

ARLINGTON BOARD OF REALTORS®

OPERATIONS MANUAL

2015

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VOLUNTEERS

Elected Officers

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

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

Board of Directors

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

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

Chairman of the Board

1. Chief presiding officer and Chairs the Board of Directors.
2. Presides at all membership meetings.
3. Serves as spokesperson for the Board and must keep informed on association projects, industry related developments and state and national associations' policies.
4. Appoints all committee chairmen and members of the MLS, Grievance, Professional Standards Committees, TAR Director, and NTREIS Director. He shall also appoint a NTREIS User Group representative and an alternate. All appointments are subject to the approval of the Board of Directors. *(revised 6/02)*

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

Chairman-Elect

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

Secretary/Treasurer

1. Serves as Chairman of the Budget and Finance Committee.
2. In cooperation with the President/CEO, prepares or causes to be prepared financial statements and Board audits.
3. Submits Board Financial statements to Executive Committee and Board of Directors at regular meetings of these groups.
4. Such other duties as from time to time assigned by the Chairman of the Board of Directors.
5. Shall keep or cause to be kept minutes of meetings of the members and the Board of Directors in one or more books provided for that purpose.

6. The Secretary/Treasurer of the board shall not knowingly take a position contrary to a position of the Board of Directors.

Executive Committee

1. Serves as advisory committee to the Chairman and the Board of Directors.
2. Evaluates various Board programs, services and projects and makes recommendations to the Board of Directors.
3. Reviews action motions to come before the Board of Directors and makes recommendations to the Directorate.
4. Reviews ARBOR policies, programs, services and projects for recommendation to the Board of Directors.
5. Plans, organizes and monitors leadership development program to assist in the identification of future leaders.
6. Review and submit proposed annual budget to the Board of Directors.
7. Submits annual report to the Board of Directors at its first annual meeting in December.
8. With approval of Board of Directors, hire President/CEO, fix terms of contract, if any, and perform annual review based on performance of Board goals and objectives.

Composition: Chairman-Elect shall Chair the Executive Committee, which consists of elected officers of ARBOR, the immediate past-Chairman, two (2) Director members elected by the Board of Directors for one (1) year term and the President/CEO as an Ex-Officio member.

Nominating Procedure:

A list of eligible Directors will be published with the October Board of Directors Packet. At the October meeting each year, the Board of Directors will elect two Directors presently serving in Places 1-15 by written ballot for the two at-large positions for a 1 year term. Each Director present will vote for the two directors they wish to serve on the Executive Committee. The CEO will verify the elected Directors willingness to serve prior to the November meeting. Directors completing their term would not be eligible for nomination unless they will be serving as an elected Director in Place 1-15 during the following year. Elected Directors currently serving their first or second year of a term would be eligible for election. The top two vote recipients willing to serve will be elected to the Executive Committee for a one year term and announced at the November meeting of the Board.

NTREIS Director and NTREIS User Group Representative

1. Attend all meetings of the NTREIS Board of Directors and NTREIS User Group, respectively.
2. Keep the Board of Directors informed on all matters coming before the respective groups.
3. Submit information as requested by the Board of Directors to these groups.

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

President/Chief Executive Officer

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

COMMITTEE POLICY

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

This policy is outlined in three sections: committee chairmen, vice chairmen, and committee member appointments.

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

VICE-CHAIRMEN: The incoming Chairman-Elect of the Board shall provide a list of Committee Vice-chairmen, except Special Events, to the incoming Chairman of the Board for consideration for appointment to those positions. These appointments will normally be

filled by those persons the Chairman-Elect reasonably expects to nominate for the position of Committee chairman the following year.

Special Events Vice-chair: The incoming Secretary/Treasurer shall provide a name to the incoming Chairman of the Board for consideration for appointment to this position. This appointment will normally be filled by that person the Secretary/Treasurer reasonably expects to nominate for the position of Committee chairman during their Chairman-Elect year.

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

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

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

Other meetings shall be held on an as needed basis. A quorum consists of Committee Members Present.

