

POLICY MANUAL

of the

NORTH CAROLINA ASSOCIATION OF REALTORS® , INC.

(Revised effective 09/12/2011)



The Voice of Real Estate in North Carolina

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PREAMBLE
(effective January 11, 2006)

The North Carolina Association of REALTORS®' (NCAR or the Association) Policy Manual serves as an administrative guide and an expansion of the terms of operation of NCAR in accordance with NCAR's articles of incorporation and bylaws. The Policy Manual is divided into two separate sections –Bylaws Related and Administrative. The Bylaws Related section contains the policies referred to in NCAR's bylaws. The Administrative section contains the remainder of the policies that address NCAR's operations.

The Executive Committee may refer policy proposals to the Policy Committee for consideration and recommendation. The Policy Committee is chaired by the NCAR Immediate Past President and consists of the President, President-Elect, Immediate Past President, Treasurer and Executive Vice President.

The members of the North Carolina Association of REALTORS®, Inc. are dedicated to the protection and preservation of the free enterprise system and right of all people to own, use, enjoy and transfer real property. We continue to hold fast to a basic belief and confidence in the American system. We will continue to adhere to and govern ourselves according to the Code of Ethics of the National Association of REALTORS®, which establishes fair, honest and professional service in all real estate transactions.

We continue to promote member participation in all aspects of political activity. In doing so, the Association supports appointees to the North Carolina Real Estate Commission and other local, state and federal agencies to protect and communicate the interests of all our membership. Through the Legislative Affairs Committee and the Rapid Response Team, the Association maintains a statewide network that responds quickly and effectively to issues requiring decisive actions.

The Association will continue to identify the needs of its members and support them by responding with programs and benefits for all real estate specialties. The Association, through the North Carolina Real Estate Education Foundation, will continue to identify and offer quality educational programs that will assist members in increasing profitability and professional competence. The Association will maintain strong involvement in the development of courses for mandatory continuing education as required by the North Carolina Real Estate Commission.

We encourage the North Carolina Real Estate Commission and the North Carolina General Assembly to support the goal of adequate protection of the public and our members in real estate transactions. We will expend any and all efforts seeking legislation and/or regulations to preserve mortgage interest deduction and we will seek favorable changes to capital gains and homestead exemption legislation. The Association will continue to actively oppose any land transfer taxes, impact taxes and impact fees that directly affect the affordability of housing and economic development.

We support a Strategic Plan for the Association that is both timely and reflective of current business trends. We promote the fiscal responsibility of the Association and urge that all necessary measures be taken to insure the long-term viability of our Association. The Association, through the NCAR Housing Opportunity Foundation, promotes affordable housing programs.

The North Carolina Association of REALTORS®[®], Inc. recognizes private ownership of property as a cornerstone of free enterprise and we commit ourselves to that end.

| [Amended by Executive Committee 1-11-06; effective 1-11-2006]

ADVERTISING IN *Insight* PUBLICATION

NCAR committees, divisions or sections (including the Property Management Division, the Appraisal Section and the REALTORS® Commercial Alliance of NCAR) may advertise in *Insight* publication at no cost on a space available basis, excluding candidate advertising and provided that they follow the deadlines and other guidelines set forth in the *Insight* Rate Card and Specifications.

Local Boards/Associations or affiliate NCAR organizations, including the NC Real Estate Educational Foundation, NCAR Housing Opportunity Foundation and NCAR Service Corporation, may, at their expense, advertise in the *Insight* publication in accordance with the then current rates, deadlines and other guidelines set forth in the *Insight* publication Rate Card and Specifications.

NCAR committees, divisions, sections or affiliate NCAR organizations may provide enclosures in the *Insight* publication in accordance with the then current rates.

The content of all advertising is subject to final approval by the editor of the *Insight* publication.

For information on candidate advertising, please refer to the policy on Electioneering and Display of Campaign Items.

[Amended by Executive Committee 6-14-2004]

APPOINTMENTS TO STATE REGULATORY AGENCIES

From time to time, NCAR recommends individuals for appointments to State regulatory agencies, such as licensing boards and commissions. The NCAR Leadership Team, consisting of the President, President-Elect, Treasurer, Immediate Past President and Executive Vice President, is solely responsible for making such recommendations. When time permits, the Leadership Team may seek the input of NCAR's Rapid Response Team. The Leadership Team may recommend one (1) person for each available appointment, but is not required to make a recommendation for any appointment. The Leadership Team's decisions shall be final. The Leadership Team's deliberations are confidential, but its decisions are not. NCAR shall provide a letter containing the recommendation, signed by the NCAR President, to the appropriate agency or official.

[Approved by Executive Committee 6-14-2004]

ASSOCIATION EXECUTIVES SCHOLARSHIPS POLICY

AWARDS:

NAR AE Institute. Three scholarships to attend the NAR AE Institute shall be awarded in an amount of up to \$1,000 each to cover travel and program registration costs not otherwise covered by NAR.

Regional AE Conference. Eight scholarships to attend the Regional AE Conference shall be awarded in an amount of up to \$750 each.

CRITERIA:

- Recipient must be a local Association Executive (AE). For the Regional AE Conference scholarships only, preference will be given to AEs with three years or less experience.
- Longevity should not be a determining factor in eligibility for the AE Institute scholarships.
- Scholarships are need-based, according to the budget of the local Association and/or its MLS.
- Recipient may receive a scholarship more than once.
- The scholarship application must be accompanied by a letter from the Board of Directors of the applicant's Association endorsing the request.
- Based on the number of qualified applicants, the scholarships need not be awarded each year.
- An applicant may apply for both the Regional AE Conference and the NAR's AE Institute scholarships in the same year.
- Scholarships are intended to defray expenses in connection with a recipient's attendance at the Regional AE Conference and NAR's AE Institute, including registration, travel and meals. A scholarship will be paid to a recipient only after the recipient submits to NCAR receipts for actual expenses incurred that, in total, equal or exceed the scholarship. Where total expenses are less than the scholarship, the scholarship will be reduced to the amount of the expenses.
- NCAR's AE Committee Chair and Vice-Chair are not eligible for scholarships.

JUDGES:

NCAR Immediate Past President, Treasurer, AE Committee Chair and Vice Chair.

