



SILENT ANGELS

Policies of the BAR and its
wholly-owned subsidiaries
Last amended 12/19

Table of Contents

Anti- trust.....	3
Apparent authority.....	4
Authority of President.....	4
Authority of CEO.....	5
Audits.....	5
Bad debt.....	5
Committee application.....	6
Confidentiality.....	6
Conflict of interest.....	6
Consent agenda.....	7
Contributions (Charitable).....	7
Crisis Actions.....	7
Disbursements.....	7
Disposition of business.....	7
Diversity and inclusion.....	8
Document retention.....	8
Executive officer performance and compensation review	8
Financial Policies.....	8
Harassment.....	8
Sexual Harassment.....	9
Holiday and office closed days.....	9
Logo/Trademark.....	9
Member data.....	10
PAGs.....	10
Professional development	10
Affiliates.....	10
Cancellation.....	11
No show.....	11
Sponsors.....	11
Class materials	11
BAR sponsored	11
Instructors.....	11
Instructor complaints...11	
Professional standards.....	12
Refunds.....	12
Strategic plan	
Store refunds	
Whistleblower	
No retaliation	

Procedure

Appendix A – Document Retention

Appendix B- Financial Policies

Audit, accounts and accounting

Check signing

Contracts and purchasing

Credit card

Insurance

Investment

Officer hosting

Paperless billing

Penalty fee

Public records

Reserves

 Operating reserve

 Strategic reserve

 Capital reserve

Travel

 Advanced reservations

 Authorized travel

 Other Expenses

 Expense report

 Special needs

Appendix C- Ombudsmen

Appendix D- Whistleblower

 No retaliation

 Compliance Officer

 Good Faith

 Confidentiality

 Reporting

 Protection

 Code of conduct

 Confidentiality

 Inconsistent, Incompatible, or Conflicting Activity, Employment, or
 Enterprise.....

Anti-trust Policy

It shall be the policy of the Birmingham Association of REALTORS[®], hereto referred to as “the BAR” to be in strict compliance with all Federal and State Antitrust laws, rules and regulations. Therefore:

- I. This policy applies to all membership, board, committee and other meetings of the Chapter, and all meetings attended by representatives of the Chapter.
- II. Discussions of prices or price levels are prohibited. In addition, no discussion is permitted of any elements of a company's operations which might influence price such as:
 - a. Cost of operations, supplies, labor or services;
 - b. Allowance for discounts;
 - c. Terms of sale including credit arrangements; and,
 - d. Profit margins and mark-ups, provided this limitation shall not extend to discussions of methods of operation, maintenance, and similar matters in which cost or efficiency is merely incidental.
- III. It is a violation of Antitrust laws to agree not to compete, therefore, discussions of division of territories or customers or limitations on the nature of business carried on or products sold are not permitted.
- IV. Boycotts in any form are unlawful. Discussion relating to boycotts is prohibited, including discussions about blacklisting or unfavorable reports about particular companies including their financial situation.
- V. It is the BAR’s policy that all meetings attended by representatives of the organization where discussion can border on an area of antitrust sensitivity, the association's representative requests that the discussion be stopped and asks that the request be made a part of the minutes of the meeting being attended. If others continue such discussion, the BAR’s representative should excuse him/herself from the meeting and request that the minutes show that he/she left the meeting at that point and why he/she left. Any such instances should be reported immediately to the President and CEO of the BAR.

- VI. It is the BAR's policy that a copy of these Antitrust Compliance Policies and Procedures be given to each officer, director, committee member, official representative of member companies and BAR employees annually and that the same be read or understood at all meetings of the membership of the BAR.

Apparent Authority Policy

Officers and directors of the BAR have authority to perform necessary duties in the management of corporate affairs subject to control by the Board of Directors. Specific powers are ordinarily granted to the officers through the bylaws or by resolution, describing the way the corporation is to be operated and managed. The bylaws will set out the duties of the president and other officers.

Actual Authority

Actual authority is the authority a reasonable person in the officer's position would ordinarily believe and expect to have been conferred upon him/her by the corporation. Actual authority may be expressly granted to officers in the bylaws, by resolutions of the Board or by agreement by the Board to similar actions in the past. Associated with actual authority is implied authority; the authority to do acts that are necessary and incidental to the exercise of authority expressly granted.

Apparent Authority

Apparent authority is the authority that third parties reasonably believe an officer can exercise even though it may not have been actually granted. It arises where the corporation knowingly permits the officer to exercise an authority or represents, knowingly or negligently, that the officer has such authority. Acts committed with apparent authority are ordinarily binding on the corporation. Apparent authority may arise by virtue of the nature of the office held by the officer- e.g., the president of the corporation would generally have the power to hire an executive secretary.

