledgers	7 years

Budget Records

Budget Records	7 year
Budget Variance Reports	7 year

Facilities Records

Building Permits	7 years
Building Plans and Specifications	7 years
Zoning Permits	7 years
Operating Permits	7 years
Maintenance Records	7 years

Insurance Records

Property Insurance Policies	Life of the property
Liability Insurance Policies	Life of the Policy plus 3 years
Insurance Claim Documents	Settlement plus 3 years

Capital Property Records

Property Records (other than title records)	7 years
Property title records	7 years after transfer of property title
Depreciation Schedules	7 years
Mortgages, Bonds and Other Long-Term	7 years

Debt Records	
Property Improvement Records	7 years
Property Sales	7 years

E-mail Records

All e-mails relevant to the above categories should be electronically stored separately from e-mail program.

Section 1.5: Data Storage Policy

Date of Adoption: September 2020

Purpose and Objective

Greater Albuquerque Association of REALTORS (“GAAR”) has developed this Data Storage Plan to define acceptable methods and locations for storing company related data. The goal of this plan is to outline the key sources for data origination and acceptable storage locations. This plan does not address data stored in 3rd party systems such as Microsoft Office 365 hosted email or MMSI.

Data Origination

Data stored in GAARs systems may originate from several sources:

- Original content generated by GAAR employees
- Received data, documents or forms via email or other source

Permitted data storage locations

- Cloud hosted file server (GAAR-ABQ-DC1)
- Dropbox or Microsoft One drive

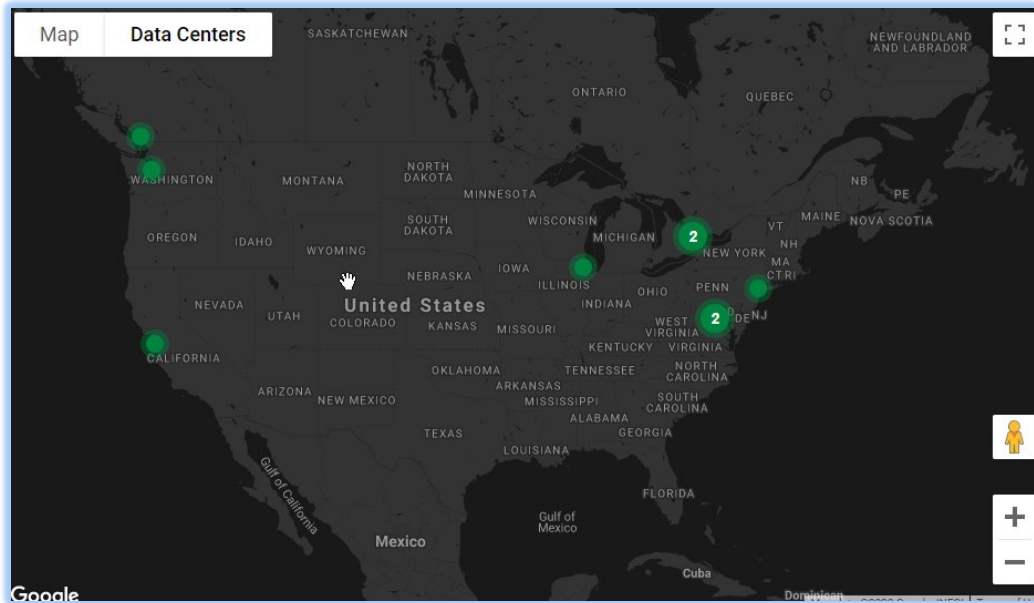
Data storage locations summary

Cloud hosted file server – GAAR Utilizes a Microsoft Windows file server which is hosted on cloud resources provided by Century Link. Access to this server is facilitated by an “always on VPN” that connects from the GAAR main building to the Century Link provided virtual LAN where the file server is hosted. Within this server are shared folders that have security permissions applied by groups of users.

Dropbox or One drive – GAAR currently keeps some shared files in folders shared by the cloud service Dropbox. Permissions to these files are controlled manually and on a “per-user” basis. Access to these accounts are managed through a Dropbox administrative portal

Data Redundancy summary

Cloud hosted file server – Century links data center replicates our data between multiple datacenters. Currently Century Link maintains 9 datacenters throughout the United States.



Within these datacenters, there are redundant hard disks, servers and power that can be utilized to provide consistent uptime. Full auditing specs of the datacenters is available here: <https://wwwctl.io/centurylink-hybrid-solutions-security/>

In addition to this data redundancy, Steady Networks performs hourly backups from the cloud servers to an on-premise backup appliance provided by Datto which also synchronizes to Datto's datacenters.

Dropbox – Dropbox for business operates with an N+2 availability model within a given datacenter and maintains numerous data centers data centers across the United States. Users who have been issued a Dropbox account and password can install the Dropbox application and sync the files they need to their workstations.

Recovery Summary

Depending on which resources are affected and the nature of the disaster, the following options are available for restoring services.

- This backup appliance can be used to virtualize a copy of the server in the unlikely event of a datacenter problem.
- If simple file restores are needed, the backup appliance provides backups of files and folders for data restoration if/when data is accidentally deleted or lost.

- In the event of a disaster at the primary GAAR office building, cloud replicated copies of backups can also be used for complete server recovery in a Datto datacenter.

Section 1.6: Investment Policy Statement

Date of Adoption/Modification/Re-adoption: June 24, 2015, September 2020

Purpose

The purpose of this Investment Policy Statement (IPS) is to establish a clear understanding of the investment objectives and policies of the operating reserves of the Greater Albuquerque Associations of REALTORS®, Inc. (GAAR). The objectives are:

- A. Outline reasonable expectations, objectives, and guidelines in the investment of GAAR's operating reserve assets
- B. Describe permitted asset classes, target (and acceptable) allocations, and risk parameters.
- C. Create the framework for a well-diversified portfolio that can be expected to generate acceptable rates of return given a level of risk suitable to GAAR.
- D. Specify and formalize a communication plan between the Investment Advisor and GAAR's Executive Committee.
- E. Establish formal criteria to monitor, evaluate, and compare the risk adjusted performance results achieved by the portfolio, against an appropriate benchmark, on a systematic basis.

This IPS is intended to be a summary of an investment philosophy that provides guidance and continuity for GAAR, its board members both now and in the future, Executive Committee Members, and their Investment Advisor with regard to operating reserves being invested through the Investment Advisor.

Any changes to this policy must be approved by the GAAR BOD and communicated in writing on a timely basis to all interested parties. If any term or condition of this Investment Policy Statement conflicts with any legal governing document, the document shall control, as long as such term or conditions are consistent with the law.

Statement of Objectives

Objectives

This IPS has been arrived at after consideration by the GAAR Executive Committee and approval by the Greater Albuquerque Associations of REALTORS®, Inc. BOD regarding a wide range of policies, and describes the investment process deemed appropriate for this portfolio. This process involves the Investment Advisor using various asset classes and investment

management styles that, in total, are expected to diversify the portfolio in a manner consistent with the specified risk and return parameters identified by the Greater Albuquerque Associations of REALTORS®, Inc. BOD as suitable for these operating reserves.

The objectives of the portfolio are:

- A. Maintaining the purchasing power of the current assets and all future contributions. The return objective is to equal or exceed the rate of inflation as measured by CPI.
- B. Maximizing return within reasonable levels of risk.
- C. Maintaining an appropriate asset allocation that is balancing multiple levels of risk, including, but not limited to, market risk, inflation risk, interest rate risk, business risk, and commodity risk.
- D. Preserving and growing operating reserves for the Greater Albuquerque Associations of REALTORS®, Inc.

Time Horizon

The investment guidelines are based upon an investment horizon of greater than 5 years. Short and Intermediate term liquidity requirements are anticipated to be handled in a separate account dedicated for those needs (and invested without risk), or by cash inflows from normal operating revenues.

Risk Tolerances

GAAR recognizes and acknowledges that some risk must be assumed in order to achieve the investment objectives of the portfolio and that there are uncertainties and complexities associated with investment classes and markets.

In establishing the risk tolerances for this Investment Policy Statement, GAAR's ability to withstand short and intermediate term price volatility was considered. GAAR's prospects for the future, current financial condition and level of funding in the portfolio suggest collectively that some interim fluctuations in market value and rates of return may be tolerated in order to achieve longer-term objectives.

Spending Policy

No spending policy is being specified at this time because cash needs will be addressed in an account utilizing short term investment instruments.

Asset Class Guidelines

GAAR believes long term investment performance, in large part, is primarily a function of asset allocation and portfolio diversification. GAAR has reviewed the long-term performance characteristics of the broad asset classes, focusing on balancing risks and returns.

GAAR is aware that various asset classes can fluctuate over time, and at different times, yet a proper balance of investment assets should produce reasonable portfolio returns over appropriate investment timeframes.

Asset Allocation

Proper portfolio diversification has historically proven to be a key tool in managing risk. While neither diversification nor strategic asset allocation can assure profit or protect against loss in declining markets, determining the right mix of asset classes is one of the first and most important decisions to make regarding the long-term management of GAAR's operating reserves.

Acceptable Asset Classes

The following asset classes have been approved by GAAR.
See the Glossary in Addendum C for definitions of terms listed below.

The performance expectations (both risk and return) of each broad asset class are contained in Addendum A.

1. Cash and Short-Term Fixed Income Securities

- Treasury Bills
- Money Market Investment Funds
- Commercial Paper
- Banker's Acceptances
- Repurchase Agreements
- Certificates of Deposit

2. Fixed Income Securities

- Treasury Inflation Protected Securities (TIPS)
- U.S. Government and Agency Securities
- Corporate Notes and Bonds (BBB or better)
- Mortgage Backed Bonds, Asset Backed Bonds
- Preferred Stock
- Fixed Income Securities of Foreign Governments and Corporations
- Collateralized Mortgage Obligations

3. Equity Securities

- Common Stocks
- Convertible Notes and Bonds
- Convertible Preferred Stocks
- American Depository Receipts (ADRs) of Non-U.S. Companies
- Stocks of Non-U.S. Companies (Ordinary Shares)
- Real Estate Investment Trusts (REIT's)

4. Mutual Funds

- Mutual Funds which invest in securities as allowed in this policy and none of whose investments are expressly prohibited in this policy.

5. Exchange-Traded Funds

- Exchange-traded funds which invest in securities as allowed in this policy and none of whose investments are expressly prohibited in this policy.

6. Other/Alternatives

- Hedge Fund of Funds –Registered
- Managed Futures – Limited to mutual funds or ETFs
- Commodity Strategies – Limited to mutual funds or ETFs
- High Yield Bonds
- Socially Responsible Investment Strategies – Equities or Mutual Funds
- Emerging Market Equity or Debt
- Master Limited Partnerships (MLPs)

Prohibited Assets

- Private Equity
- Private Placements
- Limited Partnerships
- Venture-Capital Investments
- Real Estate Properties
- Interest-Only (IO), Principal-Only (PO), and Residual Tranche CMOs
- Naked Options
- Non-Registered investment cooperatives or Pooled Funds

Prohibited Transactions

Prohibited transactions include, but are not limited to the following:

- Margin Transactions
- Short Sales

Security Restrictions

Unregistered securities and unmarketable securities will not be allowed. Each investment option shall be managed by a bank, an insurance company, a registered investment company (mutual fund), or a registered Investment Advisor.

Target Asset Allocation and Acceptable Parameters

Below is the target allocation with acceptable ranges for each approved asset class.

Asset Class	Target Allocation	Acceptable Range	Performance Benchmark
Cash	10%	1% - 15%	Citigroup 3-Month Treasury
U.S. Fixed Income	50%	25% - 65%	Barclays Aggregate Bond
Intl Fixed Income	10%	0% - 20%	Citigroup World Gov Bond
Large Cap Equity	7%	10% - 50%	S&P 500
Small/Mid Cap Equity	5%	0% - 10%	Russell 2000
Developed International Equity	10%	5% - 20%	MSCI EAFE
Emerging Markets	0%	0% - 5%	MSCI Emerging Markets
Real Estate	0%	0% - 5%	FTSE NAREIT Global
Commodities	0%	0% - 5%	Dow UBS Commodity
Hedge Funds	0%	0% - 3%	HFRI Fund of Funds
Managed Futures	0%	0% - 3%	S&P DTI
TOTAL	100%		

Return and Risk Expectations

The average annual target return for this portfolio, based on the asset allocation criteria, is CPI plus 1.5%.

Rebalancing

The percentage allocation to each asset class may vary depending upon market conditions. The Investment Advisor will rebalance the portfolio as necessary, within the acceptable allocation limits listed above, in an attempt to mitigate risk or take advantage of opportunities in the markets.

Duties and Responsibilities

Executive Committee

As fiduciaries for GAAR, the primary responsibilities of the Executive Committee related to investment monitoring are:

- A. Prepare and maintain the investment policy statement.
- B. Ensure that policies and guidelines are followed and reviewed periodically for suitability to a changing organization.
- C. Monitor and supervise the Investment Advisor's adherence to investment guidelines and reporting standards.
- D. Evaluate performance relative to established guidelines and indices.
- E. Change Investment Advisor should they fail to meet established standards.
- F. Avoid prohibited transactions and conflicts of interest.

GAAR must provide their Investment Advisor all relevant information on financial condition and risk tolerance changes and must notify the Investment Advisor promptly of any changes to this information. GAAR will meet quarterly with the Investment Advisor for performance reviews.

GAAR, with the assistance of the investment advisor, will review this IPS at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the goals is the same. It is not expected that the IPS will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the IPS. Effort has been made to broaden the acceptable ranges on the asset classes to accommodate most changes in market conditions while safeguarding general principals of a conservative investment portfolio.

Custodian

Custodians are responsible for the safekeeping of GAAR's assets. (This is currently RBC Wealth Management.) The specific duties and responsibilities of the custodian are:

- A. Value the holdings.
- B. Collect all income and dividends owed to GAAR.
- C. Settle all transactions (buy sell orders).
- D. Provide monthly reports that list all assets held by GAAR, values for each asset and all transactions affecting assets within the portfolio, including additions and withdrawals.

- E. GAAR shall receive no less frequently than on a quarterly basis and within 45 days of the quarter end the following management reports:
- 1) Portfolio performance results over the last quarter, 1 year, 3 years, and 5 years, etc.
 - 2) Performance results of comparative benchmarks for the applicable periods. A weighted customized benchmark will be used to measure how well the accounts' different asset classes have performed against corresponding benchmarks. (See the Asset Allocation Illustration.)
 - 3) Portfolio allocation comparison to stated objectives.

Investment Advisor

The Investment Consultant (the Cates Team at RBC Wealth Management) serves as an objective, third party professional retained to assist GAAR in managing the overall investment process. The Investment Advisor is responsible for guiding the Committee through supervision of a disciplined and rigorous investment process to enable the Committee to meet the fiduciary responsibilities outlined above.