JUDGING GUIDELINES:

1. Time in Present Position: This indication will assist the judges in determining the applicant's level of experience as an indicator of need.
2. Financial Need: Scholarships are need-based, according to the budget of the local Association and/or its MLS. Information will assist the judges in determining the applicant's financial limitations in regard to attending the Regional AE Conference and NAR's AE Institute.
3. Commitment to Professional Development/Continuing Education: Attendance at other types of continuing education is required to determine the applicant's commitment to self-improvement.
4. NAR/NCAR Participation: Applicants are required to indicate their previous attendance at both National Association of REALTORS® and NCAR meetings as an indication of both the local Association's and AE's commitment to the industry and the profession.

Application deadline/notification/presentation:

Mail Scholarship Application:	October 1 st
Return Application:	November 1 st
Notify Recipients:	December 1 st

Present Awards:

January NCAR Board of Directors Meeting

Announcements:

1. Congratulatory letter to recipient and the recipient's Association President; and
2. Announcement in weekly NC REALTOR® Update or similar NCAR publication; and
3. Announcement in *Insight*.

If a recipient is no longer serving as a local Association Executive at the time of the Conference or the Institute, then the Judges may either not fund the scholarship or elect to choose a new recipient.

[Amended by Executive Committee 9-18-2010]

ATTENDANCE AT NCAR EXECUTIVE COMMITTEE MEETINGS

All members of NCAR, including local board Association Executives, are invited to attend any in-person meetings of the NCAR Executive Committee. Whenever possible, at least two (2) weeks before the scheduled meeting, NCAR staff will post a meeting notice in the NC REALTOR® Report (or NCAR's then current electronic newsletter) and include a link to the meeting agenda. For space planning purposes, those members who wish to attend shall notify NCAR's Executive Assistant in advance, either personally, by phone, facsimile or electronic mail. Space is available based on order of notification. Following the meeting, NCAR's Executive Vice President will post a message on NCAR's AE ListServ with a synopsis of Executive Committee action(s).

This policy does not apply to meetings, or any portion thereof, held in executive session.

[Approved by Executive Committee 12-08-2003]

BUDGET LIMITATION

Persons responsible for expending funds from the NCAR budget, including but not limited to any officer, director, or chairperson of any committee, subcommittee, task force, advisory group, work group or other interim group, shall be apprised that they must adhere to the budgeted amount by the assigned staff person, or in the absence of an assigned staff person, by the Chief Financial Officer. If additional funding is required, a formal request must be made in writing and referred to the Finance Committee for their recommendation to the Executive Committee for appropriate action.

[Approved by Executive Committee 4-20-09]

CHECK SIGNING

The President, President-Elect, Treasurer, Executive Vice President, and Chief Operating Officer each may sign checks on behalf of NCAR, provided that any check is signed by at least two of them, with one of the signatories being either the President, President-Elect or Treasurer and the other one being either the Executive Vice President or Chief Operating Officer.

The lone exception to this policy is that the Executive Vice President is allowed to solely sign checks up to a maximum of \$1,500, so long as they are not for volunteer travel reimbursement (any checks for volunteer travel reimbursement require two signatures, as set forth above). The Treasurer shall review copies of all checks signed solely by the Executive Vice President and their accompanying invoices as soon as possible.

[Amended by Executive Committee 04-20-2009]

COMMITTEE PLANS AND REPORTS

The chair of each NCAR committee shall, at the beginning of the committee year, submit a plan containing the Committee's objectives for the upcoming committee year to the committee's designated Executive Committee member, who shall present the plan to the Executive Committee at its meeting next following the date the plan is submitted. The plan shall be consistent with NCAR's Strategic Plan. At the end of the year, each chair shall submit a report to the designated Executive Committee member summarizing how the committee did or did not accomplish its stated objectives, and the designated Executive Committee member shall present the report to the Executive Committee at its last meeting of the year.

In addition, the committee chair shall submit approved meeting minutes together with appropriate references to the Strategic Plan to the committee's designated Executive Committee member within 30 days following approval, which shall be presented by the Executive Committee member to the Executive Committee at its meeting next following the date the report is submitted.

[Approved by Executive Committee 08-11-2010]

COMPLIMENTARY NCAR CONVENTION REGISTRATIONS

Complimentary NCAR Convention registrations shall be extended to the three State Presidents, Presidents-Elect, Executive Officers and their spouses/guests in NAR Region IV (South Carolina, Kentucky and Tennessee), the NAR Regional Vice President and spouse/guest, and the State Presidents, Presidents-Elect and Executive Officers of Georgia and Virginia and their spouses/guests.

[Amended by Executive Committee 08-13-03]

CONTESTED APPLICATION FOR COMMERCIAL OVERLAY BOARD – HEARING PROCEDURES

NAR procedures require a proposed Commercial Overlay Board to submit a notification letter to all affected Boards (*i.e.*, those Boards that will share jurisdiction with the proposed commercial overlay board) advising them of the proposed new board. In the event that an affected Board replies to the notification letter and indicates an objection or abstention regarding the formation of the new board, then all parties will have an opportunity to appear before the State Association to present their respective positions. Upon receipt of the objection or abstention, the State Association will schedule a hearing to be held according to this policy.

The hearing by the State Association shall be conducted by the Board Jurisdiction Committee or other duly appointed group (the “Hearing Panel”). Every effort will be made to ensure that the Hearing Panel includes members who are non-residential practitioners.

Oral presentations by the parties follow the schedule below:

APPLICANT GROUP..... 45 MINUTES

AFFECTED BOARD(S)..... 45 MINUTES

Note: If there is more than one affected Board, each Board will be allocated equal time to make their presentation.

QUESTIONS AND ANSWERS OF THE HEARING PANEL.....AS REQUIRED

APPLICANT GROUP (CLOSING COMMENTS)15 MINUTES

AFFECTED BOARD(S) (CLOSING COMMENTS) 15 MINUTES

EXECUTIVE SESSION OF HEARING PANEL..... AS REQUIRED

With respect to the oral presentations, each party may utilize a single spokesperson or multiple spokespersons to present their respective cases, but must hold to the time frame provided irrespective of its election.