Authority of the President

The Board president has the authority to be a spokesperson of the BAR and to have the authority described in the bylaws. The BAR president may bind the BAR to transactions that arise in the 'usual and ordinary course of business'- normal operations constituting the regular business of the corporation, but not in

extraordinary transactions (e.g., sale of all or most of the corporate assets, mergers, dissolution, etc.).

Authority of the Chief Executive Officer (CEO)

The Executive Officer has the authority to be a spokesperson of the BAR and to have the authority described in the bylaws. The BAR Executive Officer may bind the BAR to transactions that arise in the 'usual and ordinary course of business'- normal operations constituting the regular business of the corporation, but not in extraordinary transactions (e.g., sale of all or most of the corporate assets, mergers, dissolution, etc.). The CEO is the only person with authority to sign contracts for services.

The CEO shall have the sole authority and responsibility for employing, managing, supervising, terminating and determining the compensation of other such staff as are necessary to conduct the activities of the BAR & GALMLS within the approved budgets. The CEO is directly accountable to the Executive Committee and the Board of Directors.

Audit Policy

It is the policy of the BAR that an audit task force be appointed annually consisting of the immediate past president, vice-president, treasurer, and secretary of the BAR. The first meeting of the task force be no later than December 1st of each year to engage a CPA firm for the purposes of an audit.

Bad Debt Policy

The suspension and termination process for nonpayment is defined in the bylaws of the BAR and its subsidiary, Greater Alabama MLS Corporation (GALMLS). If the delinquent debt is an office account, the security deposit will be used to settle the debt and the remaining balance will be written off to bad debt. Within 30 days after termination for non-payment on account, the account will be turned over to a collection agency. This is also inclusive of any unpaid debt on voluntary inactive accounts.

Committee Application Policy

It is the policy of the BAR that all requests to join a committee be made in writing via the online application form of the BAR or GALMLS. Each year, committee members must reapply. Members who fail to reapply online will be assumed to have resigned their committee seat.

Confidentiality Policy

It is the policy of the BAR that, except as may otherwise be provided or required by law, Directors and Officers of the Association shall not disclose or discuss confidential/sensitive information, documents or other materials, including but not limited to, personnel matters, litigation or legal matters, or other contract matters which come to their attention or into their possession by virtue of their office as a Director or Officer, to the public, to the membership, or to any other person or entity (including a spouse), without the prior disclosure of same to the Board of Directors and without action thereon by the Board of Directors expressly authorizing such disclosure in writing.

Conflict of Interest Policy

Board Members of the BAR shall not engage in any activity, employment, or enterprise which is inconsistent, incompatible, in conflict with, or inimical to their duties to the Association.

Board Members and newly elected Board Members of the BAR shall not be financially interested in any contract negotiated or made by them in their official capacity on behalf of the Association, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity on behalf of the Association, unless the full nature and extent of such financial interest and/or status as prospective purchaser or vendor has first been disclosed in writing to the Association, and has been found to be a remote interest or is otherwise exempt from this provision.

Contracts and purchasing, no officer or employee of the BAR shall have any direct or indirect interest in the contracting or purchasing of any good, service, or product.

Consent Agenda Policy

It is the policy of the BAR to utilize consent agendas for board and executive committee meetings.

Contribution Request Policy

It is the policy of the BAR that requests for charitable contributions outside of the annual operating budget as adopted, and which are not necessary to the operation and maintenance of the BAR shall be vetted through the community affairs committee.

Crisis Response Policy

It is the policy of the BAR that crisis communication be directed through the executive committee. In the event of an external crisis (market crash, NAR crisis), the President shall be the official spokesperson to the media and the membership. In the event of an internal crisis (building flood, death of an officer) the CEO shall be the official spokesperson to the media and the membership.

Disbursements Policy

Unbudgeted expenditures of less than \$5,000 may be made without approval of the Board of Directors. The BAR president and treasurer must be notified as soon as possible any significant unbudgeted expenditure.

Disposition Policy

On business items that necessitate approval by the Board of Directors, all committees shall report motions in writing to the Executive Committee for presentation to the Directors. The Board of Directors is the governing

body for the Association.

Diversity and Inclusion Policy

It is the policy of the BAR that it does not discriminate against anyone for any reason. Participation is a reflection of the diversity of the BAR membership.

Documentation Retention Policy

Please refer to Exhibit A.

Executive Officer (s) Performance Review & Compensation Policy

Per the Sarbannes-Oxley Act and as recommended on the IRS Form 990, the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision: the organization's CEO, Executive Director, or top management official and other officers or key employees of the organization.

It is the policy of BAR to hold its CEO evaluation each December.

Financial Policy

Please refer to Exhibit B.

Harassment Policy

Employee Sexual Harassment and Non-Discrimination Policy-

BAR is committed to non-discrimination with respect to race, creed, color, religion, age, disability, sex, sexual orientation, marital status, national origin, political opinions or affiliations, or veteran status.

Discrimination based on any of the aforementioned factors is strictly prohibited.