The Investment Advisor shall be responsible for:

- A. Advising the Committee about the selection of underlying investment managers, and the reasoning for the current asset allocation of the portfolio.
- B. Monitoring the performance of the portfolio and alerting the committee of any concerns including but not limited to performance.
- C. Reporting to GAAR changes within the Investment Advisor's organization which may affect portfolio (such as personnel changes).
- D. Periodically reviewing the suitability of the investments for GAAR, making sure the Investment Policy Statement is followed.
- E. Meeting with GAAR quarterly and being available at such other times within reason as GAAR requests.
- F. Preparing and presenting appropriate reports which GAAR requests.

The Investment Consultant cannot be a GAAR Board member or a member of any of its committees or an employee of GAAR.

The Investment Advisor shall not take title to any assets and shall be responsible only to make recommendations to GAAR and to implement decisions as directed by the GAAR Executive Committee and the BOD.

On a quarterly basis the GAAR Executive Committee will meet with the Investment Consultant to review:

- A. The portfolio's conformance to the Investment Policy Statement's guidelines.
- B. Performance relative to specified benchmarks along with market commentary.
- C. Any changes in the financial status or objectives of GAAR.
- D. Timely market commentary.

Underlying Portfolio Managers

The Portfolio Manager will be responsible for:

- A. Managing the assets under their supervision in accordance with the guidelines and objectives outlined in their respective Service Agreements, Prospectuses or Trust Agreements.
- B. Exercising full investment discretion with regards to buying, managing, and selling assets held in the Portfolio.
- C. Voting promptly all proxies and related actions in a manner consistent with the interests and objectives of the Portfolio as described in this IPS. Each Portfolio Manager shall keep detailed records of the voting of proxies and related actions and will comply with all applicable regulatory obligations.
- D. Communicating to the Investment Consultant all significant changes pertaining to the fund it manages or the management firm itself. Changes in ownership, organizational structure, financial condition, and professional staff are examples of changes to the firm in which the Investment Consultant on behalf of GAAR is interested.
- E. Effecting all transactions for the Portfolio subject "to best price and execution."
- F. Using the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals, acting in a like capacity and fully familiar with such matters, would use in like activities for like Portfolios with like aims in accordance and compliance with all applicable laws, rules, and regulations.

Monitoring

Performance Objectives and Monitoring

GAAR acknowledges fluctuating rates of return characterize the securities markets, particularly during short term time periods. Recognizing that short term fluctuations may cause variations in

performance, GAAR intends to evaluate investment performance from an intermediate term perspective.

The Executive Committee is aware the ongoing review and analysis of the portfolio is just as important as the original due diligence process. The performance of the portfolio will be monitored on an ongoing basis and it is the Investment Advisor's responsibility to recommend replacing the Portfolio Manager if they deem it appropriate at any time and for any reason.

Watch List Criteria for Investment Managers

The following criteria will be used by our Financial Advisor in evaluating investment managers to be used in the Portfolio, and an investment manager will be placed on a watch list, and a more thorough review and in-depth analysis may be conducted, when:

- A. Performance drops below the median peer performance for four consecutive quarters.
- B. Performance falls significantly below the custom benchmark which mirrors the weighted performance of each asset class.
- C. The portfolio's risk adjusted return (Alpha and/or Sharpe) falls below the peer group's median risk adjusted return for four consecutive quarters.
- D. There is a change in the professionals managing the portfolio.
- E. There is an indication the portfolio holdings are deviating from the stated style and/or strategy.
- F. There is an increase in the investment option's fees and expenses.
- G. Any extraordinary event occurs that may interfere with the Portfolio Manager's ability to prudently manage investment assets.

Even though the Investment Advisor has discretion on investment manager selection within the IPS allowable ranges, GAAR's Executive Committee has final authority on a decision to remove an underlying manager with a majority vote. In addition, GAAR's Executive Committee maintains the right and ability to remove the Investment Advisor with a majority vote should it be deemed by the Committee to be in the best interest of GAAR and the investment assets.

Chapter 2: Governance

Date of Adoption/Modification: August 2011, September 2020

The governing body of the Greater Albuquerque Association of REALTORS® (GAAR) is the Board of Directors (BOD). The BOD consists of Officers and the additional twelve (12) Directors who are REALTOR® members of GAAR. The Officers are the President, President-elect, Vice President, Ex-Officio Secretary, Treasurer, and Immediate Past President.

The GAAR Bylaws establish the definitions for Officers, Directors, Executive Committee; define the chain of authority; set eligibility requirements and term durations; address election timing and processes; establish Rules of Order; and provide other foundational information. The intent of this policy is to supplement, not duplicate, GAAR's governance information provided in the Bylaws.

Section 2.1: Duties of the President for the Greater Albuquerque Association of REALTORS®

The President shall serve as the Chairperson of GAAR's BOD and the Executive Committee. He/she shall give direction to the development, and leadership to the achievement of GAAR's philosophy, mission, and strategy, and to its goals and objectives. The President will monitor that GAAR is making consistent and timely progress toward the fulfillment of the Strategic Plan.

The President chairs the meetings of the BOD and sees that the BOD functions effectively and fulfills all of its duties.

The President recommends/appoints committee chairs with an eye to future succession and leadership development. He/she works with the Executive Committee and the Chief Executive Officer to recruit members for the BOD and other talent for volunteer assignments as needed.

As a partner with members of the BOD, the President will work to optimize the relationship between the BOD and the management of GAAR.

As a partner with the Chief Executive Officer of GAAR, the President will help him/her achieve the mission and strategic objectives outlined in the Strategic Plan.

The President shall serve as an authorized signatory on approved bank and investment accounts and may enter into contracts with the approval of the BOD.

Section 2.2: Spokesperson for the Greater Albuquerque Association of REALTORS®

The President shall serve as the chief spokesperson for GAAR and shall represent GAAR at local, state, regional and national meetings/events. In the event that the President is unavailable, the Chief Executive Officer will serve as the spokesperson.

Section 2.3: Delegate to the National Association of REALTORS®

The President shall serve as Delegate to the National Association of REALTORS® (NAR) Delegate Body meeting. If the President is unable to attend this meeting, the Directors will elect an alternate.

Section 2.4: Duties of the President-elect for the Greater Albuquerque Association of REALTORS® BOD

The President-elect is the second-ranking elected officer of GAAR and will assume the position of President at the conclusion of his or her term. The President-elect shall serve as a member of the Executive Committee and perform functions necessary as a member of the senior leadership team of GAAR.

The President-elect shall support the President in fulfilling the goals and objectives of GAAR by providing continuity to established programs and ensuring that future programs are consistent with the Strategic Plan.

The President-elect will assume the responsibilities of the President in his or her absence, and accepts responsibilities as delegated by the President. He/she attends BOD, Executive Committee, and membership meetings of GAAR.

The President-elect will select the Vice Chairs of Standing Committees.

The President-elect shall serve as an authorized signatory on approved bank and investment accounts.

Section 2.5: Duties of the Vice President for the Greater Albuquerque Association of REALTORS® BOD

The Vice President shall act for the President in the absence of the President and the President-elect. The Vice President shall serve as a member of the Executive Committee and perform functions necessary as a member of the GAAR senior leadership team. The Vice President will provide depth to the leadership structure and serve as a development position for increasingly responsible governance roles.

The Vice President shall serve as an authorized signatory on approved bank and investment accounts.

Section 2.6: Duties of the Immediate Past President for the Greater Albuquerque Association of REALTORS® BOD

The Immediate Past President shall serve as a member of the Executive Committee during the year immediately following the year of his Presidency and perform functions necessary as a member of the GAAR senior leadership team.

The Immediate Past President shall support the goals and activities of the President, and provide advice, guidance, and assistance to the President, as requested.

The Immediate Past President will play a leadership role on the BOD by encouraging cooperation and teamwork and serve as a consensus-builder. He/she will use the experience gained as President-elect and President to help move BOD deliberations along constructive, productive lines.

The Immediate Past President shall serve as an authorized signatory on approved bank and investment accounts.

Section 2.7: Duties of the Treasurer for the Greater Albuquerque Association of REALTORS® BOD

The Treasurer monitors that GAAR maintains accurate financial records, and reviews GAAR expenditures and financial status on a regular basis to ensure overall fiscal integrity. The Treasurer shall serve as a member of the Executive Committee and perform functions necessary as a member of the GAAR senior leadership team.

The Treasurer ensures that regular financial reports are submitted to the BOD and Executive Committee and presents an annual financial report to the membership.

The Treasurer submits the financial accounts of GAAR to an annual independent auditing firm.

The Treasurer shall serve as an authorized signatory on approved bank and investment accounts.

Section 2.8: Duties of the Ex-Officio Secretary of the Greater Albuquerque Association of REALTORS®

The Ex-Officio Secretary of GAAR, who shall be the Chief Executive Officer, will ensure the creation and retention of corporate minutes and records in accordance with state law. He/she serves as an ex-officio, non-voting member of the GAAR BOD and the Executive Committee.

Section 2.9: Duties of the Chief Executive Officer of the Greater Albuquerque Association of REALTORS®

The Chief Executive Officer (CEO) is the top staff position at GAAR and is responsible for the management of GAAR. As such, the CEO shall have the authority to hire, supervise, evaluate, and terminate other staff and shall perform such other duties as prescribed by the BOD.

The CEO shall coordinate and authorize all requests for staff time, other than normal liaison functions, made by committees and members.

The CEO is an active partner with the BOD and is integral in (1) facilitating the development, and (2) monitoring the execution of the Strategic Plan. Additionally, he/she ensures the currency of and conformance to the GAAR governing documents.

The CEO shall be designated as trustee of the employee 401K Plan and is empowered to carry out the duties of trustee as required by the plan administrator and/or law.

The CEO acts as Spokesperson for GAAR if the President is not available.

The CEO serves as Ex-Officio Secretary of the Corporation, and a non-voting member of the GAAR BOD and the Executive Committee. In this capacity, he/she will ensure the creation and retention of corporate minutes and records in accordance with state law.

The CEO will have oversight of all GAAR's assets and account management and will have signature authority on investment transactions consistent with the GAAR Investment Policy, Section 4.5.

Section 2.10: Addressing the Greater Albuquerque Association of REALTORS® Executive Committee or BOD

Anyone, other than members, wishing to address the Executive Committee or the BOD must have the approval of either the Executive Committee or the President.

Section 2.11: Duties of the Directors on the Greater Albuquerque Association of REALTORS® BOD

As the governing body of GAAR, the BOD sets and advances GAAR's mission; develops, approves, and supports the strategic direction, goals, and objectives as set forth in the Strategic Plan; and works to enable GAAR to achieve its mission.

The BOD ensures the satisfactory management of GAAR by selecting, hiring, supporting, and evaluating the Chief Executive Officer. The BOD also provides financial oversight and ensures the financial health of GAAR; approves the annual budget, the audit firm, and legal counsel; reviews and approves major GAAR decisions, commitments, and plans including expenditures, loans, etc.; provides adequate resources to support GAAR mission, goals, objectives, initiatives, and programs; enhances GAAR's image and public standing; and takes actions and supports programs and processes to grow, sustain, and develop GAAR leadership. The BOD will conduct individual and full-board self-evaluations to clarify expectations, evaluate effectiveness, and raise the bar for outstanding board accountability and performance.

In the conduct of business, the BOD must meet the following basic legal duties:

- Duty of Care – taking reasonable care and exercising sound judgment when making decisions for GAAR.
- Duty of Loyalty – always acting in the best interest of GAAR; supporting decisions that are made by the BOD body; avoiding conflicts of interest and recusing self when necessary to ensure integrity of decisions.
- Duty of Obedience – adhering to GAAR's governing documents (Bylaws, Policy Statement, etc.); acting in accordance with GAAR's mission.

Additionally, the BOD will respect and adhere to the Guiding Principles (Sec. 2.14) developed by the BOD.

To ensure coverage under the Professional Liability Insurance plan provided by the National Association of REALTORS® (NAR), the BOD will conform to the eligibility requirements as defined by NAR.

In communications related to key issues or topics of relevance to GAAR, Directors will refrain from the use of emails to the BOD or a subset of BOD members. If the topic is a matter for discussion or to solicit feedback, or that needs a BOD decision, the topic shall be considered by the President and added to the agenda for the next scheduled BOD meeting, as appropriate.

Section 2.12: Directors to the New Mexico Association of REALTORS® BOD

The GAAR BOD will elect members to serve as Directors to the New Mexico Association of REALTORS® BOD. The BOD will notify members of openings as they become available.

Section 2.13: Duties of a Committee Chairperson

The Committee Chairperson shall develop, with support from the staff liaison, agendas for meetings that can be sent to committee members along with pertinent enclosures at least one week prior to the scheduled meeting date. The Chairperson shall chair all committee meetings, provide for a substitute chair of the Chairperson's absence is unavoidable, ensure meeting notes are recorded and published, and provide written reports on committee's activities to the BOD and/or the Executive Committee.

The Committee Chairperson shall be responsible for ensuring the members of the Committee are trained, knowledgeable, and capable to fulfill the functions of the Committee. He/she will build future leadership for the Committee and encourage and take responsibility for members' attendance at Committee meetings and participation in Committee's roles and activities. On an annual basis, he/she will recommend to the President new Committee members.

The Committee Chairperson is responsible for progress towards the assigned responsibilities from the Strategic Plan and is responsible for reporting to the BOD progress towards fulfillment of those goals.

Section 2.14: Duties of a Committee Member

Committee members shall faithfully attend Committee meetings, being conscious of the need for a quorum and responsible in notifying the Staff Liaison of any absences. Committee members shall actively participate in the on-going work of the Committee and any subcommittees.

Committee members shall prepare for meetings by reviewing meeting notes of the previous meeting and agendas; reviewing any supplemental materials; and bringing materials sent to Committee members to the meeting for discussion.

Committee members shall be prepared to report on progress of assignments.

Section 2.15: Duties of a Staff Liaison

Staff Liaisons to Committees shall meet with new Committee Chairpersons prior to first Committee meetings to review function, roles, and responsibility of the Committee; relevant

plans and carry-over projects; proposed activities for the coming year; and policies and procedural guidelines. He/she will provide Committee continuity from year to year.

Staff Liaison shall assist Committee Chairperson in planning meetings and agendas; recording meeting notes; handling logistical details associated with meetings and sponsored events; preparing correspondence for the Committee; maintaining appropriate records; and gathering necessary information for policy decisions and meeting preparations.

Staff Liaison shall advise Chairpersons on policies and procedures of the Association and on important issues and significant developments. He/she will prepare chair for reporting to the BOD and/or the Executive Committee.

Section 2.16: Guiding Principles

The Guiding Principles were developed by the BOD and will be followed in their service as leaders in GAAR.

We commit to integrity. To honor this commitment:

- We will do what we say.
- We will be on time.
- We will do the right thing even though no one is watching.
- We will treat each other and members with respect, always remembering the cooperation with each other is the hallmark of our success.
- We will work as a team, collaborating to reach the best decision.

We commit to act with high standards of professional conduct. To honor this commitment:

- We will be present and prepared.
- We will be open-minded and thoughtful as we consider all sides of an issue.
- We will encourage creative thinking and conversation.
- We will put aside personal agendas and attend to the business of GAAR.
- We will be involved in activities of GAAR in addition to participation in BOD meetings.
- We will dress professionally.
- We will follow the rules that govern GAAR.