When considering a contested application for establishment of a commercial overlay board, the Hearing Panel must determine whether the affected Board is adequately representing and serving the needs of non-residential practitioners within its assigned jurisdiction, and whether establishment of a commercial board structure will better serve the needs of non-residential practitioners. The following is a list of items (hereafter referred to as the "Criteria") by which to measure the performance of an affected Board, and to measure the abilities of the applicant group to fulfill the obligations of their application. These are typical of, but are not all inclusive of, the questions or factors to be considered by the Hearing Panel in its deliberations.

SECTION 1: Which group can better serve the needs of non-residential practitioners in the areas described below:

- A. Provide an effective non-residential group that will attract new members and retain existing members.
- B. Identify and develop services which meet the needs of non-residential practitioners.
- C. Provide educational opportunities to advance the level of professionalism and competence.
- D. Provide networking opportunities.
- E. Provide a focal point to address legislative issues affecting non-residential real estate.
- F. Foster relations and interaction with chapters of the Institutes, Societies and Councils.
- G. Have an established communication process for non-residential issues.

- H. Provide liaison with other related industry groups.
- I. Maintain a functioning professional standards process to enforce the NAR Code of Ethics and provide for arbitration.
- J. Protect and promote proper use of the REALTOR ® registered trademark.

SECTION 2: In addition to the criteria established in Section 1, the Hearing Panel may also consider the following issues:

- A. What programs, services, and administrative support are being provided to non-residential members by the affected Board(s)?
- B. What is the degree of Member satisfaction with these services?
- C. What is the ratio of commercial membership to total membership within the affected Board(s)?
- D. What percentage of the affected Board's budget is allocated to non-residential services?
- E. Do a majority of non-residential members within the affected Board(s) support the petition of the applicant group?
- F. Do petitioners have sufficient members and financial resources to conduct the activities and programs required of a Member Board of the NATIONAL ASSOCIATION OF REALTORS®?

Each party may also submit a written statement no more than 20 typewritten pages (single-sided) setting forth the basis upon which the application should be granted or denied. The written statement must be submitted at least ten (10) days prior to the hearing by the State Association. The written statements and oral presentations by the parties should speak to the Criteria, since this is what will be utilized by the State and National Associations in considering such disputes.

All filings or other documents required under this procedure which are not filed within the time limits prescribed herein may be accepted at the discretion of the Chair of the Hearing Panel.

The State Association shall make a recommendation to the National Association based upon the information contained in the written statements (if any) and the oral presentations made by the parties at the hearing before the State Association. The recommendation shall be made within forty-five (45) days after the meeting of the State Association's Board of Directors, and shall set forth the basis or grounds upon which it is made.

The recommendation of the State Association shall be furnished simultaneously to all parties and the National Association by registered or certified mail, return receipt requested. According to the procedures of the National Association, any party may request an opportunity to orally argue their position before the Membership Policy and Board Jurisdiction Committee of the National Association, provided such request is made within thirty (30) days after completion of service of the recommendation of the State Association. The duration, nature, scope and conduct of any hearing shall be within the sole discretion of the Membership Policy and Board Jurisdiction Committee of the National Association. If the parties accept the recommendation of the State Association, then the matter would not proceed to a hearing at the national level. However, any application for commercial board status is subject to final approval by the Membership Policy and Board Jurisdiction Committee and Board of Directors of the National Association.

[Amended by Executive Committee 12-09-2002]

CONTRACT POLICY

Any contract, agreement or other document creating an unsecured monetary obligation (“Obligation”) to the North Carolina Association of REALTORS® that has not been expressly approved by the Board of Directors or the Executive Committee must be entered into/signed in accordance with each of the following criteria:

- (1) The Obligation may be entered into/signed if its financial implications are consistent with an approved NCAR budget. An Obligation with a term of not more than three (3) years may be entered into/signed if: (i) its financial implications during the term of an approved budget are consistent with such budget, and (ii) its financial implications do not increase by more than ten percent (10%) for any period of time beyond the term of an approved budget.
- (2) Obligations exceeding the sum of \$1,500 must be reviewed by NCAR legal counsel and chief employed financial executive prior to be entered into/signed.
- (3) Unless otherwise specified by the NCAR Executive Committee or Board of Directors, Obligations of less than \$10,000 shall be entered into/signed by the NCAR Executive Vice President OR NCAR President, and Obligations of \$10,000 or more shall be entered into/signed by the NCAR Executive Vice President AND either the NCAR President or NCAR Treasurer. Copies of any Obligations entered into/signed solely by the NCAR Executive Vice President shall be provided to the President for review as soon as possible after it is signed/entered into.

Obligations secured by any NCAR Property must be expressly approved by the Board of Directors or the Executive Committee.

[Adopted by Executive Committee 12-02-2009]

DISTRIBUTION OF FINANCIAL REPORTS

Quarterly financial reports for NCAR's related entities shall be provided to the members of the Finance & Budget Committee and Executive Committee no later than forty-five days after the end of each quarter. For purposes of this policy, a "related entity" shall be any entity which is wholly-owned by NCAR or one of NCAR's wholly-owned subsidiaries, or if a majority of its directors are elected or appointed by NCAR's directors, officers or members. The reports should include quarterly and year-to-date amounts with comparison to prior year's financial statements and current year budget, as well as explanations of significant variances from the budget. NCAR monthly financial reports shall be provided to the members of the Finance & Budget Committee and Executive Committee no later than forty-five days following the end of each month.

[Adopted by the Board of Directors on 1-21-11]

DISTRIBUTION OF MEETING MATERIALS

Subject to any greater requirement imposed by the NCAR Bylaws or North Carolina law, notice of any report or presentation to be made at a meeting of the Executive Committee or Board of Directors, as well as any written materials that will accompany such report or presentation, shall whenever possible be distributed a minimum of 72 hours in advance of the meeting. The presiding officer at any such meeting may waive this requirement in his or her reasonable discretion if necessary for the body meeting to timely consider an urgent matter.

[Adopted by the Executive Committee 12-2-09]

DIVISIONS AND SECTIONS

NCAR has certain divisions and sections to serve the needs of specialty groups within the real estate industry. NCAR's divisions and sections are parts of NCAR. NCAR's divisions and sections include the Property Management Division, Appraisal Section and REALTORS® Commercial Alliance of NCAR (collectively referred to as "Divisions"). This policy sets forth general operating rules for Divisions.