STANDING COMMITTEES

Affiliate

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

Budget and Finance

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

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

Bylaws Committee

Reviews the Bylaws of the Association and proposes changes for compliance with NAR's Model Bylaws, and also changes proposed by the Board of Directors. The Committee also

monitors the Policy and Procedures Manual to maintain compliance with polices as directed by the Board of Directors.

Composition:

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

Education

The Committee provides informational courses for ARBOR membership with the goal of a minimum of 4 courses each year. (See Addendum G)

- First consideration will be given to those courses with either no fees or nominal fees for the course and/or instructor. The fees for any will be paid by course attendees.
- Courses will be an informational format , not MCE or SAE.
- Courses will be between one and four hours in length.
- Courses will be open to ARBOR membership. Non members attendance will be allowed with the approval of the Education Committee.
- Course sponsorship will be with Education Committee approval.
- Advertising will be the responsibility of the Education Committee with Staff assistance.
- A member of the Education Committee will attend each course to announce the course, introduce the instructor, to monitor and receive feedback as to the relevance of the course.

The Education Committee will oversee the annual Scholarship Awards.

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

Composition: Membership is unlimited.

Special Events

Plans and coordinates Board functions, special events and the Installation Banquet. The Special Events Committee also acts as host and hostess by welcoming all members, visitors and guests at Board functions, and works with other committees within the Board to assist and promote other Board functions.

Composition: Membership is unlimited.

Community Service

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

Composition: Memberships is unlimited

Multiple Listing Service (MLS)

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

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

Nominating

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

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

Governmental Affairs

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

Composition: Membership is unlimited. The Chairman of Governmental Affairs will serve as a member of the TAR Legislative Committee

Property Management

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

Composition: Membership is Unlimited

TREPAC

The Committee will solicit Members' contributions to Texas Real Estate Political Action Committee (TREPAC), as outlined in the TREPAC rules and regulations, to be used on the local, state and federal level.

Composition: Membership is unlimited.

Awards Committee

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

In October of each year the Chairman shall solicit nominations from the membership for the Edgar Bird, REALTOR® of the Year, Rookie of the Year and Affiliate of the Year awards. Nominations must be returned to the Board Office by November 1. Award Committee members wishing to nominate a member for an award must do so by November 1, using the Nomination Form. Awards presentation is part of the Annual Installation event
Nomination forms /Eligibility requirements are: 1. sent to Brokers, 2. promoted to all members by email, luncheon handouts, and on ARBOR Website. *

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

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

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

Rookie of the Year Criteria

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

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

REALTOR® of the Year Criteria

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

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

Edgar Bird Award Criteria

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

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

Affiliate of the Year Criteria

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

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

CAPITAL IMPROVEMENTS AND INVESTMENTS

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

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

GENERAL POLICY

Conflicts of Interest

ARBOR has adopted the attached Rules and Regulations governing conflicts of interest (Addendum B) by ARBOR Officers, Directors and Staff to be signed by those respective groups annually.

Open Meeting Policy:

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

Board Events

Attendance at ARBOR Free Seminars/Events

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

Event Sponsorship/Advertising

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

Board Memorial Contributions

The Board will contribute a \$100 memorial to the charity of the family's choice or to the Arlington Board of REALTORS® Community Service Foundation for any Past President/Chairman, their immediate family, (spouse, children, mother or father) or current director or their immediate family.

Brokerage Fees

ARBOR'S policy is to comply fully with all applicable antitrust laws of the State of Texas and the United States. In this regard, the following policy guidelines are provided: ARBOR does not fix, establish, suggest, maintain or recommend to its members any rate or amount of commission.

ARBOR does not fix, establish, suggest, maintain or recommend to its members the division of commission on cooperative real estate transactions.

ARBOR does not keep any records of member's commission and/or division of commission.

ARBOR'S Multiple Listing Service will accept all listings properly submitted, regardless of the commission and/or division of commission.

Member Leave Policy

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

Waiver of ARBOR Dues

ARBOR local membership dues shall be waived for military personnel on active duty for 2016.