We commit to clear communication in all dealings. To honor this commitment:

- We will listen attentively and not interrupt.
- We will listen twice as much as talking.

We commit to accountability and fiscal responsibility. To honor this commitment:

- We will honor transparency in all business dealings.
- We will be proactive in budgeting for the programs of GAAR, taking care with member dues.

We commit to being mindful of the needs of GAAR members. To honor this commitment:

- We will engage in discussions that include the needs of all brokers.
- We will engage in activities that unite brokerages, whether big or small.

We commit to “do no harm.” To honor this commitment:

- We will use appropriate language, never engaging in name calling or belittlement of others.
- We will respect diversity.
- We will serve all members, and fairly administer the programs supported by GAAR.
- We will consider policy that benefits all members, taking into consideration that the needs of the brokerages and the brokers may be different.

Section 2.17: The REALTOR® Fund

Date of Adoption/Modification: August 2011, September 2020

The REALTOR® Fund was created to provide a permanently sustainable fund to aid in creating adequate housing, building functioning cities, developing productive industries, and preserving a healthful environment in Bernalillo, Valencia, Sandoval, and Tarrant Counties.

The REALTOR® Fund Committee shall consist of at least 7 members, to include a Chair and Vice Chair. The committee shall be responsible for fund raising, vetting of potential grant recipients and coordination of donor recognition.

Appointments to The REALTOR® Fund Committee will be for a one-year term, with each new term commencing on the 1st day of January of any given year. Committee members may serve for multiple terms and are encouraged to serve for a minimum of 3 years to participate in all aspects of the charity vetting and selection process. The Chair and Vice Chair positions will be

for a one-year term. At the beginning of each calendar year, the Chairperson and Vice-chairperson will be selected by the committee and approved by the BOD. The Vice chairperson will assume the Chairperson position the following year.

Appointees to The REALTOR® Fund Committee must meet the following standards:

- (a) Be committed to the health, preservation, and purpose of The REALTOR® Fund.
- (b) Members of the Committee are expected to contribute and/or raise funds to support the endowment fund.

Section 2.18: Bylaws Changes Voting Procedures

Date of Adoption/Modification: March 2018, September 2020

While the Bylaws do not limit voting on Bylaw amendments to the annual general membership meeting, it is customary that Bylaw amendments are considered at the annual general membership meeting. The following will be the process for consideration of Bylaw amendments at any meeting where the same are being considered in accordance with the provisions of the Bylaws. Upon signing in members will be verified active and in good standing. Paper ballots will be distributed to qualified members, one for each item being considered. Proxies will be allowed as provided for in GAAR Bylaws Article XII, Sec. 2 and Article XVI, Sec. 1. If a member is in possession of a written proxy from a qualified member not present at the meeting, that proxy will be surrendered in exchange for one ballot. Solicitation of proxies by the BOD in advance of an annual meeting by any means is prohibited.

Chapter 3: Travel

Date of Adoption/Modification/Re-adoption: November 28, 2018, September 2020

Section 3.1: Travel Policy for Members

Budgeted travel expenses for Directors after their first year of service will be reimbursed up to \$1000 plus the cost of the conference registration fee to attend a NAR approved conference. Budgeted travel expenses and registration fees for the President and President-Elect shall be established in the annual budget for the following meetings:

- National Association of REALTORS® (NAR) Annual Convention
- National Association of REALTORS® Mid-Year Meeting & Legislative Conference
- National Association of REALTORS® Leadership Training (President-Elect only)
- New Mexico Association of REALTORS® Legislative & Leadership Conference
- New Mexico Association of REALTORS® Annual Meeting
- Rocky Mountain Regional Meeting
- Other meetings as approved in the Budget

Any other travel requirements in line with the responsibilities of carrying out the duties of the office of President and President-Elect will be approved from time to time by the BOD.

General Guidelines

When traveling on behalf of GAAR, an expense report (Form XXX) must be submitted within 30 days of the approved business travel. The form must include the member's name, e-mail and mailing addresses, date(s) of travel, business purpose, and member signature. The completed form and all receipts must be submitted to GAAR for approval. GAAR will not reimburse expenses which are not in compliance with this policy or IRS requirements. If discrepancies are noted on the expense report, the Chief Executive Officer will contact the member to resolve the issue. If unresolvable at the staff level, the Executive Committee must determine whether the item(s) are reimbursable.

After the expense report is approved, it is submitted to GAAR finance for processing. Accounts payable are processed twice monthly.

Receipts are required for all expenditures. Tips not included on a receipt for a meal or transportation do not require a receipt but should be described in detail.

Reimbursable Expenses

The following expenses are reimbursable for members traveling on behalf of GAAR.

Registration

Registration for a meeting included in the budget will be arranged by the Chief Executive Officer with the maximum number of reimbursable days being determined based upon the length of the meeting. Generally, registrations are paid for through the association and do not require reimbursement.

Airline/Rail Transportation

Members must purchase seating in the Economy or Coach class of fares. Early bird check-in fees will be reimbursed. Additional costs for premium class seating (ex. – first class, business class, economy plus, etc.) are not reimbursable. Tickets should be purchased as early as possible to take advantage of the lowest costs.

- 1) Seat assignment fees within the Economy or Coach classes are reimbursable. However, convenience charges such as fees for extra leg room, priority check-in and express security clearance fees, etc. are not reimbursable.
- 2) Checked and carry-on baggage fees (up to a total of 2 checked bags per trip) are reimbursable. However, overweight baggage fees are not reimbursable.
- 3) A member can include personal travel in conjunction with an approved business trip; however, the member is responsible for payment of the personal portion of the trip or costs over the cost of a direct economy or coach class ticket.
- 4) Members will not be reimbursed for business use of frequent flyer miles or vouchers, vouchers for bumping, discount coupons or other instruments of value. Such discount instruments, if earned as a result of personally paid travel should be used for subsequent personal travel.
- 5) Costs associated with change of original travel will not be reimbursed.

Airline/Rail travel receipts must be submitted.

Use of Personal Vehicle – Mileage/Parking

If a member chooses to drive to a meeting in lieu of flying, he/she should consult with the Chief Executive Officer. Reimbursement will be based on reasonable costs and the amount will not be higher than applicable coach air travel costs. Mileage reimbursement is equal to the number of business miles driven multiplied by the IRS approved mileage rate. Gas used in a personal car is not reimbursed because the IRS includes this expense in the mileage reimbursement calculation. Actual costs of parking and tolls for approved business trips are reimbursable. Traffic fines and parking violations are not reimbursable.

When using a personal vehicle, the cost of parking at the conference hotel should be considered. Parking costs will be aggregated with mileage and limited by the cost of applicable coach air travel costs.

Taxis/Public Transportation

Business related local transportation costs are reimbursable (ex. Taxi, bus, local rail service) including costs to and from the airport. Receipts are required for all expenditures with the business purpose of transportation noted.

Lodging

Lodging will be arranged by the Chief Executive Officer up to the maximum number of reimbursable days determined based on the length of the meeting. While reservations are made by the Chief Executive Officer, the member will be expected to pay the room and tax upon check-out. If the member wishes to have the room pre-paid, the member should notify the Chief Executive Officer in sufficient time to make arrangements with the hotel. Should the member choose to stay extra nights in addition to the dates set for the meeting, the member is responsible for payment of the nights that are considered the personal portion of the trip and will not be included in any prepayment of lodging.

Should a member find it necessary to cancel hotel reservations, the Chief Executive Officer must be contacted during business hours (or the hotel if after hours) so that GAAR does not incur "no show" charges.

Hotel receipts which include line item expenditures and proof of payment must be submitted with expense reports.

Meals and Incidentals

GAAR reimburses traveling members for the reasonable cost of food, refreshments and incidentals (ex. Laundry and valet services, toiletries, snacks/mini-bar items) subject to a daily limit of \$100. Costs of meals vary dependent on the geographic area and the member is expected to use prudence. Tips for meals will be included in the total cost of a meal.

The member must track and report actual expenses incurred in order to be reimbursed. Receipts are required for all expenditures. If dining with a group, members should request separate checks.

Guest Entertainment (Food/Beverage)

Since GAAR has budget limitations, only the President may be reimbursed for guest entertainment expenses if the entertainment is in the advancement of GAAR's business goals and concerns and is subject to the \$100 per person per day limit. In accordance with IRS requirements, the expense report MUST include the names of the guests and the business purpose.

GAAR leadership may choose to have a community dinner on one night of the conference. If arrangements are made for such a dinner, the Chief Executive Officer or the President will pay for the bill for all approved members. Any members who bring guests will be expected to request a separate check and pay for their guest(s). If other guests are invited by the President or Chief Executive Officer, the names of the guests and the business purpose must be stated on the receipt.

Tips

Reasonable tips for regular business meetings are reimbursable.

Note that tips for cab fares and meals are reported as a part of those items and are not reported separately.

Telephone/Fax/Internet

All business calls are reimbursable except air-to-ground (air phone) calls. Where possible, members should use his/her cellular phone to make personal phone calls while travelling on GAAR business so as to not incur additional surcharges of the hotel. Internet charges and fax costs related to the business purpose of the trip will be reimbursed.

Non-Reimbursable Expenses

The following expenses are considered non-reimbursable for members traveling on behalf of GAAR.

- Cost of premium airline/rail seating (ex. –first class, business class, economy plus, etc.) – however, note that fees for seat assignments within coach or economy classes are reimbursable.
- Convenience charges such as fees for extra leg room, priority check-in and express security clearance fees, etc.
- Business use of frequent flyer miles and other discount instruments
- Fees for additional earning of miles
- Gas for personal vehicles (already covered by IRS mileage reimbursement rate)
- Traffic fines or parking violations
- Personal entertainment (ex. – in-room movies, airline headphones, books, magazines, costs of museums, shows, tours, or transportation related to personal entertainment, etc)
- Barber or beautician Services
- Clothing
- Air-to-ground (air phone) charges

Airfare, transportation, and meals and incidentals (limited to \$100 per day) will be reimbursed for a guest traveling with the President up to \$1,500 annually. A Form 1099 will be issued to the President in an amount equal to the costs incurred.

Anyone accepting travel funding is obligated to attend and represent GAAR at approved meetings.

Section 3.2: Travel Policy for NAR Directors

GAAR member(s) serving as a NAR National Director shall receive reimbursement for attendance at the following meetings, unless funding is received from another funding source:

- National Association of REALTORS® (NAR) Annual Convention
- National Association of REALTORS® Mid-Year Meeting & Legislative Conference
- New Mexico Association of REALTORS® Legislative & Leadership Conference
- New Mexico Association of REALTORS® Annual Meeting
- Rocky Mountain Regional Meeting

To receive reimbursement, the NAR Director(s) must provide a written report of the Directors' Meeting within 30 days of the meeting.

The reimbursement policy set forth in Section 3.1: Travel Policy for Members shall apply to travel of the NAR Director(s).

Section 3.3: Travel Policy for NMAR Directors

GAAR members serving on the NMAR BOD shall receive a \$150 stipend for each NMAR Directors' meeting attended outside of the Albuquerque metropolitan area. If the NMAR Directors' meeting is over 100 miles from Albuquerque, GAAR members serving on the NMAR BOD will receive a \$250 stipend. NMAR Directors who receive funding from another source for the meeting shall not be entitled to reimbursement by GAAR. NMAR's official attendance records will be used as basis for funding eligibility.

Chapter 4: Financial

Section 4.1: Contracts

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Only the President and/or the Chief Executive Officer (CEO) are authorized to enter any contracts on behalf of GAAR.

At the discretion of the President, CEO, or BOD, Board counsel shall review contracts as needed.

Any contract more than \$10,000 (except those approved in the budgeting process such as audit and insurance expenses) shall be presented to the BOD for approval prior to execution.

Section 4.2: Professional Services for Legal, Audit, and Tax Returns

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

The BOD shall retain a law firm annually to serve as legal counsel.

Only the President, CEO, and staff designated by the President and/or CEO shall be authorized to contact legal counsel. All other members and committees requesting the services of legal counsel shall submit a request to the President and CEO, and permission will be determined by the Executive Committee on a case-by-case basis.

The BOD shall retain the services of an approved CPA firm/individual to perform an annual audit of GAAR's consolidated financial statements and activities in accordance with generally accepted auditing standards and accounting principles. Results of the audit will be presented by the individual/firm conducting the audit to the BOD at the next scheduled BOD meeting.

Additionally, an approved CPA firm/individual shall be retained to prepare GAAR's annual state and federal tax filings in a timely manner.

Section 4.3: Banking

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Operating accounts will be maintained at FDIC insured institutions as directed by the Executive Committee or BOD.

All checks up to \$3,000 will require only one signature by an Officer. All checks \$3,000 and greater require two Officer signatures. All monthly financial statements will be provided to the Executive Committee and BOD for review.

The BOD will maintain a non-interest-bearing trust account for use when necessary (i.e Professional Standards, etc.)

Section 4.4: Financial Statement Preparation

Date of Adoption/Modification/Re-adoption: June 2009, September 2020

Financial statements will be reconciled monthly by the Chief Financial Officer (CFO). All monthly financial statements will be provided to the Executive Committee for review, and a detailed review of GAAR financials will be conducted quarterly by the CEO, CFO and Treasurer. A consolidated financial report will be provided to the BOD quarterly, and an annual report provided in the Annual Meeting program.

The BOD shall follow generally accepted accounting principles, using accrual-based accounting.

Section 4.5: Dues and Fees

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Membership dues and related fees are established by the BOD.

The BOD approves annually the voluntary REALTOR® Political Action Committee (RPAC) and Real Estate Community Political Action Committee (RECPAC) contribution amounts that appear on the annual dues statement.

Annual Dues

GAAR shall issue invoices for annual dues, which include local, state and national dues, fees and assessments. Annual dues for all members must be paid by December 31st.

Annual dues will be issued on a prorated basis for members joining throughout the year, payable at the time of activation.

New Member and New Office Fees

Fees relating to members or offices joining GAAR are established by the BOD and are due and payable upon joining. Membership activation will be delayed until paid. Membership is provisional and contingent upon meeting the requirements of membership and requires BOD approval.

Reinstatement Fees

Fees relating to reinstating members who have been terminated are established by the BOD and are due prior to reactivation of membership.

Education and Event Fees

Fees relating to education and event offerings are established by the BOD and are due prior to attending the class or event.

Administrative and No-Show Fees

No show fees may be assessed for failure to cancel attendance twenty-four (24) hours in advance of an orientation class. No show fees must be paid prior to approval by the BOD of membership.

Facility Rental Fees

Facility rental fees must be paid in advance of the use of the facility.

Section 4.6: Billing and Collection Policy

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Billing and Collection Policy for Annual Dues

References to the terms Designated REALTOR® and REALTOR® applies to both real estate brokers and appraisers. The term Designated REALTOR® used in these policies shall have the meaning given it in the GAAR Bylaws.