DURATION

Divisions may be established and dissolved by NCAR's Board of Directors.

GOVERNING DOCUMENTS

Divisions may choose to adopt their own governing documents to address matters including Division membership, dues, meetings, and election of the Division's officers and directors, provided that such documents and all amendments thereto (i) are consistent with NCAR's bylaws, policies, rules, formal positions and mission; and (ii) are approved by NCAR's Board of Directors. NCAR's governing documents control in all matters not covered by the Divisions' own governing documents.

FINANCES

NCAR will not charge or assess Divisions any administrative fees for the delivery of services, but will charge back each Division direct expenses including travel, postage, and other expenses incurred by NCAR on behalf of the Division.

Divisions' budgets are determined by NCAR and are made part of NCAR's overall annual operating budget. To facilitate the budgeting process, Divisions must submit in writing their projected budgets for the upcoming year, including all revenues and expenses, to NCAR's Chief Operating Officer no later than May 31st of the then current year. Divisions must adhere to NCAR's Budget Limitation policy.

A Division generating excess revenues over expenditures through its own efforts shall have net assets equal in amount to its cumulative net revenues, adjusted to reflect the Division's current operating results. The Division's net assets shall be available for the exclusive benefit of the Division until such time as the Division is dissolved. Upon the dissolution of the Division, its remaining net assets shall become part of the unrestricted, undesignated net assets of NCAR.

AUTHORITY TO ACT

Divisions have no authority to act independently of NCAR and may not act as agents of NCAR or bind or obligate NCAR in any way. Where Divisions are asked to participate in projects that require contracts, the contract must be issued in NCAR's name and presented to NCAR for approval and signature. For example, Divisions plan many events. When a task involves a contractual arrangement such as renting facilities or the like, the contract must be made in the name of NCAR. And, as a named party to the contract, the commitment can only be made with the signature of NCAR's President or Executive Vice President. Divisions should also refer to NCAR's Signatures on Correspondence and Media Spokesperson policies.

MEETINGS

Divisions shall promptly provide NCAR with minutes of all their meetings, including records of any resolutions.

[Approved by Executive Committee 08-11-2010]

DUES WAIVER FOR MAJOR DISASTERS

1. The President of the United States declares a major disaster.
2. The Local Board EO or, in the case of a vacancy or absence, the NCAR Regional Vice President must then request in writing, to the NCAR Executive Committee, a waiver of dues for all members of their board, for one year or a part of the year. The EO must also provide documentation (such as news articles and photos) of major loss of property, which could cause financial hardship or have an economical impact to Realtors®, no later than 60 days after the disaster has been declared.
3. This information will be presented at the first Executive Committee meeting following the receipt of written request to waive dues and documentation of major loss of property.
4. If the Executive Committee approves the request to waive dues, the request will then go to the Board of Directors for approval.
5. Following Board of Directors' approval, NCAR will send a letter to NAR requesting that national dues be waived.

[Approved by Board of Directors 1-9-01]

NCAR

North Carolina Association of REALTORS®

Emergency Management Plan

January, 2011

Executive Summary

The North Carolina Association of Realtors operates according to policies and procedures established, maintained, and implemented by the NCAR Board of Directors and Executive Committee. These policies and procedures are designed to provide an acceptable level of internal control balanced with an acceptable level of staff efficiency.

The leadership and management of NCAR recognize that, in the event of an emergency, adherence to all policies may not be appropriate, effective, or, in the worst cases, even possible. However, the continued functioning of NCAR during an emergency event is critical for the maintenance of NCAR's leadership position within the industry in order to; (a) prevent degradation of NCAR's reputation or image; (b) limit exposure to legal or liability issues and; (c) maintain NCAR's commitment of service to our membership.

The leadership and management of NCAR further recognize that emergencies can occur that do not initially impact NCAR (e.g. a hurricane in the coastal areas), but that by their nature, have future implications to NCAR, local boards, members, or the general public. In these instances, a response from NCAR may be morally or ethically necessary to enhance or protect the public image of NCAR and its membership.

In response to these requirements, the emergency management plan has been established to provide guidelines to assist in developing, implementing and executing an appropriate response in the event of an emergency.

Definitions:

1. **Emergency:** An emergency is any unplanned event that can cause death or significant injury to employees, members, or the public; can shut down or disrupt NCAR's operations; can cause physical or environmental damage, or; can threaten NCAR's financial standing or public image.
2. **Emergency Management Team:** The team responsible for the determination of the appropriate emergency response. The emergency management team consists of the President, Past President, President-elect, Treasurer, Executive Vice President, Chief Operating Officer and General Counsel. Other counselors and staff may be consulted as necessary as determined by the emergency management team. In the event members of the team are unavailable or detained, a senior staff member of NCAR will assemble a response team comprised of individuals, which may include members of the Executive Committee, past presidents or the Administrative Committee.
3. **Facility vendor listing:** The listing of vendors providing service to the facilities of NCAR including power, water, phone, internet, fire, and security along with the necessary contact information for each.
4. **Information management listing:** The listing of vendors providing services in support of NCAR's information technology and/or computer network systems, including contact information, and contact information for NCAR staff responsible for transporting technology backups

5. **Emergency Phone tree:** The listing of contact information of all members of the emergency management team, along with all members of NCAR's staff with a short description of area of responsibility.
6. **Public response:** The dissemination of information that represents, or appears to represent, an official statement from the North Carolina Association of Realtors.

Initiation of emergency response:

Each member of the emergency response team is charged with the duty to recognize an emergency situation and initiate contact with the other members of the response team. The initial response from all members should be directed first to the NCAR Executive Vice President, the NCAR Chief Operating Officer or General Counsel in the event the EVP is not available. The NCAR staff contacted is to establish the protocol for the initial meeting of the emergency response team.