Financial Solvency Core Standards

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

Forfeiture Policy

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

Use of Board Equipment/Facilities

Refer to ARBOR's Rental Policy, Addendum C

Broadcast Email

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

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

Affiliate Members- ARBOR will send one (1) email per Affiliate initiated event provided it is a benefit (social or educational) to the membership.

Non-Members- ARBOR will not send emails from non-member individuals or businesses.

Civic, Government & Charities- ARBOR will send emails announcing events for any of these groups at the Chairman of the Board's discretion.

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

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

Membership Lists/Labels

All requests for Membership mailing labels or rosters must be approved by the President. The Board of Directors must approve all requests for mail lists by non-members of the ARBOR. Any Member may have his name removed from mail lists requested by providing written notice to the ARBOR. The ARBOR shall only provide mail lists from the system that

EXCLUDE these members. *Definition: The roster is a list of Members of ARBOR. It is generally a one line print out of all Members, company, phone number, etc. It shall be provided to new Members; and upon request to any Member of the Board annually at no cost. Additional copies may be requested for the cost of duplicating.

Any request for mail lists must include: (1) the name of the individual or organization making the request; (2) the name of the Affiliate or Affiliate designee holding membership in the Arlington Board of REALTORS; (3) the stated use to be made of the mail list; and (4) the type of mail list requested (i.e. mailing labels by Designated REALTOR firm).

Requests for mail list must be for the purpose of providing services, products, or notices consistent with the philosophy, practices, and interests of the Members of the Arlington Board of REALTORS and which are within the normal business activities of those in the real estate business. Any request for mail list to be used for a purpose, which may subject the Arlington Board of REALTORS or its Members to criticism, embarrassment or risk of liability, shall be refused. Requests for mail list by Members shall be approved in accordance with these guidelines. Requests for mail list by nonmembers shall be reviewed on a case basis and may be granted or refused by the Board of Directors in its sole discretion. The categories of mail list available are as follows: Designated REALTOR firm; all REALTORS; all resident REALTOR firm; all Nonresident firms; Affiliate by firm; Affiliate by individual. Fees for mail list are: labels - \$0.10 a label for members; \$0.15 a label for non-members.

TAR Leadership Endorsement

The endorsement of a candidate for a TAR Officers position shall be made in June of each year. Any Officer or Director serving on a candidate's steering committee may make a statement for the candidate but will be excused from the Board Room during discussion and voting on that endorsement. Endorsements will be voted on by written ballot.

SEMINAR POLICIES

Orientation Course as a Requirement of Membership

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

Secondary or Dual classification of membership or applicant transferring REALTOR membership from another Member Board shall be waived this requirement upon written certification from the other Member Board stating applicant (1) is a Member in good standing; and (2) the date completed Board's required Orientation Course.

Transferring REALTOR Membership (Board to Board) shall be waived this requirement upon written certification from the other Member Board stating, (1) the date Member resigned or terminated from Board; and (2) the date completed Board's required Orientation Course; (3) and was a Member in good standing.

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

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

MLS Orientation

MLS Orientation shall be required in accordance with Article XVIII of the Bylaws of the ARBOR. Agents affiliated with a Multiple Listing Service Secondary (Principal), who have been provided a waiver from Board Membership, shall provide ARBOR with a certification from his/her primary Board that he/she is a Member in good standing; and shall be required to attend the MLS Orientation Course, or acknowledge receipt of ARBOR'S MLS Policies and Procedures.

Orientation Waivers

A former REALTOR or former Secondary Member who reapplies for membership prior to six (6) months from date of resignation or termination from the Board will be waived the Orientation Course as a condition of Board membership PROVIDED the applicant's reapplication for membership was not conditioned by the Board of Directors at the time of resignation or termination.

MLS POLICIES

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

NTREIS MLS Fee Reciprocity

If an agent transferring to ARBOR has paid MLS fees for the current quarter to another association participating in NTREIS, ARBOR will charge no MLS Fee to that agent for the current quarter. Transferring agent will pay MLS Fees for subsequent quarter.