- A. Invoices for annual dues will be issued in early October and are due by December 31st.
- B. Accounts not paid by December 31st will be assessed a late fee of \$50 on January 10th.
- C. Membership will be suspended on January 20th for members whose accounts are not paid in full, including late fees. At that time, Designated REALTORS® and REALTORS® will be notified. Should the Designated REALTOR® be suspended for nonpayment, it will result in suspension of service to the entire office.
- D. Accounts not paid by January 30th will be terminated. Any Designated REALTOR® who has outstanding dues as of January 30th will be terminated, including his/her entire offices. Any Designated REALTOR® or REALTOR® who has been terminated will be subject to reinstatement fees, which must be paid prior to reinstatement. Designated REALTORS® will be advised to return the terminated member's license to the New Mexico Real Estate Commission. If any date above falls on a weekend, the action may be taken on the next business day.

The dues obligation of Designated REALTORS® will be adjusted to include amounts for all licensed real estate brokers or appraisers affiliated with their firm who have not paid their dues by January 30th. Adjusted dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days after notification. Any Designated REALTOR® who does not meet this obligation will be terminated, along with the membership of all real estate brokers and appraisers affiliated with the brokerage or appraisal office.

If a Designated REALTOR® and/or REALTOR® have chosen not to renew, notification in writing prior to December 31st will prevent the assessment of a late fee. If the late fee has been assessed, it will remain due and payable for any reinstatements.

Billing and Collection Policy for Charges by Designated REALTORS®, Fees and Awards

Associated with Professional Standards, Assessments, Fines, and any Other Financial Obligations:

- A. All invoices are due and payable upon receipt.
- B. A statement will be sent at month end summarizing invoices issued during the month and still unpaid.
- C. Accounts not paid by the 10th day of the following month will be assessed a late fee of 5%. The Designated REALTOR® and REALTOR® will be notified of the delinquency.
- D. Accounts not paid by the 20th day of the following month will be suspended from membership. The Designated REALTOR® and REALTOR® will be notified.
- E. Accounts not paid by the 30th day of the following month will be terminated from membership. The Designated REALTOR® and REALTOR® will be notified. Any REALTOR® member who has been terminated will be subject to reinstatement fees to reactivate membership.

Type of Payment Accepted:

All payments must be made by Money Order, Cashier's Check, Personal Check, Company Check or Credit Card. No cash payments will be accepted.

Checks Returned by the Bank:

There is no fee to be charged for a returned check (non-sufficient funds, account closed, etc.). However, after a member has presented one returned check, payment shall be by credit card or other certified funds (money order, cashier's check). If the account is terminated for non-payment, the Designated REALTOR® and REALTOR® will be subject to all reinstatement fees.

Section 4.7: Refunds

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Membership Dues are non-refundable. The CEO or President may consider extenuating circumstances regarding the refund of local dues on a case-by-case basis.

Refunds for other GAAR fees (facility rentals, education classes, event participation or sponsorships) may be addressed on a case-by-case basis by the CEO or President.

Section 4.8: Usage of Credit Cards

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

GAAR corporate credit cards may be issued to the CEO and other GAAR staff as determined by the CEO. Credit card usage will be closely monitored and will be used only for budgeted travel and approved expenditures (such as business meals and office purchases). All credit card holders must prepare an expense report for each statement cycle to be submitted with receipts. No personal charges may be made to GAAR credit cards.

Section 4.9: Capital Purchases

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

The BOD will annually review and approve a capital expenditures budget. The President and/or CEO are authorized to make such capital expenditures not budgeted as required, not to exceed \$10,000 per budget year. A list of any such expenditures shall be provided to the BOD at their next meeting.

Section 4.10: Contributions

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

The Executive Committee shall make recommendations for donations within budgeted amounts. Any requests for donations beyond budgeted amounts must be approved by the BOD.

Section 4.11: Budget Planning Workgroup

Date of Adoption: September 2020

The Budget Planning Workgroup is created to have member involvement and integration with staff into the GAAR/SWMLS budgeting process. In addition to the GAAR CEO and CFO, the Budget Planning Workgroup will consist of the GAAR President, GAAR President-elect and GAAR Treasurer, SWMLS President, SWMLS President-elect and SWMLS Treasurer.

The group will meet annually in September or at the call of either President.

Chapter 5: Membership

Section 5.1: Categories, Qualifications, Responsibilities

Date of Adoption/Modification/Re-adoption: April 2013, September 2020

Comprehensive information about membership categories, qualifications, privileges and obligations is provided in the *Bylaws of the Greater Albuquerque Association of REALTORS®*. Additionally, GAAR regularly accesses and utilizes data maintained by the New Mexico Real Estate Commission (NMREC) to audit and verify that potential and existing members are appropriately licensed, and to validate office information and licensee affiliations.

Section 5.2: Application Process

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Applications are developed for different categories of membership and define the basic membership requirements and duties. An application must also be completed to establish a new REALTOR® office. Applicant signatures affirm their agreement to comply with membership duties and obligations. The application process is considered complete when payment is received and processed. New REALTOR® members will be considered “provisional members” until they attend and complete the New Member Orientation program and are approved by the GAAR BOD.

Section 5.3: Service Access for REALTOR® Members

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Upon completion of the application process, new or reinstating applicants, who are appropriately affiliated with an existing REALTOR® office and whose license and office affiliation have been verified with the NM Real Estate Commission will be given access to member services.

Section 5.4: Service Access for New REALTOR® Offices

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Current REALTORS®, who open their own brokerages and become the Designated REALTOR® of their firm, will be provided access to services under the new firm within 2 business days after application and payment of all fees, presuming all critical information aligns with NM Real Estate Commission records.

Licenses who are not currently REALTORS®, who make application for membership as the Designated REALTOR® of a new firm, will be given access to member services upon completion of application process and payment of all fees, presuming license and office information has

been verified with the NM Real Estate Commission and subject to the applicable Bylaws regarding provisional membership.

Section 5.5: Voluntary PAC Contribution

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

A core value of REALTOR® membership is having the ability to influence the direction of the industry. The REALTOR® Political Action Committee (RPAC) serves as a source of funds that enable GAAR to support pro-REALTOR® and industry candidates and issues. All members are encouraged to make a voluntary contribution to RPAC to support and ensure the effectiveness of this vital benefit of membership. Contributions can be made at any time throughout the year. However, an annual campaign for contributions occurs during the annual dues billing. The requested voluntary contribution, approved by the BOD, appears on the annual invoice. Included with the annual billing is an explanation of line items and of allowable tax deductions.

Section 5.6: Changes to Member Records

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

All requests for changes made to office information and member affiliations must be authorized in writing by completing the Member Change Form and signed by the Designated REALTOR®. Changes will be made within 2 business days after verifying that the changed information aligns with NM Real Estate Commission records.

Section 5.7: Orientation Requirement

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

New Members must attend and complete the New Member Orientation within 60 days of application (or within the first two available dates after application submittal, whichever is greater) or access to member services will be denied until the new member meets the requirement and is approved by the GAAR BOD. If the Designated REALTOR® does not meet the New Member Orientation requirement, all services to the brokerage and all REALTOR® members affiliated with the office will be discontinued.

Section 5.8: Orientation and New Member Code of Ethics Cancellation and Reschedule Policy

Date of Adoption/Modification/Re-adoption: April 17, 2013, September 2020

Members who want to cancel their attendance at an Orientation or New Member COE classes for which they are registered, must notify GAAR 24 hours in advance of the scheduled class to avoid being assessed a fee. If the member notifies GAAR of the cancellation less than 24 hours prior to the beginning of the class, the member will be assessed an "Administrative Reschedule Fee" of \$10, which will be due upon receipt. If the member does not notify GAAR prior to the beginning of the class that they are unable to attend, and they are absent, the member will be

assessed a "No Show Fee" of \$50, which will be due upon receipt. These fee amounts will be applied per class and should be paid immediately to avoid interruptions to service and benefits.

If an attendee arrives more than ten minutes after the class begins, they will be rescheduled for the next available class, if possible. However, this does not release the attendee from completing the Orientation requirement within 60 days of application (or within the first two available orientation dates after application submittal, whichever is greater). To retain full service and benefits, the member must contact the Membership staff to understand options and reschedule their attendance.

Chapter 6: Lock Boxes

Section 6.1: Authority to Contract for Lock Box Services

Date of Adoption/Modification: October 28, 2015, September 2020

The GAAR BOD may, at their discretion, provide a lockbox system for use in facilitating the listing and showing of property by its members. In partnership with Southwest Multiple Listing Service (SWMLS), all lockboxes used in conjunction with listing a property must be assigned by a serial number to the listing in the MLS input.

The GAAR BOD may, at their discretion, contract with a lockbox provider. GAAR must determine that the lockbox provider meets the requirements of the National Association of REALTORS[®] regarding the lockbox program security requirements.

Lockbox services shall only be issued when authorized user's financial obligations to GAAR/SWMLS/Lockbox provider are current.

Section 6.2: Lock Box Authorized Users

Date of Modification: October 25, 2017, September 2020

Every REALTOR[®], and every non-principal broker, sales licensee, and licensed or certified appraiser shall be eligible for electronic lockbox access subject to signing an agreement as prescribed by GAAR and subject to the policies governing lockboxes.

Affiliate Members who are engaged in home inspection, warranty, photography/videography industries or other types of inspectors shall be eligible to contract for electronic lockbox access. Affiliate members of GAAR who contract for electronic lockbox access will only have the "Call Before Showing" (CBS) access. These Affiliate Members must meet the following conditions:

- A. The Owner/Manager holds GAAR Primary Affiliate Membership.
- B. Each individual in the Affiliate Company who contracts for electronic lockbox access must be listed with GAAR as an associate of the affiliate company.
- C. The Affiliate Company must maintain liability insurance of no less than \$500,000 and provide evidence of such annually. GAAR shall be named as additional insured and Affiliate Company must provide thirty-day written notice prior to cancellation or expiration of the policy.

Unlicensed assistants shall be eligible to contract for electronic lockbox access that will only access the lockboxes of their REALTOR[®] Principal.

No one shall be required to use a lockbox or electronic lockbox access. Any authorized user may resign from the electronic lockbox access program provided that all leased equipment is returned, and all financial obligations are brought current.

GAAR may refuse to provide electronic lockbox access, may terminate existing electronic lock box access agreements, and may refuse to activate or reactivate any electronic lockbox access held by an individual convicted of a felony or misdemeanor, if the crime, in the determination of GAAR, relates to the real estate business or puts clients, customers, or other real estate professionals at risk.

GAAR will withhold electronic lockbox access from provisional members who answered "Yes" to any of the disclosure questions on the New Member Application until membership is approved by the GAAR BOD.

GAAR may suspend the right of authorized users following their arrest and prior to their conviction for any felony or misdemeanor which, in the determination of GAAR, relates to the real estate business or which puts clients, customers, or other real estate professionals at risk. Factors that can be considered in making such determinations include, but are not limited to:

- A. The nature and seriousness of the crime
- B. The relationship of the crime to the purposes for limiting lockbox access
- C. The extent to which access (or continued access) might afford opportunities to engage in similar criminal activity
- D. The extent and nature of past criminal activity
- E. Time elapsed since criminal activity was engaged in
- F. Evidence of rehabilitation while incarcerated or following release, and
- G. Evidence of current eligibility

Section 6.3: Lock Box Operations Rules

Date of Adoption/Modification: June 22, 2016, September 2020

The electronic lockbox access assigned to an individual may not be used under any circumstances by anyone other than the authorized user. The GAAR BOD may impose a fine of up to \$1,000 per incident for any violation of these policies or otherwise treat it as a membership violation pursuant to Article V, Section 2, Qualifications of the GAAR Bylaws.

Lockboxes may not be placed on a property without written authority from the seller.

Lockboxes must be placed in a visible location that is accessible to another authorized user in a reasonable manner. The lockbox must not be attached to a gas meter or utility equipment not owned or leased by the property owner.

If an authorized user does not have access to Southwest Multiple Listing Service, that user must contact the listing agent prior to entering the property.

A lockbox must be removed from the property within two (2) days after the date that the listing status is changed to closed, cancelled, or expired.

Each authorized user is eligible for only one form of electronic lockbox access.

As between GAAR and the authorized users, title to the lockboxes will be held by GAAR and leased to authorized users as set forth in these policies and the Supra Keyholder Agreement. The lockboxes provided by GAAR and by subsequent addition to inventory, will be considered "leased" boxes. The inventory of these leased boxes will be controlled by GAAR.

Lockboxes received from GAAR, whether in an event to implement new technology (lockboxes) or otherwise, are leased boxes and are the property of GAAR. Lockboxes may be transferred between authorized users, provided required receipts are signed by both parties. Lockboxes should be returned to GAAR if not being used. Returned lockboxes can be reassigned to other authorized users by GAAR.

Only lockboxes provided by GAAR will be programmed to work in the GAAR lockbox system. Lockboxes in the GAAR lockbox system will not be deprogrammed to work in other lockbox systems.

Every authorized user who is a listing broker is eligible for one or more lockboxes provided by GAAR and an extra number of lockboxes constituting 30% of listings determined by GAAR annually. Lockboxes in excess of listings plus 30% must be returned to GAAR during the annual True-Up period. If the broker's listings exceed the amount determined annually, the broker may come to GAAR and take possession of additional lockboxes to cover the listings plus 30%. All lockboxes are provided at no charge.

Lockboxes being used by a team shall be assigned to the team leader.

In partnership with SWMLS, every listing must be assigned a lockbox by serial number unless the seller has provided written authority to opt out of the lockbox program.

Any lockboxes issued from GAAR must be assigned to a listing within 14 (fourteen) days. Those lockboxes exceeding the authorized user's listings plus 30% that are not assigned to a listing within the specified timeframe, and are not returned to GAAR, shall be subject to a \$100 fee per lockbox. If lockboxes are returned, the invoice will be reversed. If lockboxes are not paid for or returned, the authorized user shall be subject to suspension in accordance with GAAR's collection policy.

If excess lockboxes are not returned, each authorized user agrees to compensate GAAR in the amount of \$100 per lockbox subject to the collection policies of GAAR. If lockboxes are returned, the invoice will be reversed. If lockboxes are not paid for or returned, the authorized user shall be subject to suspension in accordance with GAAR's collection policy.

Upon termination of membership from GAAR, an authorized user must return all lockboxes. Any refund of remaining SWMLS fees shall not be issued to the authorized user until all lockboxes assigned to the authorized user are returned to GAAR. Any outstanding lockbox fees shall be referred to a collection agency.

GAAR will assess a fee of \$100 for every lost, damaged, destroyed, and unreturned lockbox. A cleaning fee of \$100 will be assessed for each returned lockbox when applicable. (i.e. paint, stucco, ink, etc.) Collection of these amounts will follow the GAAR collection policy and non-payment will result in suspension of membership.

Fees assessed for lost lockboxes may be reversed, provided the authorized user shows proof of possession.

GAAR will assess a fee for every missing shackle and/or key container from a lockbox returned to GAAR. Fees will not exceed the costs of the replacement parts. Collection of these amounts will follow the GAAR collection policy and non-payment will result in suspension of membership.