Development of Emergency Response Plan:

The duty of the emergency response team is to develop and communicate a plan of action that addresses the emergency and the official NCAR response. The plan of action should contain the following informational items:

1. A detailed description of the emergency and the cause.
2. An assessment of the potential impact on NCAR, its members, its staff, or the general public.
3. A detailed description of the necessary goals, actions and the required communication channels (media, staff, membership, etc)
4. An assessment of additional resources necessary for undertaking the plan.
5. An assessment of additional staff members or other persons necessary for completion of the plan.
6. An assignment of responsibilities for beginning the plan.
7. The establishment of progress-reporting protocol.
8. The establishment of a central information collection team member.
9. The establishment of subsequent meetings of the team for progress updates.

Implementation of the Emergency Response Plan:

Once the emergency response plan is established, the plan must be implemented. While it is anticipated that NCAR staff will be responsible for the majority of the implementation process, that may or may not be feasible based on the situation. Team member's assigned responsibilities in the response plan should initiate action on those responsibilities immediately. Unless otherwise directed, team members should establish the means for employing any additional resources as identified in the response plan, including making initial contact with additional staff members, consultant or others necessary to achieve the established goals. In an emergency situation, time is considered critical and the NCAR response should be as swift as prudently

possible.

Any team member having difficulty completing their assigned goals must communicate those difficulties with the central information collection member immediately.

All communications to sources outside of NCAR staff and the emergency response team must be made by a senior member of the response team (EVP or President, etc) unless some other individual is specifically assigned that responsibility in the response plan. Each external communication (media and membership) must be proofed and reviewed prior to its release.

Each member of the team should be prepared to update the entire team on the progress of their assigned responsibilities at each subsequent meeting of the team.

Revision of the Plan:

During each subsequent meeting of the emergency response, revisions to the plan of action may be required. Any such revisions to the plan should include re-assignment of responsibilities and re-assessment of necessary resources.

Completion of the Plan:

The emergency response team will determine when the plan of action has been completed or further response is no longer required. Completion of the response may be determined by fulfillment of all responsibilities as outlined in the response plan, or may be, by agreement of the response team, that further action from NCAR is no longer required, effective, or prudent.

Assessment of the response:

Upon the conclusion of the response, the emergency response team should discuss the effectiveness of the team response noting deficiencies in the response, problems encountered, and areas of general concern. The improvement or resolution of the items should be considered a priority for correction and the necessary steps should be completed as soon as possible. The development and implementation of changes affecting Bylaws, policies, or other established procedures that required action by the governing bodies of NCAR should be initiated in the next meeting cycle for those bodies. Revisions and updates to the emergency management plan should be completed as soon as possible following the assessment of the response.

Emergency Management Team 1

Position	Name	Contact Information
President	Stephanie Walker	(252) 441-8011 (252) 202-3504 – Cell
President Elect	Lou Baldwin	336-201-0265 336-817-6665- Cell
Past President	Mary Edna Williams	(919) 256-4201 (919) 880-0071 – Cell
Treasurer	Tom Barton	(252) 638-2598 (252) 636-7477 - Cell
NCAR EVP	Andrea Bushnell	(336) 808-4222 (503) 528-6585 - Cell
NCAR COO	Anne Shoemaker	(336) 808-4229 (336) 549-7000 – Personal Cell
NCAR CFO	Bryan Jenkins	(336) 294-3112 (336) 580-6647 – Personal Cell
NCAR General Counsel	Will Martin	(336) 714-0333 (336) 543-4053 – NCAR Cell (336) 416-4361 – Personal Cell
Executive Assistant	Donna Peterson	(336) 288-2413 (336) 908-6538 – Cell
Financial Manager	Phyllis Lycan	(336) 996-6668 (336) 707-3027 - Cell
Accounting Assistant	Amanda Lowe	(919) 499-3323

[Updated 12.04.09]

Facility Vendor Listing 1

Vendor Name	Service Provided	Contact Phone number
Duke Power	Electricity	(336) 378-9451 (800) 769-3766 – Power Outage
Time Warner	Phone, Internet	(336) 217-4209 – Keith Tucker (336) 215-8729 – Keith’s cell (800) 829-0420 – Office
One Source	Video Conferencing	(336) 725-2306
Telephones	NWN	(336) 232-5252
R.D. Stone Electrical	Internal Electrical	(336) 855-8762 – Rodney or Michelle
AC Corp	HVAC	(336) 272-2260
Simplex Grinnel	Fire Alarm System	(336) 841-8550
Burglar Alarm	General Security	(800) 645-6520 Emergencies (800) 343-2250 Customer Service
John’s Plumbing	Plumbing	(336) 294-2301
Mark Felts	General Maintenance	(336) 508-0179

Information management list 1

Name	Service	Contact info
Scientis	IT contracted support	(336) 285-0222 – Ritch Pezick
Time Warner	Internet, routers	(336) 217-4247 – Kevin Smith

[Approved 12-09-09]

EQUAL OPPORTUNITY IN HOUSING LOGO

The Equal Opportunity in Housing Logo be used on all administrative publications of general circulation to the NCAR membership.

[Approved 5-27-83]

EXECUTIVE COMMITTEE EDUCATIONAL REQUIREMENT

As a condition of service on the Executive Committee, all members shall be required, during the first full calendar year of their term on the Committee, to complete a workshop on Professional Standards procedures offered by NCAR or NCREEF (or a program determined to be comparable in the opinion of the Chairperson of the Committee).

Credit for completing any Professional Standards training program meeting the requirements set forth above shall be given to any member of the Committee who presents any such program as an instructor.

[Adopted by Executive Committee 8-08]

FORMS

1. Permitted users of NCAR's standard forms

Standard forms used in connection with a real estate sales or lease transaction by the parties to the transaction shall be considered "transactional" forms and designated as such by the addition of a "T" after each such form's number. All other forms shall be considered "non-transactional" forms. The following persons are allowed to use both transactional and non-transactional forms:

- NCAR REALTOR® and Affiliate members;
- REALTORS® from other states (upon satisfactory proof of such membership); and
- Non-member sales associates of REALTOR® member firms. However, a non-member is not allowed to purchase the forms directly or access the forms via the NCAR web site.

Members in good standing of the North Carolina State Bar are allowed to use NCAR's transactional forms only. In addition, owners of properties subject to the Vacation Rental Act may use the Vacation Rental Agreement (Standard Form #411).

The Executive Committee may, on a case-by-case basis, permit persons other than those listed above to use an NCAR form or forms on such terms and conditions as may be approved by the Executive Committee.