Sexual Harassment-

Sexual harassment is a form of sex discrimination under Title VII of the Civil Rights of 1964. Sexual harassment is defined as unwelcome sexual advances, or requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

Submission to such conduct or request is made either explicitly or implicitly a term or condition of an individual's employment or status.

Submission to or rejection of such conduct or request by an individual is used as the basis for employment, or such conduct or request has the purpose or effect of unreasonably interfering with an individual's work or of creating an intimidating, hostile work-related environment.

Forms of sexual harassment may include, but are not limited to, words, signs, offensive jokes, cartoons, pictures, posters, e-mail jokes or statements, pranks, intimidation, physical assaults or contact, or violence.

Holiday & Closed Day Policy

The BAR Vice-President shall set the annual calendar in October of the year of his/her term as Vice-President. If a holiday falls on a weekend the CEO will determine whether or not the closed day will be the preceding Friday or following Monday. When Homewood schools are closed due to weather the BAR will be closed. In the event of inclement impending weather, the CEO may close the office early when a severe storm or tornado warning is issued by the National weather service. The BAR will be closed 2 days each year, selected by the CEO for staff training.

Logo/ Trademark Policy

The BAR logo must be included on all BAR promotional materials including, but not limited to, websites, publications, brochures, postcards, and fliers. The BAR logo must be reproduced in blue and gold, unless otherwise authorized by the CEO. It is the policy of BAR that blank stationery is only to be given out to BAR employees for BAR business.

Blank stationery is not to leave BAR property. All letters written on BAR stationery are to be approved by the CEO. Once approved, the letter may be reproduced and reprinted as necessary.

Membership Data Policy

For Official BAR Business: The membership list of the Association is the property of the Association for official use of the Association. The Chief Executive Officer may furnish mailing lists, for official BAR business, at no cost or at cost if requested on more than an infrequent basis, to local boards or BAR members. E-mail address may be used in the historical and routine business of the Association, i.e. list serves, Leadership Manual – but shall not be rented, sold or given to any other individual or organization for any other purpose.

PAG Policy

Presidential Advisory Groups (PAGs) appointed by the President shall report their findings/recommendations to the Executive Committee and Board of Directors for disposition. PAGs appointed by the President cease to exist when their final report is presented. The charge and appointments will be posted on the BAR website. The creation of a PAG does not require board approval.

Professional Development Policy

The BAR professional development committee follows the listed policies below:

Affiliate Sponsorship: It is the policy of BAR PDC that only Affiliate Members of the Association can sponsor professional development membership meetings, breakfasts, luncheons, caravans, orientation, and any other event organized by the BAR PDC.

Cancellation Policy - Cancellations for events/classes must be received 2 business days prior to the event or class.

No Show Fee - A \$25 no show fee will be charged for unexcused absences for all education classes.

Sponsorship of Classes-BAR does not sponsor courses with the focus being on the sale of products or services.

Class Materials - All BAR class materials must be presented to the appropriate staff person a minimum of two (2) days prior to the class presentation. Materials include Power Point presentations and all handouts.

Any written handouts or visual material may include personal contact information in addition to the educational papers or slides, except during post-license classes and New Member Orientation.

BAR Sponsored Educational Events - At all BAR sponsored public events, committee members and volunteers representing BAR may only wear BAR name badges and distribute only BAR promotional material.

Instructors-At all times, instructors and presenters be in compliance and operate within the rules and regulations of the Alabama Real Estate Commission, Alabama License Law, Fair Housing Act, RESPA, TRID, Anti-trust Policy, and refrain from any and all attempts, direct or implied, to recruit agents during class time.

Continuing education instructors must complete, sign, and return the approved BAR Instructor Application in order to be considered to teach for the BAR School. Upon acceptance into the BAR School instructors must attend an AREC approved IDW (Instructor Development Workshop) prior to teaching any class for BAR. IDWs will be scheduled in advance depending on the need. All instructors/presenters must have multiple years of active real estate listing, selling, brokerage, and/or documented subject matter expert experience such as mortgages, property management, legal, commercial real estate, and so on. Instructors/presenters may, upon request, be required to submit letters of reference/recommendation from previous clients.

Approved BAR School Instructors are required to provide all course outlines, electronic presentations (Power Point and others), student materials, audio-visual needs, and Internet access requirements in accordance with the BAR School Instructor Engagement Agreement within the timeframe outlined in the agreement, which from time to time may be updated.

Complaints against a BAR instructor will be handled in the following manner:

A formal complaint can be in the form of an email or typed letter and must be turned into BAR within 10 days of the date of the incident and include as much detail as possible.

All complaints received will be shared with the BAR CEO and subsequent legal counsel if necessary. If the complaint results in possible litigation for BAR then legal council will address the complaint not the Tribunal.