LockBox System

Effective June 23, 2011 the ARBOR lockbox system becomes an MLS service. This policy shall be implemented in two phases. Phase 1 all new members joining ARBOR will be required to receive MLS services from ARBOR to receive lockboxes system and Phase 2 for members that are already secondary members of the ARBOR they will be required to receive MLS services from ARBOR starting in the fourth quarter 2011 to receive lockboxes from ARBOR.

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

TRAVEL POLICY

General Policy Travel arrangements will be made by ARBOR staff at the earliest possible date to take advantage of early registration discounts and to ensure that transportation and hotel accommodations are secured at the best possible rate. Non staff booked transportation expense will not exceed the most expensive staff booked fare.

Accommodation expense will not exceed the cost of a designated meeting hotel.

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

For any meeting within a 60 mile radius of ARBOR's facility, no hotel accommodations will be provided.

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

Expense Reimbursement All expenses shall be submitted to the President for reimbursement and shall be on an ARBOR supplied expense report (Addendum A) within thirty (30) days of the completion of travel and must be accompanied by documented receipts, which must include the amount of expense, the time, place, and business purpose. Meals including tips will be limited to \$75.00 per person per day. Receipts must be provided. If the receipt is for more than one person, all persons must be listed on the receipt. (Meal charges not accompanied by a documented receipt will be paid at the IRS applicable rate.)

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

Incidental/Personal expenses are to be settled by the individual. Non-allowable expenses include such items as personal entertainment (health club fees, airline movies), purchase of books or magazines, barber or beautician fees, babysitting fees, in-room service bars, laundry, souvenirs, in-room movies, etc.

All business related calls, faxes or e-mails will be reimbursed. The tipping allowances will be at the IRS allowable rate, which will be supplied yearly by the President.

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

All ARBOR credit cards shall be used exclusively for ARBOR business. ARBOR credit cards shall be maintained in the Board Office and will be issued to the authorized Officer

prior to the approved travel/meeting. Credit cards shall be returned to ARBOR within 2 business days of travel.

Transportation Airline transportation will be coach class. Automobile transportation will be reimbursed at the IRS allowable rate per mile, total not to exceed airline fare. Parking tolls will be reimbursed at actual cost (receipt when possible). Airport limousine, taxi, and bus expense will be reimbursed at actual cost. Receipt must be provided. Rental cars will be reimbursed or charged only when other means of transportation are unavailable.

Chairman of the Board

ARBOR will pay registration, transportation, lodging and meals for the following meetings:
TAR Spring Meeting
NAR Mid-Year (including spousal expenses)
TAR Convention (including spousal expenses)
NAR Convention (including spousal expenses)
Other TAR Meetings in which ARBOR representation is required
For Region 3 Meetings, ARBOR will pay meal expense only.

Chairman-Elect

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

Secretary/Treasurer

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

Secretary/Treasurer-Elect

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

TAR Directors

ARBOR will reimburse registration, transportation, meals and lodging for the following meetings:
TAR Spring Meeting

TAR Convention

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

NAR Directors

ARBOR will reimburse for NAR Directors, registration, transportation, and three days lodging for the following meetings:

NAR Mid-Year Meeting

NAR Convention

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

TAR Regional Vice President (If Applicable)

ARBOR will reimburse transportation for the following meetings:

TAR Spring Meeting

TAR Convention

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

TREPAC Trustee

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

ARBOR Staff

ARBOR will pay registration, transportation, lodging and meal expenses for NAR and TAR meetings as deemed necessary by the CEO not to exceed 10 days total in a fiscal year.

Committee Chairman

Upon recommendation of the Chairman of the Board and approval of the Board of Directors

ARBOR will pay registration fees, transportation, meals and lodging for the following:

TAR Convention

Other TAR meetings in which ARBOR representation is required

ENTERTAINMENT POLICY

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

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

Statement of Policy – General Provisions:

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

Ethics Appeal Deposit Amount shall be \$100.00.

Names will be published of Respondents who violate the code twice within 3 years.

The Board will offer voluntary arbitration.