2. Revisions to format/pre-printed language of a standard form by user

Revisions to the format or pre-printed content of any Transactional or Non-transactional Form are prohibited. Permitted users may insert the name, address and logo of their firms in the top margin of a standard form.

3. Continued use of old versions of updated forms

Use of a superceded version of either a Transactional or Non-transactional form is prohibited. Users are allowed a 60-day "grace" period to continue using an old version of a standard form following a modification of the form. NCAR's aspiration is to release forms updates on or about July 1st of each year, unless law, regulation or demonstrated need dictates otherwise. The grace period may from time to time be modified by the Executive Committee as it may deem appropriate.

4. Purposes for which forms may be used

- Permitted users may make NCAR's Transactional forms available to their clients or customers for use in connection with a real estate transaction. Permitted users may use NCAR's Non-transactional forms in connection with their own brokerage practices. Permitted users may not otherwise distribute NCAR's forms to others, either gratuitously or for a fee, except that they may distribute specimen copies of any NCAR form to their clients or customers for review purposes.
- Copies of all NCAR forms marked "Sample" shall be made available for review or printing on the "public" side of the NCAR web site.

- Members may not display sample copies of NCAR forms on their own web sites, but they may link to NCAR's site where the sample forms are displayed.
- Local associations of REALTORS® desiring to engage in sales of NCAR forms are required to agree in writing that any such sales will be conducted in accordance with NCAR policies regarding the use of its forms.

5. Use of forms for educational purposes

Producers of textbooks and instructors of real estate-related courses (CE courses, courses offered through community colleges, etc.) are permitted to use NCAR forms in connection with their textbooks and/or courses, subject to their prior written agreement with NCAR to abide by certain restrictions, including, but not limited to, putting "Sample" on any form reproduced in a textbook or handout materials and placing an acknowledgement on any copies of the forms that they are the property of NCAR and are being reprinted with the permission of NCAR. In addition, if an instructor intends to instruct in the use of and/or sell additional forms not approved by NCAR, approval to use NCAR forms in the course shall be conditioned upon: (1) the instructor receiving specific approval to use the non-standard form(s) in the course from the Real Estate Commission (if the course is a CE course), and (2) the instructor agreeing to place a prominent notice on any non-NCAR form as follows: "This form has not been approved by the North Carolina Association of REALTORS®, Inc."

6. Reproduction of NCAR's standard forms by someone other than NCAR's printer or an approved forms software vendor

Local associations of REALTORS® and other permitted users are allowed to have printed versions of NCAR's Transactional and Non-transactional forms reproduced by their own printers, so long as the forms are reproduced directly from copies of the "official" versions produced by NCAR's printer or printed from NCAR's web site. Local associations and other permitted users are not allowed to have NCAR's forms reproduced in any other manner.

7. Logos on NCAR's standard forms

The block "R" logo and the Equal Housing Opportunity logo shall be used on all of NCAR's standard forms. The following statement should appear on the Vacation Rental Agreement (Standard Form #411): "Use of this form is not intended to identify the user as a REALTOR®." The REALTORS® Commercial Alliance (RCA) Brand Logo shall appear on those NCAR standard forms numbered in the commercial (500) series.

8. Legal Disclaimer

NCAR's forms shall contain a disclaimer in such form as may be approved by NCAR legal counsel. Such disclaimer shall include a statement that NCAR makes no representations concerning the legal sufficiency, legal effect or tax consequences of the form in the transaction to which it relates.

9. Forms Licensing to Member Firms

Notwithstanding anything else appearing in this Forms Policy, the Executive Committee may, upon request, grant non-exclusive licenses to member firms to use NCAR forms in electronic format as part of a program provided by the firm for use by its agents in providing real estate brokerage services to their brokerage customers and clients. Any

such license shall be prepared by NCAR legal counsel and shall contain such terms and conditions as may be approved by the Executive Committee

[Amended by Executive Committee 1-18-11]

FORMS COMMITTEE - RESIDENTIAL

Appointments to the Forms Committee shall be made by the President. Terms shall be for one year. Beginning in 2008, Committee member terms shall commence July 1st and shall end June 30th of the next calendar year. All members of the Committee appointed to serve on the 2007 Committee, including the Chair and Vice Chair, shall be reappointed by the 2008 President to serve on the Committee through June 30, 2008.

The Chair and Vice Chair of the Forms Committee shall serve as ex-officio members of the Joint Forms Task Force, and will act as liaisons between the Forms Committee and the Task Force NCAR to facilitate communication between the two groups.

The NCAR President may remove any member of the Committee who, during any one-year term, misses either two consecutive meetings or a total of three meetings.

[Approved by Executive Committee 4-16-07]

GENERAL LIABILITY INSURANCE

NCAR is to maintain a minimum of five million dollars (\$5,000,000) commercial general liability insurance coverage. The NCAR Executive Vice President or his or her appointee shall annually review the amount of coverage with NCAR's insurance broker to determine whether the amount is reasonable and customary given the value of NCAR's assets.

[Amended by Executive Committee 6-14-2004]

INVESTMENT POLICY

PURPOSE:

The purpose of the North Carolina Association of REALTORS (NCAR) Investment Policy (“Policy”) is to provide procedures for the management and investment of certain assets of NCAR in a prudent manner so that such assets are available for NCAR’s use for specific purposes, and the income and growth of value derived there from will be sufficient and available to meet NCAR’s obligations as they become due. This Policy shall serve NCAR and the Investment Manager (as defined below) as the principal source for developing an appropriate investment strategy, and it shall serve as the basis for the performance evaluation of the invested assets and the Investment Manager, as from time-to-time amended by NCAR.

The purpose of the NCAR investment portfolio (defined below and referred to in this Policy as the “Portfolio”) is to support the ongoing mission of NCAR. The Portfolio is to provide a reliable source of funds for specific current and future needs of NCAR; the income and growth of value derived from the Portfolio should be sufficient and available to meet those needs as they become due. The Portfolio is the property of the NCAR and is held for its exclusive use, benefit and purpose.