Stolen lockboxes will not be subject to the \$100 fee so long as a police report is made within 30 days after the lockbox is stolen and the police report is submitted to GAAR within 30 days after the date the police report is issued. If a police report is not made or not submitted to GAAR within the specified timeframes, the authorized user agrees to compensate GAAR in the amount of \$100 per stolen lockbox. All fees are subject to the collection policies of GAAR. If stolen lockboxes are not paid for, the authorized user shall be subject to suspension in accordance with GAAR's collection policy.

Every authorized user who is a listing broker is eligible to participate in the True-Up Opt-Out plan. Excess lockboxes that are required to be returned to GAAR during the True-Up period can be kept by the authorized user by paying an Opt-Out fee of \$100 per lockbox.

The \$100 Opt-Out fee is the prepayment of the full lease price of each lockbox. While these lockboxes will not be subject to future True-Up events, they must be returned to GAAR when GAAR's contract with Supra expires or upon the authorized user's termination from their membership with GAAR (whichever comes first).

All Opt-Out fees issued are subject to the collection policies of GAAR. If lockboxes are not paid for, the authorized user shall be subject to suspension in accordance with GAAR's collection policy.

All Opt-Out fees are non-refundable at any time, regardless of circumstance.

Chapter 7: Education

Section 7.1: Program Guidelines

Date of Modification: August 2011, September 2020

The Greater Albuquerque Association of REALTORS® (GAAR) sponsors a variety of programs that support the professional development of members. The types of programs offered will be guided by the needs of the members. Not all education programs will offer continuing education (CE) credits.

Courses offering CE, which are sponsored by GAAR, will be administered in accordance with the New Mexico Real Estate Commission (NMREC) Rules and Regulations. To ensure compliance with attendance requirements defined by the NMREC, registrants are responsible for arriving by the start time of the class, returning from lunch at the time communicated by the instructor, and conforming to other break periods as defined by the instructor. Instructors determine time and duration of class breaks to ensure that the length of the class meets all NMREC requirements.

CE credits will not be provided to any person who does not meet the attendance requirements of the NMREC.

GAAR reserves the right to confirm the identity of a participant prior to granting CE credits.

GAAR strives to maintain an environment that supports learning and reserves the right to remove anyone from the program who is demonstrating disruptive behavior that distracts the instructor and/or attendees and negatively impacts the effectiveness of the program.

Section 7.2: Registration, Cancellation, and Refunds

Date of Modification: August 2011, September 2020

Attendees of CE programs sponsored by GAAR are asked to complete a registration process. This process is not complete until payment, if applicable, is received. Records of program completion or continuing education will be distributed only after payment has been processed.

GAAR reserves the right to cancel any program/class. When cancellation is due to inclement weather or other unforeseen circumstances that can be corrected with time, repairs, etc., every attempt will be made to reschedule the program as quickly as possible.

Under most circumstances, refunds of fees, which are collected and processed by GAAR for GAAR sponsored education programs, will be granted, or tuition credits issued as follows:

1. Registrants will receive a full refund or education credit if GAAR cancels a class.

2. If unable to attend a program/class, a registrant must notify GAAR in writing (email is acceptable) to receive consideration for any fee adjustment.
3. If GAAR receives written notification at least 48 hours (2 business days) prior to the date of the class that a registrant will not be attending, the registrant will receive a full refund.
4. If GAAR receives written notification at least 24 hours prior to the beginning of the class that a registrant will not be attending, the registrant may request, in writing, a tuition credit.
5. Failure to notify GAAR in writing, at least 24 hours prior to the beginning of the class that a registrant will not be attending will result in forfeiture of registration fee.

Modifications to the above refund/tuition credit guidelines can be made at management's discretion to accommodate unique circumstances of an event or class (i.e. speaker imposes a significant cancellation penalty; payments are not collected by GAAR, registrant unable to attend due to unforeseen circumstance, etc.) Modifications to the normal policy will be communicated at the time the event is promoted.

A tuition credit can only be used toward another GAAR sponsored education program for which GAAR collects and processes payment. The member/registrant is responsible for using the tuition credits within one year of the date issued. Unused credits will not be refunded.

Refunds/tuition credits will not be granted to attendees who do not meet the attendance requirements of the program or who are asked to exit the program due to disruptive behavior.

Section 7.3: Audience and Fees

Date of Modification: August 2011, March 21, 2018, September 2020

GAAR sponsored continuing education courses shall be offered to all real estate licensees.

Program Fees: Program fees will be assessed based upon a variety of factors such as length of program, instructor compensation and/or agreement, student material costs, royalty fee requirements (i.e. REBAC programs), etc.

Course fees for attendees who are not GAAR REALTOR® members may be higher than those fees for GAAR REALTOR® members.

Group Discounts: Brokerages that wish to schedule continuing education courses where GAAR staff acts as instructor and/or the sponsoring party; brokerage will qualify for a 25% program fee discount. To qualify for a group discount, brokerage must have a minimum of 10 brokers attending the scheduled course.

Instructor Fees: The terms of each compensation model used by GAAR will be periodically reviewed by the LEAP Committee to ensure continued viability. GAAR staff will negotiate compensation with each instructor as appropriate and approved by the Chief Executive Officer.

CE Certificate Reprints: At the completion of each GAAR sponsored class, GAAR transmits CE records (for eligible participants who met all requirements) electronically, as specified by the NMREC, and/or issues a CE certificate directly to the attendee via email.

It is the responsibility of the class participants to monitor the accuracy of their CE records and to retain their CE certificates (if applicable) in a safe location. Upon special request, GAAR will re-issue CE certificates. CE certificates will be emailed within 48 hours (two business days) after the request has been received and acknowledged.

Section 7.4: LEAP Committee (Leadership, Education, and Achievement Programs)

Date of Modification: August 2011, September 2020

The LEAP Committee will identify, recommend, and/or provide tools, processes, and programs that support the professional development of members; and will ensure the completeness and currency of any policies that address education, use of the GAAR facilities, and others as requested.

To prevent any appearance of conflict of interest, individuals who could be candidates to receive compensation for their services from GAAR or the Southwest Multiple Listing Service shall abstain from voting that affects the determination of courses offered at GAAR that they teach.

Section 7.5: Program Selection

Date of Modification: August 2011, September 2020

With the advice of the Executive Committee, GAAR staff will select programs and providers using a variety of methods to identify member needs. Examples of methods or sources of information used to identify needs could include (but are not limited to): input from the LEAP Committee and/or other committees or groups partnered with GAAR; analysis of behavior/practice trends identified through the Professional Standards and Ombudsman Programs, as well as the New Mexico Real Estate Commission; input from Legal Counsel; changes in regulatory requirements; industry drivers and trends; focus groups and member surveys; instructor evaluations.

Section 7.6: Distance Learning

Date of Adoption: September 2020

The Greater Albuquerque Association of REALTORS® shall offer courses via distance learning platforms. In addition to Section 7.1 of the GAAR Policy Statements, attendees must adhere to the following guidelines to receive credit for attending a distance education course online.

- The device must have a camera and microphone. The camera ensures GAAR can account for attendee participation. Adjust the device so that the attendee's face is visible on camera and so that they are not too far away.

- Test device prior to the beginning of the class
- Participants must be in attendance, seated and actively participate for a minimum of 50 minutes (*including class breaks*) of each hour to get credit.
- Attend in a physical space that will allow the attendee to focus on the class and participate without distracting classmates and the instructor. Treat the class as though you are in a live classroom – sitting in a chair at a desk or table.
- Any deviation from the above guidelines will revoke CE credit and attendee will need to reschedule the class.

Chapter 8: Government Affairs

Section 8.1: Government Affairs

Date of Modification: August 2011, September 2020

The Greater Albuquerque Association of REALTORS® (GAAR) will strive to maintain a proactive and non-partisan approach to issues that protect and enhance the industry as well as others contained in the GAAR Quality of Life Statement (refer to Section 8.2). The Quality of Life Statement provides a framework for member involvement, focus, and position on issues of public policy.

GAAR will work closely with the New Mexico Association of REALTORS® (NMAR) and the National Association of Realtors (NAR) on industry and Quality of Life Statement related issues on the state and national levels.

GAAR represents members in Bernalillo, Valencia, Torrance, and Sandoval counties on industry and Quality of Life Statement related issues at the municipal and county levels.

Section 8.2: GAAR Quality of Life Statement – A Framework for Action

Date of Adoption: August 2011, September 2020

PROTECTING PRIVATE PROPERTY RIGHTS

REALTORS® believe that private property rights are the fundamental tenet upon which our nation was founded and are guaranteed by both the New Mexico State Constitution and the United States Constitution. REALTORS® strongly support the right of each individual to own, use, and transfer real property. REALTORS® firmly maintain that the best decisions are made by property owners in collaboration with political bodies closest to the voters.

To that end, REALTORS® support and encourage consumer protection programs that are consistent with maintaining and enhancing private property rights as well as education programs designed to inform the public of the existence and benefits of such programs. REALTORS® also recognize water as one of the cornerstones of private property rights and support a common-sense approach to the government's control of ownership rights and usage of this valuable resource.

SUPPORTING A VITAL AND VIBRANT ECONOMY

REALTORS® believe that vigorous and fair competition is essential to the maintenance of the free enterprise system, and the best way of encouraging economic development. A broad tax base is crucial to the government's ability to provide and update infrastructure and deliver necessary services to communities and citizens across New Mexico.

REALTORS® believe that a well-educated citizenry is an essential component of New Mexico's economic well-being and support programs and legislation to improve the educational system that are prudent, accountably administered and strategically focused on demonstrable results to maximize each dollar invested.

To that end, REALTORS® support strong economic development in both cities and rural areas to increase the quality of life for New Mexicans by assuring strong job creation, a sustainable economy, a myriad of opportunities, increased purchasing power, a broadened tax base, and the vitality of a community with a diversity of views and experience.

REALTORS® support legislation that promotes a healthy business climate which encourages business to locate and thrive in the state; that makes it easier to operate small businesses; spurs business growth; promotes regulatory reform that would avoid duplicative regulation; streamlines permitting processes and procedures; provides user friendly government assistance for small business; and promotes the ability of the business community to offer health care benefits that are affordable and meet the needs of their employees.

ASSURING HOUSING OPPORTUNITIES – THE AMERICAN DREAM

REALTORS® believe that home ownership is indeed the American dream and that it fosters responsibility and stability in communities, grows positive civic values, and increases individuals' financial security.

To that end, REALTORS® support efforts to afford all residents of the State of New Mexico the opportunity to live in safe, affordable, and sanitary housing and favor legislative measures aimed at increasing the availability and affordability of housing. REALTORS® support Fair Housing.

PRESERVING THE LAND OF ENCHANTMENT

REALTORS® recognize the superb landscape and natural amenities in which New Mexicans are privileged to live and are firmly committed to protecting that quality of life. REALTORS® recognize the value of open space, parks, and recreational opportunities for all residents and visitors, and the value which these items bring to surrounding properties and the economy of the state. REALTORS® recognize that property development, management and preservation of natural resources are vital in order to protect our existing and future housing stock, as long as the economic factors are also taken into consideration.

To that end, REALTORS® support policies, regulations, and statutes that serve to protect the Land of Enchantment through the marketplace, and with incentives, in each instance with fair

and just compensation. REALTORS® urge continued action in the protection of the quality of our air, water, and land.

SUPPORTING QUALITY NEIGHBORHOODS AND COMMUNITIES

REALTORS® strongly believe that communities flourish when they offer a high quality of life at a reasonable cost and when they are located in proximity to areas where people work, play, and shop. Strong communities offer a diversity in housing choices, employment opportunities, a high-standard of public schooling, open space, access to public transportation, and community infrastructure.

To that end, REALTORS® believe that Government must encourage the construction of needed capital infrastructure, such as community water systems, community waste systems, upgraded roads and highways, and schools. Further, REALTORS® recognize the need to partner with government in long-term planning to accommodate smart growth in residential, commercial, and industrial areas.

Section 8.3: The Real Estate Community Political Action Committee (RECPAC), Public Policy Advisory and RPAC Fundraising Group

Date of Adoption/Modification: November 2016, September 2020

The Real Estate Community Political Action Committee (RECPAC) has been established to provide advocacy to leadership and members of GAAR and CARNM. RECPAC operates under its own bylaws and policies. The RECPAC Board of Trustees is approved by the Boards of GAAR and CARNM respectively and has responsibility to manage funds raised by volunteer contributions from REALTOR® members. Funds raised by RECPAC are intended to be used for member education campaigns and other advocacy activities as deemed appropriate by the trustees. Funds may also be used to finance candidates for local public office and state public offices within the geographical jurisdiction of GAAR and CARNM.

The purpose of the Public Policy Advisory/RPAC Fundraising Group is to ensure there is effective communication between the local boards (GAAR and CARNM), the Trustees of the Real Estate Community Political Action Committee and the RPAC-NM Trustees so that the wishes of the local boards are fully represented to RPAC-NM when determining positions on advocacy issues and contributions to state candidates within the central district. The Group is also responsible for developing and leading RPAC-NM fundraising initiatives to ensure their respective local boards reach their monetary and participation goals.

Members (Public Policy Advisory/RPAC Fundraising Group):

- President-elect of the GAAR Board (1-year term)
- President-elect of the CARNM Board (1-year term)
- GAAR's Co-Chair – selected from RECPAC Trustees by the (a) RECPAC Trustees or (b) GAAR BOD (3-year term)
- CARNM's Co-Chair – Selected from RECPAC Trustees by the (a) RECPAC Trustees or (b) CARNM BOD. (3-year term)

- Central District RPAC-NM Trustees (2-year terms)
- Central District Vice President

The Association Executives for each local Board shall serve as non-voting members. The Co-Chair's representing each board shall not serve as a Central District RPAC-NM Trustee.

Sub-committee: RPAC-NM District Selection Committee for the Central District.

The Central District Vice President, President-Elect and Public Policy Advisory Group Co-Chairs for each board shall be named as automatic members as the RPAC-NM District Selection Committee for the Central District. The purpose of the District Selection Committee shall be to meet and review all applicants for RPAC-NM Trustee positions considering input from local Boards and shall select the Trustees to serve as the district's representative on the RPAC-NM Board of Trustees.

Chapter 9: Asset Management

Section 9.1: Asset Management Advisory Group

Date of Adoption: September 2020

The purpose of the Asset Management Advisory Group is to oversee and manage assets owned by or acquired by GAAR. This group shall consist of three to five members appointed by the President and approved by the GAAR BOD. Members must demonstrate expertise in commercial property ownership and management and be willing to advise the BOD on matters pertaining to the efficient and effective management of assets owned by GAAR, accounting for highest and best use as well as long term profitability as it may pertain to non-dues revenues.

Members of the Asset Management Advisory Group will be responsible for creating policies and rules governing the management of assets subject to the approval of the GAAR BOD and direct staff to maintain those assets. Members will serve a three-year term and are encouraged to serve multiple terms with no term limit.

Chapter 10: Facility Use & Rental (1635 University Blvd NE)

Section 10.1: Guidelines for Use of GAAR Facility & Surrounding Property

Date of Adoption: August 2011

The primary purpose of the Greater Albuquerque Association of REALTORS® (GAAR) facility is to provide a central location for conducting GAAR and Southwest Multiple Listing Service (SWMLS) business and providing benefits, services, and programs to members.