The complaint will be brought before the BAR Instructor Approval Task Force and discussed. Should the respondent be a member of the Task Force he/she will be recused from the initial discussion.

A tribunal of 3 – 5 members of the BAR Instructor Approval Task Force will share the complaint with the respondent for a response.

Based on the findings of the Tribunal any of the following actions may occur. More than one action may be assigned as decided by and enforced by the Tribunal.

- The instructor may be removed as a BAR instructor.
- The instructor may be required to write a formal apology letter to the complainant and others affected by the complaint.
- The instructor may be restricted from future instruction of the particular topic or subject addressed in the complaint for a determined amount of time or indefinitely.
- The instructor may be personally responsible for a full refund of the class(es) registration fee(s) to the individual(s) for the class(es) addressed in the complaint.
- Any other action deemed appropriate by the Tribunal.

The respondent has the right to appeal the decision of the Tribunal to the BAR Board of Directors.

Professional Standards Policy

The BAR Pro Standards Committee has adopted the NAR Ombudsmen program.

The BAR requires REALTOR(S)[®] (Principals) to first mediate otherwise arbitral disputes pursuant to Article 17 of the Code of Ethics. The first mediation session is at no cost, a second session at \$250 per hour is available. As of 2019, those members who refuse to mediate must pay a \$250 deposit which will be returned if they prevail or which will be paid to the Pro Stds education fund should they fail to prove they are due commission. The mediation must be offered prior to Grievance Committee review of the complaint.

The BAR has adopted the NAR Citation Model Policy.

The Code of Ethics optional policies shall be reviewed by the full Pro Stds Committee (grievance and ethics) annually each January.

Refund Policy BAR Dues/ MLS Fees/RPAC

It is the policy of BAR that no dues, fees or RPAC contributions are refundable

Strategic Plan Policy

It is the policy of BAR to provide a framework and roadmap for carrying out the mission statement through a Strategic Plan against which the Association budgets, programs, activities, and emphases should be monitored and evaluated. The Strategic Plan should be reviewed annually by the Board of Directors.

It is the policy of BAR that a Strategic Planning meeting will be conducted annually or at the discretion of the BAR Executive Committee. A review of the Strategic Plan will be conducted annually. The Strategic Plan will be a three-year plan.

Store Refund Policy

Every effort will be made to refund a member his/her requested credit for purchased items on their account in a timely manner. Request for refund may be made after 10 days of the issued credit. Refunds are issued twice monthly in the form of a check. All checks will be mailed to the address listed on the members account. Payments made by the Broker will be refunded to the office. A member may return an item purchased from the GALMLS REALTOR(S) Store providing it is in new condition and that it is returned with the original packaging.

Whistle-Blower Policy

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns internally so that BAR & GALMLS can address and correct inappropriate conduct and actions. It is the responsibility of all board members, officers, employees and volunteer to report concerns about violations of {Organization's name}'s code of ethics or suspected violations of law or regulations that govern BAR's operations.

No Retaliation-It is contrary to the values of BAR & GALMLS for anyone to retaliate against any board member, officer, employee or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any regulation governing the operations of BAR & GALMLS. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

Procedure- See Appendix D

APPENDIX A

Document Retention Policy

Accident Reports & Claims (settled cases)	7 years
Workers Compensation Records & Insurance Payments	Current Year plus 12
Accounts payable ledgers & schedules	7 years
Accounts receivable ledgers & schedules	7 years
Audit reports of accountants	Permanently
Bank reconciliations	7 years
Capital stock & bond records; ledgers transfer registers	Permanently
Stubs showing issues, record of interest coupons, options, etc.	Permanently
Cash books	Permanently
Charts of accounts	Permanently
Checks, canceled (see exception below)	7 years
Checks, canceled – for important payments, i.e., taxes, purchases of property, special contracts, etc., (file checks with the papers pertaining to the underlying transaction)	Permanently
Contracts and leases, while active	10 years
Contracts and leases still in effect	Permanently
Correspondence (routine) with members, customers or vendors	1 year
Correspondence (general)	3 years
Correspondence (legal & important matters only)	Permanently

Deeds, mortgages and bill of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	7 years
Employee benefits (ERISA) plan documents* *There is a current year plus 6-year maximum statute of limitations under ERISA for breach of fiduciary duty. In addition, records pertaining to forms filed regarding ERISA plans must be maintained for the current year plus 6 years.	Permanently
Employee personnel records (after termination)	7 years
Employment applications (hired employee applications should be kept with the employee's personnel file)	3 years
Expense analyses and expense distribution schedules	7 years
Financial statements (end-of-year, other months optional)	Permanently
General and private ledgers (and end-of-year trial balances)	Permanently
Insurance policies, expired (consider holding permanently)	2 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports (longer retention periods may be desirable for some situations)	3 years
Internal reports (miscellaneous)	3 years
Inventories of products, materials and supplies	7 years
Invoices to members and customers	7 years
Invoices from vendors	7 years
Journals	Permanently
Membership applications (recommend 5 years or	3 years