NCAR will utilize the services of an outside professional investment manager or managers (referred to herein both singularly and collectively as the “Investment Manager”) to actively manage the Portfolio within the scope of this Policy, according to their professional judgment and fiduciary obligations. The Investment Manager shall communicate in writing to NCAR’s Investment Advisory Committee at regularly scheduled quarterly review meetings the progress, strategies and status of the Portfolio under their management.

The NCAR Board of Directors (the “Board”) has the fiduciary responsibility for the prudent investment of the Portfolio. The Board has delegated the responsibility for the operations and investment activities of the Portfolio to the Investment Advisory Committee of NCAR (the “Advisory Committee”). The responsibilities of the Advisory Committee are set forth in greater detail in the Roles of Investment Advisory Committee and Investment Manager section of this Policy.

ADVISORY COMMITTEE MEMBERSHIP:

The Advisory Committee will be composed of the following individuals: the NCAR President, NCAR Treasurer (who shall serve as Chair of the Advisory Committee) and three members from NCAR’s general membership, each of whom shall be voting members of the Advisory Committee, as well as the NCAR President-Elect, NCAR Executive Vice President and NCAR Financial Manager, who shall be non-voting members of the Advisory Committee. Each incoming President shall recommend for appointment by the Board a member from the general membership who, in the opinion of the President, possesses investment background experience. Each such appointee shall serve a three-year term on the Advisory Committee, and may serve a maximum of two consecutive 3-year terms.

THE PORTFOLIO:

The Portfolio includes all cash, cash equivalents, fixed income securities and equity securities under management by the Investment Manager.

Nothing herein shall be deemed to limit the authority of the Board (or the Executive Committee, to the extent of any such authority) to administer any assets constituting the Portfolio in whatever manner it may consider necessary.

INVESTMENT PHILOSOPHY:

The Portfolio is to be invested to maximize long-term total returns consistent with prudent levels of risk. Returns are expected to preserve or enhance the real value of the Portfolio after cash is invested for current use. Broadly diversified and limited to U.S. traded securities, the Portfolio should include investments in cash equivalents, equities and fixed income securities to reduce the volatility of the overall Portfolio while providing a predictable stream of income and growth in value of the overall Portfolio. The purpose of such diversification between and within such account segments is to provide reasonable assurance that no single security or class of investment has a disproportionate impact on the total Portfolio. Investment risks are to be considered within the context of the entire Portfolio and the need to sustain its long-term purchasing power.

IDLE CASH INVESTMENT:

The NCAR Treasurer, Executive Vice President or Chief Operating Officer, may, in consultation with the Investment Manager, invest idle NCAR cash-on-hand into the Portfolio. Any such investments shall be short-term, intended to maximize the overall resources available to NCAR, while maintaining the NCAR line of credit in a minimal position. Due to the fact that they come out of NCAR operating capital, any such investments shall also be of low to very low risk, and relatively high in liquidity. At each quarterly meeting of the Advisory Committee, the level of these investments shall be separately reported by the NCAR Treasurer.

INVESTMENT OBJECTIVES:

The Portfolio should provide sufficient income and growth to meet current and future needs of the Portfolio as may be determined from time to time by NCAR.

The primary Investment Objective for the Portfolio is to maintain its purchasing power and seek growth of principal exceeding the Consumer Price Index (CPI) by three percent (3%) over a rolling five year time horizon, without exposing the Portfolio to undue risk as described under the Asset Allocation section of this Policy.

Other Investment Objectives for the Portfolio include the following:

1. Generation of non-dues revenue to help offset rising operating expenses.
2. Capital appreciation of cash assets to increase NCAR's Reserve Funds and the Portfolio overall.
3. Stability of year-to-year returns.
4. Diversification of asset categories to avoid over concentration in any particular area.
5. Target-holding periods of three to five (3 to 5) years or longer for the Portfolio's assets.
6. Flexibility of investment posture, within guidelines, in order to respond to the changing economic environment and the volatile capital and securities markets.

LIQUIDITY REQUIREMENTS & RISK TOLERANCE:

NCAR is a moderate risk taker with regard to risk tolerance and the investment of its assets. A majority of the assets of the Portfolio are proposed to be invested only in highly liquid U.S. traded securities, which ensures the availability of funds from capital appreciation as well as current income when needed. The Portfolio should be managed in a manner that seeks to minimize principal fluctuations.

ROLES OF INVESTMENT ADVISORY COMMITTEE AND INVESTMENT MANAGER:

As set forth in the Purpose Section above, the Advisory Committee has responsibility for the operations and investment activities of the Portfolio. This shall include the following specific duties:

1. Recommending to the NCAR Board of Directors changes in the overall financial objectives and investment policy,
2. Establishing written, long-term target allocations for the Portfolio's assets within the ranges set forth in the Asset Allocation Section below,
3. Establishing a process and criteria for the selection and termination of the Investment Manager, custodian(s) and security broker(s),
4. Monitoring investment results quarterly to assure that the Investment Objectives of this Policy are being met,
5. Communication on a structured and ongoing basis with the Investment Manager,
6. Evaluating annually the Investment Manager, custodian(s) and security broker(s),
7. Reporting any and all matters executed by the Advisory Committee at the next regular meetings of the Executive Committee and the Board of Directors.

The Advisory Committee shall also have such other duties as may be specifically given to it from time to time by the Board of Directors.

SECURITY SELECTION & RETENTION CRITERIA:

NCAR recognizes and desires to permit Investment Manager the flexibility to maximize investment opportunities and is cognizant of its responsibility to practice prudent management in order to conserve and protect the Portfolio assets and to prevent exposure to undue risk.

Equity securities shall consist of common stocks and equivalents (issues traded on the New York, American, Over the Counter, and Regional Exchanges are appropriate). The minimum market capitalization for equities shall be \$100 million, unless the Advisory Committee establishes a specific strategy for the use of small capitalization equities.

With the exception of US Treasury and US Agency obligations, no more than 10% of the overall market value of the Portfolio shall be in one issue. No single industry, as classified by the Standard & Poors 500, shall have more than 25% of the overall market value of the Portfolio.

No derivatives, direct ownership of letter stock, venture capital, restricted stock, limited partnerships, short sales, margin purchases, stock loans, commodities or foreign traded equities shall be held in the Portfolio.