Selected areas of the GAAR facility, which include small conference room(s) and computer or telephone work stations, are available for members to use on a non-regular basis for business related tasks, free of charge, when not in use for GAAR sponsored or sanctioned functions. Members may be required to reserve the space for their use at specific times.

The facility may be used by groups or organizations within the REALTOR® family, as well as other organizations from business and industry, provided the following guidelines are met.

- A. Facility may be used for business related programs and functions only. Non-business related functions such as religious services, private parties, etc. are prohibited.
- B. Facility may not be used for political activities, unless directly related to/sponsored by the REALTOR® organizations.
- C. Facility may not be used to promote programs counter to the interests of the Real Estate Industry, or in competition with programs sponsored by GAAR or SWMLS.
- D. Facility may not be used to advertise or sell products and services to members unless directly related to an approved program being held at the facility.
- E. Facility may be used for REALTOR® member continuing education or professional development programs if programs are sponsored or co-sponsored by GAAR; if programs are sponsored by an official NAR Affiliate such as CRS; or if programs are

offered primarily to brokers of the sponsoring REALTOR® member company. Depending on the use and user category (refer to Section 10.2), facility rental fees may apply.

- F. Facility may be used only for the purpose stated in the agreement between GAAR and the user.

GAAR reserves the right to limit/restrict use of the facility to any requester.

User must comply with all applicable laws and regulations and all requests of GAAR with regard to the use of the space. Additionally, users who rent the GAAR facility will be required to sign a Use Agreement, which further details the terms and expectations of the rental agreements.

Section 10.2: Guidelines for Determining Rental Fees

Date of Adoption: August 2011

On a periodic basis, the facility rental fees will be reviewed to ensure alignment with the local area market. Discounts available to different categories of users will be reviewed by the Professional Development Advisory Group and approved by the GAAR BOD. User categories, allowances, and discounts follow.

User Category 1: State and Local REALTOR® Associations and NAR Affiliates

State and Local REALTOR® Associations and local chapters of NAR Affiliates (i.e. CRS, etc.) may use conference rooms for non-revenue producing meetings at no charge, if the rooms are not needed for GAAR and SWMLS programs or business. A small use fee may be assessed to cover equipment used, cost of coffee service, etc.

Any room used for a revenue producing event and/or any classroom may be rented at a 50% discounted rate. Room rental fees can be bundled with other GAAR provided services when negotiating a revenue share agreement between GAAR and the user.

User Category 2: Non-NAR Affiliated Real Estate Associations, Government and Nonprofits

Organizations in this category may rent facility space at a 25% discounted rate. Room rental fees can be bundled with other GAAR provided services when negotiating a revenue share agreement between GAAR and the user.

User Category 3: Public, For-Profit Organizations

Organizations in this category will pay full rates to use any space at the REALTOR® Building.

Section 10.3: Facility Oversight

Date of Adoption: August 2011

A designated member of the GAAR staff must be present and available when any portion of the facility or parking lot is being used for a GAAR sponsored or sanctioned event.

Section 10.4: Service Animals

Date of Adoption: September 2019

GAAR prohibits bringing a pet (a domestic animal kept for pleasure or companionship) to work or having a pet in GAAR-controlled buildings and premises, with the exception of service animals for a person with disabilities.

Service Animals

According to the Americans with Disabilities Act (ADA), a service animal is defined as “any animal individually trained to work or perform tasks for the benefit of an individual with a disability, including, but not limited to, guiding individuals with impaired vision, alerting individuals to an impending seizure or protecting individuals during one, and alerting individuals who are hearing impaired to intruders, or pulling a wheelchair and fetching dropped items.”

A person with a disability uses a service animal as an auxiliary aid. In compliance with the ADA, service animals are welcome in all buildings on company property and may attend any class, meeting, or other event. There may be an exception to certain areas.

Employees requesting accommodation for a disability that includes a service animal must contact the human resource (HR) department and complete a Documentation of Disability form. All service animals must be registered with the HR department.

Requirements of service animals and their owners include:

- All animals need to be immunized against rabies and other diseases common to that type of animal. All vaccinations must be current.
- Animals must wear a rabies vaccination tag.
- All dogs must be licensed per state law.
- Service animals must wear an owner identification tag (which includes the name and phone number of the owner) at all times.
- Animals must be in good health.
- Animals must be on a leash, harness, or other type of restraint at all times, unless the owner/partner is unable to retain an animal on leash due to a disability.
- The owner must be in full control of the animal at all times. The care and supervision of the animal is solely the responsibility of the owner/partner.
- The owner/partner must provide the HR department staff with information as to how the animal accommodates for the individual’s disability.

Reasonable behavior is expected from service animals while on company property. The owners of disruptive and aggressive service animals may be asked to remove them from [Company Name] facilities. If the improper behavior happens repeatedly, the owner may be told not to bring the service animal into any facility until the owner takes significant steps to mitigate the behavior.

Cleanliness of the service animal is mandatory. Consideration of others must be taken into account when providing maintenance and hygiene of service animals. The owner/partner is expected to clean and dispose of all animal waste.

Chapter 11: Member Benefits

Section 11.1: Selection of Benefits

Date of Modification: November 2016

The Greater Albuquerque Association of REALTORS® (GAAR) will attempt to negotiate discounted rates and special opportunities or offers with external businesses that provide a wide variety of products and services, which would be of value or benefit to members in both their private and professional lives. Examples of these types of benefits include insurances of all types, discounts on memberships, office supplies, etc.

Benefits must offer additional value to members beyond the normal promotions offered by the company to the general public.

Benefits will be promoted broadly to all members.

Prospective Benefit Partners will be vetted and submitted to the BOD for final approval.

External businesses participating in the Benefit Partner Program are not GAAR members, although GAAR members may submit their external firms for consideration in the Benefit Partner Program.

Section 11.2: Review and Approval

Date of Modification: November 2016

Each Calendar year, the Benefit Partner firm must resubmit their application for review to evaluate the continued value of products or services offered to members by non-GAAR providers and will submit annually for final BOD approval.

Section 11.3: Separation from Benefit Partner Program

Date of Adoption: November 2016, September 2020

Cause for removal from the program include but is not limited to:

- Multiple member complaints (2 or more)
- Discount not honored
- Poor workmanship/delivery of products/services
- Benefit Partners may also be removed from the program for any conduct that in the opinion of the BOD, applied on a non-discriminatory basis, reflects adversely on the terms REALTOR® and REALTORS®, and the real estate industry or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association and the National Association of REALTORS®.

Process:

- GAAR staff reviews the complaint and contacts Benefit Partner for (a) their response and (b) to correct the issue if possible.
- If the issue is corrected, the action is recorded in their file. If the issue is not corrected, it is referred (along with staff notes) to the Community Relations Committee for review and recommendations.
- If the Community Relations Committee recommends removal, then the recommendation is sent to the GAAR BOD for review and action (i.e. to keep, put on probation or to be removed from the program).

Cause for Suspension:

Benefit Partners can be suspended if they fail to provide updated contact or program details leading to inaccurate information on GAAR.com. During the suspension, the Benefit Partner will be inactivated on GAAR.com until the corrected information is provided.

Chapter 12: Member Recognition Awards

Section 12.1: Annual Standing Awards

Date of Modification: November 28, 2018

To recognize members for outstanding professional accomplishments and contributions to the industry and community, GAAR has established a set of standing awards that can be presented annually to selected members. The timing and manner of presentation will be at the discretion of the GAAR Executive Committee. The standing awards include: Rookie of the Year, Salesperson of the Year, Sales Manager of the Year, Doyle Pargin Lifetime Achievement Award, REALTOR® of the Year, and Affiliate of the Year. Additional permanent awards may be established upon approval of the BOD.

Section 12.2: Nominating Candidates for Standing Awards

Date of Modification: November 15, 2017

Criteria for each of the standing awards will be reviewed periodically, with significant changes to criteria being approved by the GAAR Executive Committee. All active REALTOR® members of GAAR will be invited to nominate candidates for each award, including Affiliate of the Year. In addition, all active affiliate members of GAAR will be invited to nominate candidates for the Affiliate of the Year award.

Section 12.3: Selecting Recipients for Standing Awards

Date of Modification: November 28, 2018, September 2020, September 2021

The selection committees for the Rookie of the Year, Salesperson of the Year, Sales Manager of the Year, Doyle Pargin Lifetime Achievement Award and REALTOR® of the Year awards will consist of previous winners of the awards. The award recipient from two years prior to the current year will serve as chairperson for each of the selection committees. The committees are not obligated to present an award if nominations are not submitted or award criteria are not met.

Additionally, one (1) member from the GAAR BOD shall serve on the Rookie of the Year, Salesperson of the Year, Sales Manager of the Year, and REALTOR® of the Year selection committees. The BOD member will not be a voting member of the selection committee, their role will be to oversee the process, assist the committee in following the established policy criteria and in the tabulation of votes. These BOD members may not be a past award recipient for the selection committee he/she is serving on.

The selection committee for the Affiliate of the Year award will consist of previous winners as well as past Chairs of the Affiliate Committee. The immediate Past Chair of the Affiliate Committee will serve as chairperson of the selection committee. The committee is not obligated to present an award if nominations are not submitted, or award criteria are not met.

Only the award for Rookie of the Year can have up to two (2) recipients for the year, who shall be from different companies. If two candidates are selected, and they are from the same company, only the one candidate with the most votes may be selected. All other annual awards can have only one recipient named.

Section 12.4: Additional Ad Hoc Recognition Awards

Date of Adoption: April 18, 2012

The GAAR President may recommend that a member receive a Special Recognition award for making a unique and impactful contribution to advancing one or more goals of GAAR in that year. The President may also recommend that a member be honored for the longer-term impact made during his/her career to the profession, industry, and/or community. In this case, the contribution of the individual has been so significant that a Distinguished Service award is justified. Recipients for these types of ad hoc awards, Special Recognition and Distinguished Service, are recommended by the President and approved by the BOD.

Section 12.5: Annual REALTOR® Membership Dues and Fees Scholarship

Date of Adoption/Modification: April 18, 2012, September 2020

GAAR will partner with the business community to establish and administer the annual GAAR/SWMLS scholarship(s). GAAR, working in conjunction with the company that funds all or part of the scholarship(s), will determine the eligibility requirements, review the submitted applications, and select the recipient of the scholarship(s).

Chapter 13: Professional Standards

Date of Modification: November 28, 2018, September 2020

Section 13.1: Code of Ethics Enforcement & Dispute Resolution System

The Greater Albuquerque Association of REALTORS® (GAAR) hereby adopts the *Code of Ethics and Arbitration Manual* (CEAM) of the NATIONAL ASSOCIATION OF REALTORS® (NAR), as amended from time-to-time, for the enforcement of the Code of Ethics, for addressing disciplinary matters, and for the mediation and/or arbitration of disputes. Within 60 days of the effective date of the revised CEAM (January 1 of each year), GAAR will implement all modifications into its administration of professional standards matters. GAAR BOD will decide on any required action called out in the CEAM Section, "Areas of the CEAM Requiring BOD Action."

In all references in the CEAM to local Board or Association of REALTORS®, GAAR will be inserted. In all references to State Association of REALTORS®, New Mexico Association of REALTORS® (NMAR) will be inserted. In all references to State, New Mexico will be inserted.

The Professional Standards Administrator (PSA) will successfully complete the NAR's Professional Standards training every four (4) years.

GAAR adopts NAR's Dispute Resolution System as documented on www.nar.realtor.

GAAR expects all REALTOR® Members to uphold the Code of Ethics and the Articles, Bylaws, Policy Statements, and Rules and Regulations of GAAR, and to comply with all REALTOR® membership duties, and all Affiliate Members e Members to abide by the Articles, Bylaws, Policy Statements, and Rules and Regulations of GAAR, and to comply with all membership duties not expressly limited to REALTOR® members. Alleged violations of the Code of Ethics or of the Constitution, Bylaws, Policy Statements, and Rules and Regulations of GAAR, or noncompliance with any other membership duty, will be processed according to the procedures set forth by GAAR. If a member is found in violation of the Code of Ethics, the bylaws or policy statements, or any other membership duty after a due process hearing, any recommended sanctions and/or disciplinary actions will be reviewed for ratification by the BOD.

In alleged violations of a membership duty in which there is no Complainant, the matter will be reviewed by the GAAR Chief Executive Officer and the Professional Standards Administrator, and if deemed necessary, will be referred to the Grievance Committee for a determination on whether there is sufficient evidence to warrant a Professional Standards hearing.

Section 13.2: Cooperative Enforcement and Multi-Association Agreements

In compliance with NAR's Policy Statement 40, a Cooperative Enforcement Agreement was established between GAAR and the Santa Fe Association of REALTORS® to ensure fair, impartial, and knowledgeable enforcement of NAR's Code of Ethics.

A Multi-Association Professional Standards Enforcement Agreement was established between GAAR and the Commercial Association of REALTORS® New Mexico (CARNM) to administer professional standards cases involving at least one GAAR member and at least one CARNM member. Multi-association committees will be created only as needed to ensure due process to each association member in the resolution of particular cases, either residential or commercial matters, that involve multiple association members.

Expenses related to the processing of cases under a cooperative enforcement agreement or with NMAR will be borne by the administering association unless otherwise established and agreed to by both signatory associations. Fees charged to the parties will be consistent with those adopted into the bylaws and policies of the administering association.

Section 13.3: Role of BOD in Professional Standards

The President of GAAR may appoint the Executive Committee or a Panel of Directors, acting on behalf of the BOD, to hear ethics complaint appeals, requests for procedural reviews, and appeals of Grievance Committee decisions. Any Panel so appointed must be composed of at least five (5) Directors or a quorum of the BOD, whichever is less. GAAR will make all reasonable efforts to impanel an impartial Panel to conduct hearings, appeals or procedural review. These efforts may include the appointment of knowledgeable Members of GAAR on an ad hoc basis to serve either on a Hearing Panel or on behalf of the BOD.

All ratifications of ethics hearing decisions shall be reviewed and decided upon by the GAAR BOD.

A member of the BOD may continue to serve on the Grievance or Professional Standards Committees, except as committee chairperson, for the balance of his/her appointments to the committee. They may not be re-appointed to one of these Committees while serving as a Director.

Members of the BOD of the Southwest Multiple Listing Service, Inc. may serve concurrently on the Grievance or Professional Standards Committees.

A member of the BOD shall excuse themselves from any action before the BOD for which they reviewed or heard the matter as a member of the Grievance Committee, a Professional Standards Hearing Panel, or as part of any other GAAR conflict resolution process.

Members of the BOD shall excuse themselves from any action involving the real estate firm with which they are affiliated. They must excuse themselves from any action in which he/she has a real or perceived conflict of interest, or in cases where they cannot be impartial and unbiased.

All members of the BOD shall attend annual Professional Standards training [minimum two (2) hours] developed for Directors to ensure complete understanding of BOD's actions in hearing appeals, requests for procedural reviews, and conducting ratifications. BOD members who are not up to date with their training will not participate in the ratification of ethics decisions, or in the hearing of appeals or procedural reviews.

All Professional Standards actions by the BOD are confidential and closed sessions.