permanently)	
Minutes of Directors and committees, including by-laws and charter	Permanently
Notes receivable ledgers and schedules	7 years
Option records (expired)	7 years
Payroll records and summaries including payment to pensioners	7 years
Pension plan records	Permanently
Petty cash vouchers	3 years
Physical inventory tags	3 years
Plant cost ledgers	7 years
Property appraisals by outside appraisers	Permanently
Property records including costs, depreciation reserves	Permanently
End-of-year trial balances, depreciation schedules, blueprints and plans	Permanently
Purchase orders (except purchasing department copy)	2 years
Receiving sheets	2 years
Requisitions	2 years
Sales records	7 years
Savings bond registration records of employees	3 years
Scrap and salvage records (inventories, sales, etc.)	7 years
Stock and bond certificates (canceled)	7 years
Stockroom withdrawal forms	2 years
Subsidiary ledgers	7 years
Tax returns and worksheets, revenue agents' reports and other documents relating to determination of income	Permanently

tax liability	
Tax exempt status letter	Permanently
Time books	7 years
Trademark registrations	Permanently

APPENDIX B

Financial Policies

Annual Report

The Finance Committee of the Association is responsible annually for overseeing the finances, assisted by the CEO and appropriate staff. It shall be the responsibility of the Finance Committee to see that the audit is completed in a timely fashion. The Annual Report shall be addressed to the Board of Directors and be available for inspection by any member during regular office hours at the BAR offices. The auditor's written communication of reportable conditions shall be addressed to the Finance Committee with copies furnished to the CEO. It shall also be the duty of the Finance Committee to meet with the CPA at the completion of the audit to discuss any problems or weaknesses in the Association's accounting system discovered during the audit, and report findings to the Executive Committee.

Audits, Accounts & Accounting

Annually, the CEO will contract with a Certified Public Accounting firm to conduct an audit in accordance with Generally Accepted Auditing Standards. The CEO and the Treasurer will recommend an auditor to the Board of Directors for approval. A copy of the audit shall be provided to the Executive Committee upon completion.

The CEO shall provide a written financial report (Balance Sheet and Income Statement) and membership report on a monthly basis to the Executive Committee and quarterly to the Board of Directors. The accounts for the Association shall be on the modified cash basis. It is recommended that the Association Treasurer meet with the CEO to review the financial report.

CHECK SIGNING AUTHORITY

Proper segregation of duties is a must to ensure adequate internal controls for check preparation. As such, the following rules govern the selection of individuals to sign checks:

Individuals who prepare checks will not be check signers. Individuals who reconcile bank statements will not be check signers. No checks are to be signed by the payee.

The President, President-Elect, Chief Executive Officer and Vice President of Operations are authorized to sign checks on any of the Association general operating checking accounts for budgeted expenses. Unbudgeted expenses over \$2,500.00 require prior approval of the Board of Directors. The only-exception is payroll, which must be approved by the CEO prior to transmitting unless otherwise authorized. Checks in excess of \$5,000 shall be signed by two authorized signatories. The Chief Executive Officer shall be responsible for monitoring the income and expenses as compared to the approved budget and shall report to the Treasurer and the Executive Committee any significant variance. The Executive Committee shall recommend to the Board of Directors any appropriate action.

All banking resolutions require approval of the Board of Directors.

Online Banking: Online banking, including the use of ACH (automated check handling, credit card processing is allowed). Only those authorized to sign on bank accounts may have access to logins, passwords or other electronic security devices, and each person accessing bank accounts online will have their own login and password. Passwords may not be shared or written where any other person may have access to them. The CEO will cause passwords to be changed regularly.

Contracting & Purchasing

Negotiation of Contracts: The negotiation and execution of contracts shall be vested in the CEO. Only such contracts as are authorized by the budget, the Board of Directors, and/or Executive Committee shall be entered into.

Board Members and Staff of the BAR/GALMLS shall not be financially interested in any contract negotiated or made by them in their official capacity on behalf of the Association/GALMLS, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity on behalf of the Association/GALMLS, unless the full nature and extent of such financial interest and/or status as prospective purchaser of vendor has first been disclosed in

writing to the Association/GALMLS and has been found to be a remote interest or is otherwise exempt from this provision, as defined below, by the Board of Directors.

Board Members and Staff shall not be deemed to be interested in a contract entered into by the Association/GALMLS within the meaning of this Policy if the Board or Staff member has only a remote interest in the contract and if the fact of that interest is disclosed to the Association/GALMLS in writing and noted in its official records, and thereafter the Association/GALMLS authorizes, approved, or ratifies the contract in good faith by a vote of its member or Directors sufficient for the purpose without counting the vote or votes of the Board Member with the remote interest, who shall be ineligible to vote thereon or to participate in the discussion leading to the vote.