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

Revised 11/20/03

*Awards Committee Revised 04/22/04

Broadcast Email added 10/27/05

Revised 03/07/06

Revised 02/22/07(Professional Standards)

Revised 12/21/09

Revised 06/10/10

Revised 06/23/11 (LockBox Policy)

Revised 09/06/11 (MLS Fines Procedure)

Revised 09/13/11 (Travel Expense Form, Class Evaluation Criteria,
Operation Manual Updated May 2012

Revised 10/25/12 (Travel and Entertainment Policy)

Revised 04/23/15 (Education, General and Travel Policy)

Revised 07/23/15 (General Policies)

ADDEMDUM B
CONFLICT OF INTEREST AGREEMENT

THE STATE IF TEXAS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF TARRANT

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

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

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

**RULES AND REGULATIONS
GOVERNING CONFLICTS OF INTEREST**

**ARLINGTON BOARD OF REALTORS
AND THE NORTH TEXAS REAL ESTATE CENTER**

1. Contracts, Sales and Purchases:
 - A. Directors, Officers, or Employees of the Board shall not have a financial interest in any contract made by them in their official capacity on behalf of the Board, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity on behalf of the Board unless the full nature and extent of such financial interest and/or status as prospective purchaser or vendor has been disclosed in advance in writing to the Board, and noted in its official records, and thereafter the Board authorizes and approves the contract by a vote of the Directors. The Directors or Officer with the financial interest shall be ineligible to vote thereon.
 - B. A Director, Officer or Employee shall not be deemed to be interested in a contract entered into by the Board within the meaning of these Regulations if the Director, Officer, or Employee has only a remote interest in the contract which is defined as an insignificant, inconsequential, or minor interest which, in the Board's judgment, does not compromise or prevent the transaction from being in the best interest of the Board.
 - C. The processing of one's own MLS listings with the Board's MLS and/or the acquisition of standard forms, education materials, and other materials of similar nature for the Board are exempt from the provisions of these Regulations.
2. Confidential Information:
 - A. Directors, Officers, or Employees of the Board shall not disclose to any other person, confidential information acquired by them in the course of their official duties, or use any such information for the purpose of pecuniary gain in any manner which is contrary to the best interest of the Board.
 - B. This section shall not apply to any disclosure made to any law enforcement agency, nor to any disclosure made pursuant to subpoena or other similar legal process
3. Inconsistent, Incompatible, or Conflicting Activity, Employment or Enterprise:
 - A. Directors, Officers, or Employees of the Board shall not engage in any activity, employment, or enterprise which is inconsistent, incompatible, or in conflict with, to their duties, responsibilities, or obligations to the Board.

ADDENDUM C

INVESTMENT POLICY Arlington Board of REALTORS®

This policy is to provide guidance regarding prudent investments for the Arlington Board of Realtors (ARBOR) and to establish the goals and limitations of investments suitable to ensuring the safety of ARBOR's funds. While this document may be changed, and should be reviewed frequently, it exists to express an over all long term policy and should be changed only after considerable review and reflection by The Board of Directors.

OBJECTIVES

ARBOR exists to be the primary source of Real Estate information, services, and to enhance member profitability and professionalism. Income and growth from ARBOR each year is to be used to provide services for ARBOR members and capital expenses as approved by ARBOR Board of Directors. If all income and growth is not needed in a particular year, those funds can be added back for growth. Primarily, growth to ARBOR will come from dues collected from members and fee services provided by ARBOR.

ARBOR has as its long term goal to manage excess funds that are available from time to time and to provide the maximum safe investment for such funds while obtaining a reasonable return. The assets of ARBOR shall be invested in a balanced diversified portfolio to maximize return; to minimize risk; to provide a reasonable distribution as needed; to provide flexibility to accommodate the different funds; to meet the liquidity needs of ARBOR; to accommodate the growth plans of ARBOR, and preserve principal over the long term.

The immediate goal of ARBOR is to increase the excess funds available by the oversight of management of assets to see that they grow as rapidly as possible, consistent with available market returns and a predetermined asset allocation. The objective of the asset allocation is to provide significant up-side participation in rising financial markets and to limit exposure to downturns when they inevitably occur. An additional objective is the maintenance of an available cash fund.