Section 13.4: Committee Membership

The Grievance Committee shall consist of at least twelve (12) members of GAAR. A quorum for each Grievance Committee case ruling shall consist of at least five (5) voting Members.

The Professional Standards Committee shall consist of at least twenty-two (22) members of GAAR.

Appointments to the Grievance and Professional Standards Committees will be for a three-year term, with each new term commencing on the 1st day of January of any given year. Appointments will be made by the President of the BOD and approved by the BOD. Terms may be extended for an additional three years with approval by the BOD. At the beginning of the calendar year, the President of the BOD will select the Chairpersons of the Committees, and the President-Elect of the BOD will select the Vice-Chairpersons of the Committees.

Appointees to the Grievance and Professional Standards Committees must meet the following standards:

- (a) Be a REALTOR® in good standing for the past five (5) years on a consecutive basis with no ethics violations in the three (3) years prior to consideration for committee membership;
- (b) Once an appointment is made, any committee member found in violation of the Code of Ethics will be removed from the Committee for a period of three (3) years from the date the decision becomes final; and
- (c) Any committee member who no longer maintains active membership status in GAAR will be removed from the committee.

No member may serve concurrently on the Grievance and Professional Standards Committees. Members who are serving as GAAR mediators or ombudsmen may not be active members on either the Grievance or Professional Standards Committees.

A member of the Grievance or Professional Standards Committee shall excuse themselves from any action involving the real estate firm with which they are affiliated. They must excuse

themselves from any action in which they have a real or perceived conflict of interest, or in cases where they cannot be impartial and unbiased.

All new members of the Grievance and Professional Standards Committees must attend a Professional Standards training session targeted at their responsibilities on either the Grievance or the Professional Standards Committee [minimum four (4) hours] prior to becoming a voting member on either committee.

All Grievance Committee and Professional Standards members shall annually attend a training course related to professional standards, such as a class on Code of Ethics, procuring cause, business ethics, professionalism in real estate, mediation, etc. [minimum three (3) hours]. If members do not participate in a class prior to the end of the third quarter of the year, their Committee membership will be terminated. All committee members must attend the (four-hour) Professional Standards Committee training course at least once in a three-year period to retain active membership. All Grievance Committee meetings and Professional Standards hearings are confidential and closed sessions. All committee members must review and sign a confidentiality agreement annually.

Section 13.5: Grievance Committee

Ethics Complaints and Requests for Arbitration shall promptly be referred to the Chairperson of the Grievance Committee for determination by the Committee within forty-five (45) days as to whether the matter should be referred for a Professional Standards hearing.

Grievance Committee members assigned to assist a non-member complainant in preparing a proper complaint shall provide only procedural assistance and shall not act as the complainant's advocate or representative. They shall recuse themselves from the Grievance Committee's review and decision on that specific case.

The Grievance Committee, in extremely rare circumstances and only if deemed appropriate, may request the party(ies) named as respondent(s) in the ethics complaint or a request for arbitration to provide the Grievance Committee with a written response to the ethics complaint or the arbitration request prior to the Grievance Committee making a determination on the matter. The respondent(s) will have fifteen (15) days to submit their response.

Section 13.6: Hearings

A Hearing Scheduling Conference will be conducted with the parties to an ethics or arbitration matter for the following reasons: (a) to review the hearing process; (b) to answer any procedural questions; and (c) to set a date for the hearing. The Conference is not intended, nor will it be allowed, to be a hearing on the merits of the case. The Scheduling Conference may be conducted in person or by teleconference.

Any party may file with GAAR a written request for disqualification of a member of a tribunal (Hearing Panel or BOD), stating the grounds alleged as the basis for disqualification. A party shall be deemed to have waived any grounds of disqualification of which he then has knowledge

unless he files the request within ten (10) business days from the date a list of names of members of the Professional Standards Committee or BOD has been mailed to the party.

A Professional Standards Hearing Panel shall have a non-voting chair with three (3) or five (5) Panel Members, unless modified by unanimous agreement of all parties to the hearing. Additional Panel Members shall serve as non-voting alternates and are bound to same duties that are applicable to panel members. They shall attend the hearing but not ask questions of the parties and/or the witnesses. While they can be present in the Executive Session, they may not participate in deciding the matter. The alternates would only participate in the hearing and vote at the Executive Session if one or more of the other Panel Members cannot complete their charge.

Hearing panel packages, including the ethics complaint or arbitration request, and responses, if any, will be provided to Hearing Panel Members a minimum of seven (7) days prior to a hearing.

The Hearing Panel Chairperson, or the Professional Standards Chairperson in the Hearing Panel Chairperson's absence, will rule on any requests for postponement of a hearing.

If a prehearing meeting of the Hearing Panel is required, the Hearing Panel Chair will determine whether parties may be present, and the extent to which their participation will be permitted.

GAAR shall have a court reporter present at all ethics and arbitration hearings or shall record the proceedings. GAAR's recording or transcription shall be considered the official record of the proceeding. At the BOD's discretion, any party may record the proceeding or utilize a court reporter at their own expense; and must provide a copy of any transcribed recordings to the GAAR Professional Standards Administrator. If the BOD utilizes a court reporter in lieu of recording, the parties may not be prohibited from making their own recording. Videotaping of ethics or arbitration hearings is not permitted except with the advance express consent of the parties and the panel members. The recording or any transcription prepared from a recording of the hearing shall be strictly confidential and used only for the purpose of appeal or procedural review. Such recording or transcription may not be introduced into evidence at any subsequent proceeding other than an appeal or a procedural review. If requested within the time frame allowed for appeals or procedural reviews, parties may obtain a copy of GAAR's official recording subject to payment of any GAAR's duplication or transcription costs. GAAR will not record appeals and limited procedural reviews.

Parties and their witnesses may request permission to participate in hearings via teleconference or videoconference. Requests will be determined at the discretion of Hearing Panel Chair. Only parties eligible to attend entire hearing can participate "remotely" for entirety of the hearing; witnesses would only participate "remotely" for their own testimony. Panels, staff and counsel will take necessary measures to preclude unauthorized individuals from being in the presence of "remote" participants to ensure the confidentiality of the proceedings. Parties must present evidence that any taped testimony by a party or a witness was taken under oath and includes a certification by a disinterested third-party as to the identity of the party or witness along with the date, time and location of the recording. Costs of "remote" testimony shall be the responsibility of the requesting party.

Matters in front of a Hearing Panel may be continued at any time if the Hearing Panel believes they should have Board Counsel present.

All hearing panel decisions in ethics and arbitration matters will be reviewed by Board Counsel prior to becoming final and being distributed to the Complainant(s) and Respondent(s).

Section 13.7: Ethics Complaints

GAAR adopts the expedited ethics administration procedures [Part Four, Section 20 (f)-(q)].

GAAR adopts the ethics mediation procedures as outlined in Appendix XI to Part Four of the CEAM.

In ethics hearings, either party may be represented by legal or REALTOR® counsel (or both), and each party is to provide written notice to GAAR, not less than fifteen (15) days prior to the hearing, of an intention to have legal or REALTOR® counsel present, including counsel's name, address, and phone number. Each party is to provide GAAR, not less than fifteen (15) days prior to the hearing, with a list of the names of the witnesses they intend to call at the hearing.

All appeals of Hearing Panel's decisions in ethics matters must be in writing; must be accompanied by a deposit in the sum of \$250 to be held by GAAR; and must be filed with GAAR within twenty (20) days after the Hearing Panel's Decision has been transmitted to the parties. The written request for appeal shall be reviewed by the PSA, as delegated by the GAAR President, within ten (10) days after the appeal was transmitted to GAAR to determine whether the appeal states any legitimate basis for consideration by the BOD. If determined to be insufficient, it shall be returned to the appellant accompanied by an explanation and a request for additional detail to be received within ten (10) days of notice. This initial administrative review is not a decision on the merits of the appeal request. All requests for appeal received by the BOD must be considered by the BOD; and only those bases and issues raised in the written request for appeal may be raised by the appellant in the appeal hearing.

Each party must provide written notice to GAAR, not less than fifteen (15) days prior to an appeal hearing, of (1) an intention to have legal counsel present, including counsel's name, address, and phone number; and (2) any challenges to hearing panel members that they wish to make.

In an appeal of an ethics decision, if the recommendation of the Hearing Panel is adopted, the money deposited by the appellant shall be used to cover costs of the appeal hearing. Any portion not used specifically to cover costs of the appeal shall go into the general operating fund of GAAR. If the panel's recommendation is rejected, the deposit shall be returned to the party who made the deposit. If the recommendation is modified, the BOD shall determine the disposition of the deposit.

Copies of the ethics Hearing Panel's decision, as presented to the full BOD for ratification, will include the names of the parties.

An administrative processing fee in the amount of \$500 will be imposed against each respondent found in violation of the Code of Ethics or other Membership duties. This fee is in addition to any disciplinary sanction imposed. Payment of the administrative processing fee will be made in accordance with the GAAR Bylaws and Policies related to Financial Obligations.

GAAR adopts publication option #1, which allows the names of Code of Ethics violators to be published after a second violation occurs within a three (3) year period. In such a publication, GAAR will not publish the firm with whom the Respondent is affiliated nor the firm's address.

The PSA and the Hearing Panel Chairperson may consider and collectively approve changes to course assignments in instances where courses are no longer available or offered within the specified disciplinary period.

Failure to comply with imposed discipline by the end of the specified six-month disciplinary period by a Respondent found in violation of the *Code of Ethics* will automatically invoke a \$200 penalty and will constitute the basis for consideration by the BOD with regard to any additional action(s) required to ensure compliance with the original discipline imposed. The party failing to comply with the originally imposed discipline will have the opportunity to appear before the BOD to explain the failure to comply. Absent an explanation acceptable to the Directors, additional discipline, including possible suspension or expulsion from membership, may be imposed in a manner consistent with the procedures established in the CEAM.

Section 13.8: Arbitration

GAAR requires Designated REALTORS[®], their firms, and other parties to an arbitration matter to mediate otherwise arbitrable disputes pursuant to Article 17 and be bound by any resulting agreement. GAAR will not provide mediation services for non-arbitrable issues as defined in Appendix I of Part Ten of CEAM.

A request for arbitration must be accompanied by a required deposit of \$250 made payable to GAAR, which funds will be held in a special GAAR escrow account maintained for this purpose.

Submission of a dispute to arbitration by GAAR shall consist of signing and delivering to GAAR either a request or response form provided by GAAR (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 \$250.

Arbitration shall not proceed unless the signed Response and Agreement Form (Form #A-4) and deposit amount of \$250 have been received from the respondent and the respondent appears and takes part in the hearing, or the respondent has been ordered by a court to appear and arbitrate and such court order includes language allowing the arbitration to proceed in the absence of the respondent.

In arbitration hearings, either party may be represented by legal counsel, and each party is to provide written notice to GAAR, not less than fifteen (15) days prior to the hearing, of an intention to have legal counsel present, including counsel's name, address, and phone number.

Each party is to provide GAAR, not less than fifteen (15) days prior to the hearing, with a list of the names of the witnesses they intend to call at the hearing.

GAAR will not hear arbitration matters for disputed amounts less than the sum of the combined arbitration filing fees.

GAAR will provide arbitration hearing services for voluntary arbitration matters.

The arbitration deposits of the parties shall be used to cover costs of arbitration. Any portion not used specifically to cover costs of the arbitration shall go into the general operating fund of GAAR.

GAAR encourages parties to settle their disputes at any time. At the outset of an arbitration hearing and prior to adjournment, the Hearing Panel Chair will inform the parties that settlement is an option. At any time during the hearing, the parties can ask for a recess in an attempt to reach a settlement agreement. The parties, with the assistance of their respective counsel, if any, will determine the terms of their settlement agreement. The parties will be advised that the arbitration will continue to be processed until formally withdrawn by the complainant.

If an arbitration matter is resolved through informal dispute resolution processes (e.g., mediation, ombudsman services, informal negotiations, etc.) prior to the start of an arbitration hearing, GAAR will refund the arbitration filing fees to the parties. If the matter is settled after an arbitration hearing has begun, the arbitration deposits of the parties shall be used to cover the costs of arbitration and any balance shall go into the general operating fund of the GAAR.

If an award is rendered, the non-prevailing party must (within 10 days of transmittal of award) either (1) pay the prevailing party or (2) deposit funds with GAAR's PSA to be held in special escrow account maintained for that purpose. Failure to do so within this time may be considered a violation of a membership duty and may subject the member to disciplinary action at the discretion of the BOD.

The parties have twenty (20) days from the date award was transmitted to the parties to request a procedural review or to notify the PSA that a legal challenge to the validity of the award has been initiated. The Procedural reviews must be accompanied with a \$250 filing fee that will be held in a special escrow account maintained for that purpose. The request for procedural review shall be reviewed by the PSA, as delegated by the GAAR President, within ten (10) days of receipt of the request to determine whether the request states any legitimate basis for consideration by the BOD. If determined to be insufficient, it shall be returned to the requester accompanied by an explanation and a request for additional detail to be received within ten (10) days of notice. This initial administrative review is not a decision on the merits of the procedural review request. All requests for procedural review received by the BOD must be considered by the BOD; and only the bases raised in the written request for procedural review may be raised during the review before the BOD. If there is no procedural review request or legal challenge, the award is final and binding after 20 days of transmittal of the award to the parties and the funds may be released at that time (if held by GAAR).

If the BOD confirms the award in a procedural review, the non-prevailing party has an additional 15 days from transmittal of the confirmation of the award to institute a legal challenge to the validity of the award (i.e., legal counsel must advise BOD in writing of suit). If after 15 days, there are no legal challenges, the funds are released.

Each party must provide written notice to GAAR, not less than fifteen (15) days prior to a procedural review, of (1) an intention to have legal counsel present, including counsel's name, address, and phone number; and (2) any challenges to hearing panel members that they wish to make.

In a procedural review, if the BOD confirms the award of the Hearing Panel, the filing fee submitted by the requester of the procedural review shall be used to cover costs of the procedural review. Any portion not used specifically to cover costs of the procedural review shall go into the general operating fund of GAAR. If the BOD overturns the award based on a substantial procedural error in the hearing process, the filing fee shall be returned to the requester of the procedural review. If the BOD invalidates the original award and directs the matter be referred for a new hearing with a different hearing panel, no additional arbitration filing fees will be charged the parties.

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 BOD to seek judicial enforcement and to request reimbursement of legal fees incurred in seeking enforcement.

Section 13.9: Mediation

Mediation is offered by GAAR to GAAR members and members of the public as a timely and low-cost means of facilitating communications between conflicting parties to promote reconciliation, settlement, and/or agreement. The mediation session is a confidential, voluntary process with neutral and impartial third-party mediators who facilitate and assist with the negotiations.

Mediation is not an evidentiary or fact-finding process; lawyers and witnesses may attend but are not typically needed because of the non-adversary nature of mediation.

Mediators do not render decisions; instead, they assist the parties in coming together to reach their own agreements by clarifying issues and encouraging open discussion of the matter.