A remote interest means an insignificant, inconsequential, or minor interest which, the Association's/GALMLS sole judgment, does not compromise or prevent the transaction from being in the best interest of the Association/GALMLS.

A Board member or employee of BAR/GALMLS accepting gifts, entertainment, or other favors from any individual or entity that does or is seeking to do business with BAR/GALMLS or has received, is receiving or is seeking to secure other financial commitments from BAR/GALMLS is strictly prohibited unless the acceptance of items are of nominal or insignificant value or entertainment of nominal or insignificant value that are not related to any particular transaction of BAR/GALMLS.

No BAR or GALMLS employee shall receive any payment, royalty, "finders fee" or commission from any vendor or contracted business partner or affiliate of BAR or GALMLS.

Credit Card Usage Policy

Authorized staff and members may have BAR issued credit cards, to allow them to conveniently pay for Association related events and needs. Most of the credit card charges are related to travel expenses. Copies of credit cards will be on file. Any abuse or unauthorized use of a BAR issued credit card by a staff

member may result in the termination of that employee. Judgment of such action is at the discernment of the BAR CEO.

Insurance Policy

Liability Insurance - The CEO will negotiate and recommend Liability Insurance to the Finance Committee for approval. This insurance should be sufficient to protect the Association's assets from general exposures with a minimum coverage of no less than 3 million dollars.

Directors and Officers Insurance - The CEO will negotiate and recommend Directors and Officers Insurance to the Finance Committee for approval. This coverage should protect the Board of Directors and the AE from liability and legal defense costs associated with the decisions of the Board of Directors.

Convention Cancellation Insurance - The CEO will if possible, negotiate and recommend Convention Cancellation Insurance to the Finance Committee for approval. This coverage should protect the Association in case of cancellation of the annual meeting.

Liquor Liability Coverage -It is the policy of BAR that at all BAR-GALMLS hosted events where alcohol is served; a host liquor liability form will be available. BAR will hire trained staff to serve alcoholic beverages or hold the event at a location that is properly licensed to serve alcoholic beverages. BAR will have the professional bartender and/or facility indemnify the Association for liability arising out of the service of alcohol. BAR will require guests to pay at a cash bar. Service of alcohol will cease at least thirty minutes before the event ends. Non-alcoholic alternatives and food will be provided at events where alcohol is served. BAR will encourage the use of designated drivers and when possible, will host the event at a hotel where most of the guests are staying to keep people off the road. When an event is hosted offsite, transportation, such as taxis, shuttles, or buses will be provided. Attendees will be notified before and during the event of the availability of transportation.

Investment Policy

Investments of the Association shall follow the guidelines of the Investment Policy as adopted by the Board of Directors. short-term investment accounts and

vehicles, such as money market and CD's: Individuals that will have authorization privileges include the President, Vice President, Treasurer and Association CEO. Transfers into the money market accounts may be made by the CEO.

Officer Hosting Policy

The Association will reimburse or pay via the P-card, the actual costs incurred in those situations where it is deemed appropriate for the President or Vice-President to "pick up the check" at a meal and/or alcoholic beverages. When this occurs, IRS regulations require the expenditure to be adequately explained with information concerning the purpose of the group gathering, a list of individuals in attendance, the name of the location and all costs.

Paperless Billing Policy

It is the policy of BAR that only email statements (invoices) will be sent to members annually for GALMLS subscription and Participant fees and annually for BAR dues.

Penalty Fee Policy

It is the policy of BAR to charge a late fee for dues received after the due date; the late fee is determined by the Board of Directors.

It is the policy of BAR to charge a \$25 No-Show fee to Board of Directors who fail to attend a required event.

It is the policy of BAR to charge a late fee for missed orientation; the late fee is determined by the Board of Directors.

Public Records Policy

If anyone requests a copy of the association's Form 990 Federal Information Return, the President, Treasurer and CEO shall be notified. All such requests should be in writing and accompanied by a \$20 reproduction and handling charge. The IRS requires that the last three years of federal tax returns, the IRS letter of determination and the IRS application for tax-exempt status be made available to

any person making the request. Members of the board receiving an inquiry must advise the President, Treasurer and CEO.

Reserve Policy

Operating Reserve- It is the policy of BAR to maintain an operating reserve of six (6) months fixed expenses. Should the reserve dip below 6 months figure, the CEO shall notify the Executive Committee at their next regular meeting.

Strategic Reserve- Funds set aside for a catastrophic event that would drain the operating reserve. Strategic reserves are also used for research and development. The annual amount of the strategic reserve should be set and approved by the BAR Board of Directors.

Capital Reserve- Funds set aside to maintain and or acquire real and personal property in an amount set by the Board of Directors annually

The reserve line items on the Balance Sheet may be adjusted after the annual audit takes place as recommended by the Budget & Finance Committee.