CONSTRAINTS AND LEGAL REQUIREMENTS

ARBOR investments are to contain a minimum cash position of \$100,000. Cash is defined as an investment with a stable net asset value and one day liquidity, and would include money market funds.

All assets of ARBOR are to be invested in compliance with all applicable laws and government regulations. Investment records are to be in compliance with all IRS and all other government regulations. The investment decision process may include

appropriate opportunities that are legally available within the tax code to enhance the total return of the portfolio. Investments that would likely raise questions of legal appropriateness should be avoided. All funds invested are to be accounted for in ARBOR's annual financial report.

DELEGATION OF AUTHORITY

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

ETHICS AND CONFLICTS OF INTEREST

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

ASSET ALLOCATION

Assets are to be allocated as follows: Majority to be placed in fixed assets (C/D's Bonds, Money Market Funds), with balance in stocks, mutual funds, domestic and international funds. Because market conditions will change the allocation, assets may be re-allocated annually or as needed.

The goals of ARBOR investments shall be:

- (1) **Safety:** Safety of principal is the foremost goal. Investments of the ARBOR funds shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- (2) **Liquidity:** ARBOR's investment portfolio shall remain sufficiently liquid to enable ARBOR to have sufficient reserve requirements that might be reasonably anticipated.
- (3) **Return of Investment:** ARBOR's investment portfolio shall be designed with the objective of attaining a market rate of return throughout the budgetary and economic cycles, taking into account ARBOR's investment risk constraints and the cash flow characteristics of the portfolio.
- (4) **Diversification of Funds:** Adequate diversification shall be maintained among authorized investments, as well as among individual securities.

IMPLEMENTATION

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

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

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

RISK TOLERANCE AND RETURN OBJECTIVES

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

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

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

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

REPORTING PROCESS

The Investment Manager shall provide The Capital Investment Committee of ARBOR with a monthly report of investment holdings for review and approval. **Statements showing total market value and outlining all transactions within the portfolio shall be available to Directors for review.**

INVESTMENT POLICY ADOPTION

ARBOR's Investment Policy was adopted by motion of The Board of Directors with an effective date of July 24, 2008. ARBOR Board of Directors shall review policy annually, or as deemed necessary, and any modifications made thereto must be approved by The Board of Directors.

Addendum D

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

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

1. NTREIS MLS Rules Violations

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

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

2. ARBOR Key \ KeyBox Rules Violations

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

3. NTREIS MLS Violations Using Datachecker System

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

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

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

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

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

MLS Violations other than by Datachecker Notice: Fines are assessed to the Participant (Broker) per MLS Rule 5.06. Fine amounts are assessed by the MLS Complaint Panel for NTREIS MLS Rules not having a NTREIS defined amount.

Procedure After MLS Rule Violation Complaint Receipt by ARBOR:

Upon receipt of a written complaint alleging a violation of MLS Rules, MLS Staff shall notify the accused Participant (Broker) by telephone, email, and/or by facsimile transmission of the alleged violation. The accused Participant must respond by mail, email, or facsimile transmission not later than 5 business days either (a) admitting a violation of said rules or (b) denying a violation of said rules. If the accused Participant admits a violation of said rules, the accused Participant shall waive a hearing before the MLS Complaint Panel and agree to pay the appropriate or assessed fine within thirty (30) days after receipt of invoice or (ii) request a hearing before the MLS Complaint Panel on the alleged violation. If the accused Participant fails to respond as set forth herein, or denies the alleged violation of said rules the MLS Staff shall refer the alleged violation to the MLS Complaint Panel for a hearing at the earliest scheduled meeting date, provided that the accused Participant receives at least ten (10) days prior written

notice of the date, time, and place of the scheduled hearing. The accused Participant may appear at such hearing in person or be represented by a duly authorized REALTOR® representative appointed in writing prior to the day of the Panel hearing.

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

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

Procedure after Key or KeyBox Rule Violation Complaint Receipt by ARBOR:

This procedure is identical to the MLS Violation Rule Complaint (above), except, the person responsible for the Key/KeyBox Rules Agreement will receive Notices and Fines and sanctions. (This may be a Broker, a Sales Associate or a Licensed Inspector)

MLS Complaint Panel Composition:

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

Panel members may not hear appeals to the MLS Committee. The Committee Chairman will preside over appeals to the MLS Committee.