GAAR adopts NAR's procedures to mediate potentially unethical conduct. In addition to arbitration matters, issues that may be mediated include potentially unprofessional or unethical conduct concerns; earnest money disagreements; communication conflicts; and other disputes related to real estate transactions or interaction with a REALTOR® member.

Mediation services can be initiated at any time by buyers, sellers, brokers and other parties to a real estate transaction by completing a Request for Mediation and an Agreement to Mediate. This can be done in conjunction with filing an Arbitration Request or an Ethics Complaint. If the

matter is not resolved in mediation, it can move forward through the Grievance Committee process, and if referred by Grievance Committee, to a Professional Standards hearing.

If mediation is requested by a party with respect to an ethics complaint or an arbitration request, the one hundred and eighty (180) day filing deadline shall be suspended beginning with the date of the request for mediation and shall resume when the mediation is conducted and/or terminated.

If the matter for mediation indicates that a potential violation of the public trust may have occurred, the mediation process shall not begin or shall be immediately terminated; and the parties shall be advised of their right to pursue (1) a formal ethics complaint; (2) a complaint with any appropriate governmental or regulatory body; (3) litigation; or (4) any other available remedy. NAR defines public trust as "Demonstrated misappropriation of client or customer funds or property; willful discrimination; or fraud resulting in substantial economic harm."

GAAR requires Designated REALTORS® their firms, and other parties to an arbitration matter to mediate arbitrable disputes pursuant to Article 17 and be bound by any resulting Resolution Agreement. Prior to or upon receipt of an arbitration request, mediation services shall be offered to disputants. This may be prior to review of the arbitration request by the Grievance Committee except where any party requests the Grievance Committee's determination whether an arbitrable issue exists between the named parties and whether the parties would be required to arbitrate, and therefore, to mediate the matter. GAAR will not provide mediation services for non-arbitrable issues as defined in Appendix I of Part Ten of CEAM.

In mediation, the parties have latitude in fashioning a mutually acceptable Resolution Agreement. Resolution Agreements can include, but will not be limited to, payment of disputed funds; repairs or restoration of property; written or oral apology; acknowledgement of a violation of the Code of Ethics; or imposition of appropriate discipline. Any discipline imposed must be agreed to by all of the parties to the dispute. If one of the parties fails to comply with the terms of a mediated Resolution Agreement, the other party(ies) to the Resolution Agreement shall be advised by the BOD to seek judicial enforcement and to request reimbursement of legal fees incurred in seeking enforcement.

Mediators must complete a minimum of forty (40) hours of basic mediation training and have a proven competency in the field of alternative dispute resolution. Co-mediators will be assigned to GAAR mediation cases whenever possible. The PSA will maintain a list of mediators that are approved to conduct mediations for GAAR.

Mediations between GAAR REALTOR® Members will be offered at no cost to the members. Mediations related to ethics concerns will be at no cost to the participants. Mediations between members of the public or between member(s) of the public and a REALTOR® Member(s) related to an arbitration matter will be offered at a cost of \$250 per party, per mediation session. Checks should be made payable to GAAR and will be held in a special escrow account maintained for this purpose.

Each mediator will receive a total of \$200 in compensation, per mediation session. GAAR will retain any balance from any filing fees to cover administrative costs. Parties will not be entitled to any refund of fees unless the dispute is resolved prior to the mediation session.

Section 13.10: Financial Obligations

Any member who fails to pay administrative processing or filing fees, fines, assessments, or arbitration awards within ten (10) days after the due date, are subject to the GAAR's Bylaws and Policies related to nonpayment of financial obligations. Nonpayment of such fees, fines, assessments, or awards may subject the non-paying Member to late fees and to suspension at the discretion of the BOD. All GAAR services, including MLS service and the lockbox program, to a suspended Member shall cease during the time of such suspension.

Section 13.11: Professional Standards Records

In ethics cases, GAAR will retain case files for one year after the decision is made final or upon completion of any imposed disciplinary action, whichever is later, absent a threat of litigation. In arbitration matters, GAAR will retain case files for one year after the decision is final or one year after the award has been paid, whichever is later, absent a threat of litigation. The PSA will request the destruction of court reporters' electronic records and/or transcripts at the time the case records are destroyed.

GAAR will retain final decisions of arbitration Hearing Panels in the non-prevailing parties' Membership files, and final decisions of the BOD relative to ethics proceedings in the respondent's Membership file if a violation has been found. Copies of written warnings or reprimands and copies of confirmation of completion of assigned discipline will also be kept in the Member's file.

In mediation matters, GAAR will retain copies of the Agreement to Mediate and the Confidentiality Statement as signed by all the parties for one year. All other records held by GAAR pertaining to the mediation and any resulting Resolution Agreement will be destroyed immediately following the mediation conference.

Section 13.12: Trademark Enforcement

The terms REALTOR(S)[®] or REALTOR-ASSOCIATE(S)[®] are licensed trademarks. The license for GAAR to use the term REALTOR[®] or REALTORS[®] is granted by NAR. REALTOR[®] members are licensed to use the term REALTOR(S)[®] or REALTOR-ASSOCIATE(S)[®] in connection with their business, subject to the right of GAAR to control, jointly and in full cooperation with NAR, such use within its territory.

NAR has developed guidelines on the proper use of the REALTOR[®] marks and logo, which may be found at www.nar.realtor on the "Law and Policy" page under REALTOR[®] Trademark/Logo Rules. The rules for proper use of the REALTOR[®] marks and logo apply to all advertising media. Additionally, the same rules apply to use of the marks in all forms of electronic advertising, and

social media, including the use of the REALTOR® marks in usernames and URLs as a part of the domain name for real estate businesses.

Upon its knowledge of a misuse of the REALTOR® marks, GAAR will notify the members and their Qualifying Broker (if applicable) of the misuse. The Notice of Violation will be accompanied by a sample of the misuse. Members will be given thirty (30) days to correct the trademark misuse without incurring any sanctions. If the violation remains uncorrected after 30 days, the member will be assessed a fine of \$500, payable within 30 days from notification. Any member who fails to pay assessed fines will be subject to the GAAR's Bylaws and Policies related to nonpayment of financial obligations (see Section 13.10). Repeated misuse of the REALTOR® marks may be treated as a violation of a membership duty, and the GAAR BOD may instruct the Grievance Committee to file a complaint against the member and their Qualifying Broker (if applicable) for such violation. Noncompliance with membership duties will be processed according to the procedures set forth by GAAR.

If the Member wishes to request a hearing, the Request for Hearing must be received within ten (10) days of the date of Notice of Violation. Failure to provide notice of a request for a hearing in such timeframe waives the right to a hearing. If the member requests a hearing, all timelines will be suspended until the issue has been heard. Hearings shall be processed according to the procedures set forth by GAAR.

Chapter 14: Ombudsman Program

Date of Adoption: November 28, 2018, September 2020

Section 14.1: Ombudsman Services

The Ombudsman Program for the Greater Albuquerque Association of REALTORS® (GAAR) provides an informal, neutral, independent, and confidential way for REALTOR® members; and clients and customers of REALTOR® members to express concerns and explore options and alternatives to resolve these concerns. The Ombudsman Program does not replace other formal mechanisms for raising and resolving concerns, but it supplements these alternatives and will often suggest referrals to other available services as an option for the person seeking assistance.

Persons filing formal complaints or inquiring about the process for filing ethics complaints will be advised that an ombudsman is available to assist them in informally addressing their concerns.

The Ombudsman Program will be offered as a voluntary benefit to its users.

If the matter discussed with the ombudsman indicates that a potential violation of the public trust may have occurred, the ombudsman process shall not begin or shall be immediately terminated, and the parties shall be advised of their right to pursue:

- A formal ethics complaint,
- A complaint with any appropriate governmental or regulatory body,
- Litigation, or
- Any other available remedy.

NAR defines potential violations of the public trust as (1) demonstrated misappropriation of client or customer funds or property; (2) willful discrimination; or (3) fraud resulting in substantial economic harm.

If ombudsman services are requested by a party with respect to an ethics complaint or an arbitration request, the one hundred and eighty (180) day filing deadline shall be suspended beginning with the date of the request for ombudsman services and shall resume when the services are concluded and/or terminated.

The Ombudsman Program will comply as completely as possible with the Code of Ethics and Standards of Practice for organizational Ombudsman Programs developed by the International Ombudsman Association.

Section 14.2: Ombudsman Requirements

The ombudsmen will report directly to the BOD through its designated contact.

While participating in the Ombudsman Program, the ombudsman may not serve on the Grievance or Professional Standards Committees or as a member of the GAAR BOD.

The ombudsman shall excuse themselves from any action involving the real estate firm with which they are affiliated. They must excuse themselves from any action in which they have a real or perceived conflict of interest, or in cases where they cannot be impartial and unbiased.

The ombudsman should be thoroughly familiar with the National Association of REALTORS® Code of Ethics, New Mexico state real estate rules and regulations, and current real estate practices.

Ombudsmen may be REALTORS®, affiliates, staff members, or others acting in that capacity. The ombudsmen will participate and successfully complete a 24-hour training course in the roles and responsibilities of an ombudsman. Ombudsmen must be approved by the BOD to fulfill the responsibilities of the ombudsman position for GAAR.

The ombudsman will maintain strict neutrality and will not formally investigate complaints, draw conclusions about the merits of a concern, give advice (beyond advice about options, resources and approaches), make recommendations, take sides, determine outcomes, render opinions on the merits of ethics or arbitration claims, arbitrate or in any way adjudicate differences of opinion, or negotiate contracts.

Section 14.3: Confidentiality

To the extent permissible by law, the Ombudsman Program holds communication with its visitors as confidential. The ombudsman will not release specific information regarding the user except with the user's express permission or as a part of an agreed resolution approach.

An important exception to confidentiality exists where failing to disclose information would result in imminent risk of serious harm to individual or someone else; where there is an allegation that the public trust has been violated; or where there is a duty to disclose imposed by law.

While the program user is free to share their own information, they must clearly understand and accept that by using the benefits of the Ombudsman Program, they are now absolutely bound

by a promise (in fact, a contract) not to seek disclosure of any information from the ombudsman or the Ombudsman Program.

With the exception of short-term working notes, which may be necessary to help the ombudsman take follow-up actions, the Ombudsman Program will not retain any written records.

Section 14.4: Reporting of Trends and Recurrent Issues

The ombudsman will report trends, patterns, and recurrent issues or problems to the BOD. It is expected the Ombudsman Program will identify opportunities for organizational improvements and to suggest options and approaches to address trends and recurrent issues.

Chapter 15: GAAR Staff

Section 15.1: Staff Time

Date of Adoption/Modification/Re-adoption: June 2009

Any requests by committees/members for staff time other than normal liaison functions shall be coordinated through the CEO.

Section 15.2: Employee Policy Manual

Date of Adoption/Modification/Re-adoption: June 2009

The Employee Policy Manual shall be reviewed annually, and changes will be approved by counsel, CEO and Directors as needed.

Section 15.3: Trustee of Employee 401K Plan

Date of Adoption/Modification/Re-adoption: June 2009

The CEO shall be designated as trustee of the employee 401K Plan and is empowered to carry out the duties of trustee as required by the plan administrator and/or law.

Chapter 16: Elections

Section 16.1: Nominations

Date of Adoption/Modification/Re-adoption: June 2009, September 2020

If a candidate for GAAR Director withdraws their name from consideration after the nominees have been noticed to the members, the position will not be filled, and Director vacancies will be filled from the remaining candidates. If the nominee list should become less than the number of vacancies on the BOD, the BOD will fill vacant terms as prescribed in the GAAR Bylaws.

Chapter 17: Affiliate Membership

Date of Modification: November 2016, September 2020

Section 17.1: Affiliate Members

Affiliate Members shall be individuals or firms who, while not engaged in the real estate business as defined in the Bylaws of the Greater Albuquerque Association of REALTORS® [Article IV – Membership, Section 1(a)(1)-(2)], have interests that require information concerning real estate; offer services directly to real estate companies; and/or facilitate REALTORS'® abilities to provide services to their client.

Affiliate Members shall be in conformity with the objectives of GAAR and shall not be in competition with GAAR for services provided or offered by GAAR for its members.

Affiliate Members agree that, as Members of GAAR, they will abide by the Bylaws, Policy Statements, and Rules and Regulations of GAAR, and shall pay all fees and dues as from time-to-time established. Affiliate Members also agree to adhere to all lockbox rules and requirements, as outlined in the Greater Albuquerque Association of REALTORS® Policy Statements [Section X, Lockboxes (KeyBoxes)].

Affiliate Members are encouraged to abide by the principles established in the Code of Ethics of the National Association of REALTORS® and to conduct their business and professional practices accordingly. Examples of ethical conduct may include but not be limited to: (a) Promoting and protecting the client's best interests; (b) Being honest with all parties; (c) Avoiding misrepresentation or concealment of pertinent facts; (d) Cooperating with REALTORS® and other Affiliate Members to advance the client's best interests; (e) Providing equal service to all clients and customers; (f) Being knowledgeable and competent in the field(s) of practice in which they ordinarily engage; and (g) Communicating honestly and presenting a true picture in their advertising, marketing, and other public representations.

Affiliate firms must be vetted initially and annually for final BOD approval. The Affiliate firm must provide evidence initially and annually of holding liability insurance and proof of current business registrations and licensing as applicable for their respective industry(s).

Through the GAAR BOD or otherwise, GAAR may invite and receive information and comment about Affiliate Members from any GAAR member or other person. Any information and comment furnished to GAAR by any person in response to the invitation shall be conclusively

deemed to be privileged and not form the basis of any action by an Affiliate Member against any person or GAAR for slander, libel, defamation of character, or damages.

Section 17.2: Reports of Misconduct

Reports of misconduct by an Affiliate Member will be reported to the Professional Standards Office and will be processed according to the procedures set forth by the Greater Albuquerque Association of REALTORS®.

Affiliate Members may be subject to discipline for any conduct that in the opinion of the BOD, applied on a non-discriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the National Association of REALTORS®. A Professional Standards hearing panel will decide on whether there has been a violation and make a recommendation to the BOD on discipline, if any.

Any Affiliate Member of GAAR may be reprimanded, fined, placed on probation, suspended or expelled by the BOD if found in violation of the Constitution, Bylaws, Policy Statements, and Rules and Regulations of GAAR or any other membership duty.

Section 17.3: Financial Obligations

Any Affiliate Member who fails to pay fees or fines within the defined time periods are subject to GAAR's Bylaws related to nonpayment of dues, fees, fines, assessments, and other financial obligations. Affiliate Members will be subject to a late fee of \$25 or five (5) percent of the fees or fines due (whichever is greater) ten (10) days after the due date of such fees or fines, and will be notified of the delinquency. Failure to pay the fees or fines and any late fees within ten (10) days immediately following such notice shall subject the Affiliate Member to suspension at the discretion of the BOD. All GAAR services to a suspended Affiliate Member, including MLS service and the lockbox program, shall cease during the time of such suspension.

Section 17.4: Record Retention on Professional Standards Decisions

If a violation of a membership duty has been found as a result of a Professional Standards hearing process, the decision and a letter of warning or reprimand, if any, will be retained by GAAR in the Affiliate's Membership file.