Disbursements from the reserve funds shall require a majority vote of an officially called meeting of the Board of Directors, with advance notice provided, when possible, of the intentions to use any part of the funds.

Travel Policy

BAR will reimburse, or pay via P-Card, authorized travelers (members or employees) traveling on official business for the BAR in accordance with the procedures as follows:

Authorized Traveler: An authorized traveler within the context of this policy statement is any member or employee of the BAR authorized by the Board of Directors, the President or the CEO or committee with specific funding in the budget for their travel. This normally includes members of the EC and members serving as BAR, GALMLS and/or AAR Directors. Others will be authorized on a case by case basis by one of the approving authorities listed above.

Advanced Reservations: Authorized travelers shall coordinate their travel plans with the Executive Assistant, as far in advance as possible, to facilitate obtaining the best possible rates and fares. Costs incurred in advance may not be reimbursed if travel is not performed.

Travel: Authorized travelers will be reimbursed for the actual cost of their travel. When traveling by automobile, the traveler providing the vehicle will be reimbursed at the current IRS approved mileage rate or actual expense, if requested. Other authorized travelers riding in the same vehicle will not receive a mileage reimbursement. Air travel will be reimbursed on any trip of less than 250 miles up to the equivalent mileage allowance.

Other Expenses: Authorized travelers will be reimbursed for the actual cost of accommodations. Additional expenses such as meals plus tips will be reimbursed up to \$125.00 per day. Costs of Alcoholic beverages will not be reimbursed unless so authorized by the BAR President or CEO. Receipts or itemized lists will be required on the expense report. The President or CEO may authorize specific expenses such as attendance at specific events to represent the Association. These will be reimbursed in addition to the authorized daily limit on expenses.

Expense Report: Each authorized traveler will submit a report of actual daily expenses on an appropriate form provided by the BAR for that purpose. Employees shall submit this report to CEO within ten (10) workdays of return from a trip. This report will be reviewed for compliance with this policy prior to reimbursement of the traveler.

Special Needs: Authorized travelers with special needs such as use of a BAR credit card shall coordinate their needs with the Executive Assistant prior to their planned travel date. When a BAR credit card is issued for a special purpose, that card shall be returned to the CEO prior to the traveler being reimbursed for their expenses.

It is the policy of BAR & GALMLS that no more than 2 officers may travel in the same vehicle or on the same flight.

It is the policy of the Association to budget for reasonable travel expenses of its officers and employees.

APPENDIX C

Ombudsmen Policy

The definition of Ombudsman for REALTORS® – The Ombudsman Program in its simplest definition is informal telephone mediation. In some cases it can address and solve minor complaints from the public. It can also solve inter-REALTOR® conflicts before they become serious problems. Like a mediator, an ombudsman helps parties find solutions.

BAR OMBUDSMAN OVERSIGHT AND COMMITTEE GUIDELINES

BAR Ombudsman are members with 10 or more years of experience or 5 or more years of experience including additional qualifications such as experience in dispute resolution. These members are familiar with the NAR Code of Ethics, state real estate regulations and current real estate practice. These members also serve on the Professional Standards Committee and receive training on the professional standards process as well as serving as an Ombudsman on an annual basis. Ombudsman are required to complete an application detailing their experience and are selected by the President in conjunction with the Chief Executive Officer. There will be a minimum of five ombudsman for the association at any given time. Please note, if a member serves as an Ombudsman and the issue is not resolved through the Ombudsman process, that member will be precluded from serving in any of the formal processes available through the association (i.e. ethics tribunal, mediation, etc.) with respect to that complaint.

The following types of cases can be handled through the Ombudsman Process:

- Uncomplicated
- Communication based
- Non or small monetary amount
- May be solved by providing simple education
- May be solved by providing basic knowledge

The following types of cases cannot be handled through the Ombudsman Process:

- Apparent violations of law
- Fair housing or discrimination issues
- Those already referred to legal counsel, a subject of a New Jersey Real Estate Commission investigation, a REALTOR® vs. REALTOR® arbitration which shall

be handled by the association's mediator.

- Large monetary amounts
- Complex cases
- Cases involving more than two parties
- Blatantly unreasonable or uncooperative parties

Confidentiality- All communications made to the Ombudsman or the Ocean County Board of REALTORS® whether written or oral, shall be confidential and may not be disclosed (other than communicating information and results between staff and the Ombudsman) to any other person for any reason. The Ombudsman's opening statement shall confirm the parties understanding of this prior to discussing the issue.

APPENDIX D

Whistleblower Procedure

It is the responsibility of any association member, director, officers or employees to report violations of law including employment law, fraud, illegal behavior on the association grounds, egregious financial mismanagement, sexual harassment, violating the fiduciary duties of director, violating the anti-trust policies set forth in this document, violating the confidentiality of board business, or egregious actions that threaten the public trust or the positive reputation of the BAR.