NOTE: There are no changes to the MLS Rules and Regulations in this notice. This is only a procedural change in how the Fees, fines and sanctions are assessed and the appeals procedures. Members are encouraged to read the complete Multiple Listing Service Rules and Regulations, KeyBox System Rules and Regulations, and the ARBOR Keypad Lease Agreements which are available on ARBORi.com or upon request.

Complaint Panel and Appeal Hearing Procedure :

- Complaint Panel:
 - MLS Staff will receive the complaint, review the complaint and determine if a possible violation of the Rules has occurred.
 - Witness list, written communication and supporting documentation will be assembled by MLS Staff
 - Both Complainant and Respondent will be notified of the Complaint Panel hearing date at least ten (10) days prior by written notice of the date, time, and place of the scheduled hearing.

- At time of Panel hearing;
 - The member(s) will come in and the Panel Chairman will introduce them.
 - The Chairman will state the Rule(s) and fine(s) being discussed.
 - The member(s) will be given approximately 10 minutes to present their case.
 - The members of the Panel will be allowed to ask questions. Questions will be limited to helping the Panel members understand or clarify facts pertaining to what occurred in this situation only. The Chairman will rule on questions that do not adhere to the current issue or complaint.
 - Upon completion of questions, the member(s) will be excused and the Panel will discuss the facts and make a decision.
 - The member will be notified of the Panel's decision by MLS Staff within 48 hours. Notification may be delivered by phone, fax, email or postal mail.

- Appeal Hearing to MLS Committee
 - MLS Staff will receive the appeal and schedule an Appeal Hearing of the MLS Committee
 - Both Complainant and Respondent will be notified of the Appeal Hearing at least ten (10) days prior by written notice of the date, time, and place of the scheduled hearing.
 - At time of Appeal hearing;
 - The member(s) will come in and the Committee Chairman will introduce them .
 - The Chairman will state the Rule(s) and fine(s) being discussed.
 - The member(s) will be given approximately 10 minutes to present their case.
 - The members of the Committee will be allowed to ask questions. Questions will be limited to helping the Committee members understand or clarify facts pertaining to what occurred in this situation only. The Chairman will rule on questions that do not adhere to the current issue or complaint.
 - Upon completion of questions, the member(s) will be excused and the Committee will discuss the facts and make a decision.
 - The member will be notified of the Committee's decision by MLS Staff within 48 hours. Notification may be delivered by phone, fax, email or postal mail.
 - If the Complaint Panel's decision is over-turned by the Appeal Hearing, all fines and/or sanctions will be dismissed.
 - If the Complaint Panel's decision is upheld by the Appeal Hearing, the \$100 administrative fee will be invoiced and added to the member's total amount due.

ADDENDUM E

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

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

1. **Use of KeyBoxes on Property:** Associates are not required to place KeyBoxes on listed property. Associates are encouraged to use a KeyBox on all listed property.
2. **More than One KeyBox on Property:** Associates may place both a recording electronic KeyBox and a combination (non-recording, manual) lockbox on the same property. The use of two Supra Keyboxes are prohibited on the same property.
3. **Updating of Supra Keys:** Associates’ ActiveKEYs will update wirelessly every night as long as the key has been within cell service for 10 continuous minutes within the last 24 hours. If it has not, the Associate will need to update the key through KIMvoice, SupraWEB or Supra Support. Keys need to be recharged with the adapter that was provided along with their ActiveKEY. There is a \$50.00 charge for replacement of Key due to low battery.
4. **Conditions of Key Use:**
 - a. An Associate may not use his/her Supra Key or manual lockbox codes to access any KeyBox without first calling the listing agent (or, if applicable, calling the appropriate showing system utilized by the listing office) to ascertain the availability of the property, make an appointment with the owner, and obtain and follow any other instructions from the listing office or appropriate showing system. If the listing agent has indicated in the MLS that the property is vacant and has authorized “GO” in the MLS, then the Associate may proceed to the property and use the Supra Key or manual lockbox codes to obtain entry through the KeyBox.
 - b. An Associate showing property must access a KeyBox with his/her own Supra Key or manual lockbox codes and secure property key in KeyBox upon completion of showing, thus forcing any agents who thereafter enter the property to use their own Supra Keys or manual lockbox codes to gain access to the property in order to keep accurate showing records?
 - c. Upon receipt of a written complaint against a member alleging violation of the Rule requiring an Associate to make an appointment and to follow showing instructions to show property through the listing office or appropriate showing system, ARBOR staff will notify that member in writing that the matter will be referred to the MLS Committee for action.
5. **Supra Key and KeyBox Changes:** Changes requested by an Associate for programming of his or her Supra Key or his or her KeyBox may be made by the ARBOR staff. The ARBOR staff members authorized to make such changes are also authorized to:

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

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

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

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

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

- a. First Offense - \$50.00 fine
- Second Offense - \$100 fine

Third Offense – Possible suspension or revocation of Supra Key privileges with no refund of security deposit. If the MLS Committee determines that a Supra Key or manual lockbox codes has been loaned or given to any other person, not an Associate, in violation of this Rule, the following minimum fine may be assessed against the Associate who loaned the Key or disclosed the manual lockbox codes:

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

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

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

11. Cleanliness of Keyboxes:

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

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

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

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

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

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

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

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

16. Assignment of Codes: PIN codes will not be issued to any Associate except in person. For security purposes, no PIN codes will be issued by telephone, electronic mail, or facsimile. Associates may obtain shackle codes and CBS codes directly from SupraWeb. Shackle codes and CBS codes will be issued by telephone only after verification of Associate's identity. Associates

shall never carry their PIN codes together with a Key. A list of KeyBoxes, shackle codes, and CBS codes assigned to Associate in a particular brokerage office may be obtained by the Participant upon request to ARBOR. All requests for information must be picked up in person, by the Participant requesting the information or sent to an email address specified by the Participant.

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

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

SUPRA KEY RULES FOR AFFILIATES AND FOR UNLICENSED ASSISTANTS

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

- a.** Each Principal Affiliate member and additional Associate Affiliate member may lease only one SUPRA Key. Any security deposit will be refunded to the Principal Affiliate or additional Affiliate member, provided he or she returns the SUPRA Key and all related equipment and materials in good condition and in working order at the time his/her membership terminates and provided that there are no other outstanding fees or dues owed by the Affiliate member to ARBOR.
- b.** All Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants must come to ARBOR to receive training prior to being issued a SUPRA Key.
- c.** All Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants are required to comply with all other applicable Key\KeyBox Rules which are then in effect.
- d.** Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants may not lease Key Boxes.
- e.** Principal Affiliates, additional Associate Affiliates and Unlicensed Assistants may be issued only Affiliate SUPRA Keys that require a call before showing (“CBS”) code in order to gain entry to the property. The CBS code is a seven digit code that is known only by the lessee of the KeyBox and is required to be programmed into an Affiliate SUPRA Key in order to open a KeyBox.

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

- a.** The Electronic Supra Key Lease and KeyBox Use Agreement for the Supra Key must be signed by each of the following persons:
 1. The Unlicensed Assistant; and
 2. The Designated REALTOR® of the firm or the Office’s Broker/Manger of Record;

and

3. The sponsoring REALTOR® Member with whom the unlicensed Assistant is associated.

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

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

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

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

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

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

Keybox Revision dates:

03/24/2005,

02/23/2006,

09/07/2010,

11/22/2011,

12/19/2013

01/23/2014

09/26/2014

02/24/2016

ADDENDUM F

Evaluation Criteria for ARBOR Presenters and Classes

Education Committee criteria for evaluating a presenter/class before presenting any class to the Board of Directors for approval:

- a. Be a member of the board
- b. Present the committee with a brief outline of the class
- c. List how many hours the class is and if MCE approved
- d. Have a date in mind (working with the Education Department on securing a date)
- e. Understand that this is for information only not to sell their company
- f. Provide a resume.