BAR requires Association officers, directors, committee members, and employees to observe a Code of Conduct. Employees and representatives of the Association must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. The Whistleblower Policy is applicable to any employee or member who comes forward to report a violation of the law or ethical conduct.

No Retaliation: No employee or representative who in good faith reports a violation of the Code of Conduct shall suffer harassment, retaliation or adverse employment consequences. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This policy is intended to encourage and enable employees and others to raise serious concerns with the Association prior to seeking resolution outside the organization.

Reporting Violations: BAR maintains an open-door policy. Employees are encouraged to share their questions, concerns, suggestions or complaints with their supervisor or anyone in management whom they are comfortable approaching. However, if the employee is not comfortable speaking with their supervisor or is not satisfied with their supervisor's response, the employee is encouraged to speak with the CEO, anyone in staff management whom the employee is comfortable in approaching. Supervisors are required to report suspected violations to the Association's CEO. Should the report involve the CEO the person may go to the sitting president who will forward the complaint to the BAR's Vice-President. BAR's Vice President has responsibility to investigate all reported violations. For suspected fraud or criminal acts or when an individual is

not comfortable with stated open-door policy, the BAR president should be contacted directly.

Compliance Officer: BAR's Vice President is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Conduct and shall advise the chief executive officer and executive committee.

Acting in Good Faith: Anyone filing a complaint concerning a violation or suspected violation of the Code of Conduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code of Conduct. Any allegations that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality: Violations or suspected violations of the Code of Conduct may be submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible consistent with the need to conduct an adequate investigation.

Handling of Reported Violations: The compliance officer will notify the sender to acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

Protection: This Whistleblower Policy is intended to offer protection if any Director, Officer, or employee raises concerns regarding the Association, including the following concerns:

1. Incorrect financial reporting
2. Unlawful activity
3. Activities that constitute serious improper conduct

The Association's Code of Conduct requires Directors, Officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. All employees and representatives of the Association must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

BAR Code of Conduct

Contracts, Sales and Purchases: Board Members and newly elected Board Members of the Association shall not be financially interested in any contract negotiated or made by them in their official capacity on behalf of the Association, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity on behalf of the Association, unless the full nature and extent of such financial interest and/or status as prospective purchaser or vendor has first been disclosed in writing to the Association, and has been found to be a remote interest or is otherwise exempt from this provision, as defined below, by the Board of Directors.

Board Members shall not be deemed to be interested in a contract entered into by the Association within the meaning of this Code if the Board Member has only a remote interest in the contract and if the fact of that interest is disclosed to the Association in writing and noted in its official records, and thereafter the Association authorizes, approves, or ratifies the contract in good faith by a vote of its members or Directors sufficient for the purpose without counting the vote or votes of the Board Member with the remote interest, who shall be ineligible to vote thereon or to participate in the discussion leading to the vote. As used in this Code, a remote interest means an insignificant, inconsequential, or minor interest which, in the Association's sole judgment, does not compromise or prevent the transaction from being in the best interests of the Association.

The processing of one's own GALMLS listings with the Association's GALMLS and/or the acquisition of standard forms, educational materials, and other materials of similar nature from the Association are also exempt from the provisions of this paragraph.

Confidential Information: It is the policy of the Association that, except as may otherwise be provided or required by law, Directors and Officers of the Association shall not disclose or discuss confidential/sensitive information, documents or other materials, including but not limited to, personnel matters, litigation or legal matters, or other contract matters which come to their attention or into their possession by virtue of their office as a Director or Officer, to the public, to the membership, or to any other person or entity (including a

spouse), without the prior disclosure of same to the Board of Directors and without action thereon by the Board of Directors expressly authorizing such disclosure in writing.

This policy is deemed necessary for the protection of the Association, its Directors, Officers, and Members, to assure that due deliberation and consideration is given to all such matters before any pronouncements, statements, or positions thereon are taken by or on behalf of the Association or by anyone in a position of apparent authority to speak on behalf of the Association.

The undersigned understands that a breach of this policy may be a violation of the undersigned's fiduciary duty and may expose the undersigned to removal from the Board of Directors, or damages, or both.

Board Members 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 interests of the Association. 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.

Inconsistent, Incompatible, or Conflicting Activity, Employment, or Enterprise: Board Members of the Association shall not engage in any activity, employment, or enterprise which is inconsistent, incompatible, in conflict with, or inimical to their duties to the Association.

The Association may adopt rules, policies, and/or procedures governing the application of this section. The rules may include provision for notice to affected parties of any determination of prohibited activities; for guidelines concerning lack of access to Association data and meetings involving potentially conflicting and privileged information; for abstention from voting on the part of any party with potential conflict; for disciplinary action to be taken against affected parties for engaging in prohibited activities; and for appeal by affected parties from such a determination and from its application to an affected party.