Investment in obligations of the US Government or US Corporate entities, US Agencies, CD's, and money market funds are permitted.

Any debt instrument (bonds) selected shall be subject to credit analysis prior to inclusion in the Portfolio. The minimum acceptable quality at the time of purchase is Investment Grade or a quality rating of A or better by Moody's Investor Service or by Standard and Poor's.

ASSET ALLOCATION:

- ◆ 30 to 70 percent in equities (stocks, mutual funds, etc.)
- ◆ 30 to 60 percent in fixed income securities (U.S. Treasuries, U.S. Agencies, corporate bonds, preferred issues etc.)

- ◆ 0 to 20 percent in cash or cash equivalents (money market funds, CD's, commercial paper, repurchase agreements, government or agency obligations etc. having a maturity of two years or less)
- ◆ 0 to 5 percent in other investments

Cash and cash equivalents should be kept to the minimum necessary to meet the anticipated cash needs of NCAR for a one-year period.

The Advisory Committee will establish written, long-term target allocations for the Portfolio's assets within the ranges set forth above. The Advisory Committee may decide from time to time to vary the allocation of the Portfolio's assets allocations within the ranges set forth above, depending upon the performance of the asset classes and the availability of high quality investment opportunities to achieve the objectives of NCAR's overall Portfolio. The Investment Manager may recommend a change in asset allocation due to a shift in investment strategy.

In order to control the overall risk exposure of the Portfolio and to enhance performance, the relative mix of assets may be rebalanced from time to time. If the assets weighting varies more than 5% higher or 5% lower than the target allocation then in effect, it is expected that the Investment Manager will rebalance that portion of the Portfolio under their management to reflect the target allocation. The Investment Manager, in their discretion, may recommend a change in the target allocation prior to undertaking any such rebalancing. The Advisory Committee can, in its discretion and at any time, direct the Investment Manager to rebalance the Portfolio.

COMMUNICATIONS:

The Investment Manager shall provide month-end regular accounting of the Portfolio's transactions and holdings, yields, current market values and the beginning and ending positions of each holding.

The Investment Manager shall provide quarter-end regular accounting of the Portfolio's transactions and holdings, yields, current market values, summary of cash flows, calculations of the Portfolio's total rate of return on a latest quarter basis, year-to-date and since inception basis and the beginning and ending positions of each holding.

The Investment Manager should call to the attention of the Investment Advisory Committee any major changes in market conditions and major Portfolio changes, and any significant changes within the Investment Manager operation and personnel.

[Amended by Board of Directors 09-20-2010 and is effective 09-20-10]

ISSUES MOBILIZATION FUND

SECTION I. PURPOSE

The NCAR Issues Mobilization Fund (the "Fund") shall be organized and operated for the purpose of collecting and disbursing monies to support or oppose federal, State and local issues that impact real property and real property owners in North Carolina. The Fund seeks to improve public policy by encouraging and stimulating REALTORS® and others to take a more active and effective role in governmental decision-making and the legislative process. It shall also support grassroots lobbying and education efforts related thereto.

SECTION II. COMMITTEE

The Issues Mobilization Committee shall administer the Fund. The voting members of the Committee shall consist of the NCAR President, NCAR President-Elect, NCAR Legislative Committee Chair, NCAR Legislative Committee Vice-Chair, NCAR Executive Vice President, NCRPAC Chair, two (2) at-large members, and the President or President-Elect from each Local Association having ten percent (10%) or more of NCAR's total REALTOR® members not otherwise represented on the committee by a voting member. The NCAR Treasurer shall serve as a non-voting member of the Committee. The at-large members shall be elected to two-year terms in the NCAR Annual Election by NCAR members entitled to vote in the Annual Election, and may serve a maximum of three consecutive 2-year terms. Only candidates who have met the qualification criteria established in Article IV of the NCAR Bylaws and who have been certified by the Certifying/Recruiting Committee shall be listed on the ballot. The NCAR Legislative Committee Chair shall serve as Chair of the Issues Mobilization Committee.

The Issues Mobilization Committee shall make funding decisions consistent with the then current governing documents of the North Carolina Association of REALTORS®, Inc., including this Policy. The Issues Mobilization Committee shall have authority to authorize expenditures from the Fund in any amounts that the Committee reasonably determines may be necessary. Decisions of the Issues Mobilization Committee shall be final. Notwithstanding the foregoing, if a request is made for funding of a specific project or initiative* that the Committee reasonably estimates will involve expenditure of a total amount exceeding two hundred fifty thousand dollars (\$250,000), a decision by the Committee to fund such specific project or initiative shall require ratification by the NCAR Executive Committee. Requests for additional funding of a request that was initially approved within the preceding 12 months shall be aggregated together with the initial request for purposes of determining whether any such additional request shall require Executive Committee ratification. A meeting of the Executive Committee to consider ratification of any such funding decision shall be held as soon as possible following the decision but in no event more than five (5) days thereafter; provided, if the fifth day falls on a weekend or holiday, Executive Committee consideration must take place no later than the first business day thereafter. Decisions of the Executive Committee with respect to any such funding decision shall be final. A request not ratified by the Executive Committee within the applicable time frame may not be funded by the Committee.

*By way of example and not limitation, a request for funding pertaining to a sales tax referendum in an individual county shall be considered a separate request and shall not be aggregated with requests for funding of sales tax referenda in other counties for purposes of determining whether the request exceeds the \$250,000 threshold.

SECTION III. FUNDING

The NCAR annual budget shall include an amount for the IM Fund equal to thirty dollars (\$30.00) per dues-paying Member according to Membership projections for the budget year. The amount allocated to the Fund shall be equal to thirty dollars (\$30.00) for each person for whom dues are actually collected (or a prorated amount for persons for whom dues are collected for less than an entire year). At such time as the Fund balance may equal or exceed ten million dollars (\$10,000,000.00), the I-M Fund allocation shall be reduced by the sum of twenty-five dollars (\$25.00). At such time as the I-M Fund balance may thereafter be reduced to less than five million dollars (\$5,000,000.00), the I-M Fund allocation shall be increased by the sum of twenty-five dollars (\$25.00). Notwithstanding the foregoing, the amount to be allocated to the IM Fund may from time to time be temporarily modified for a defined period of time by specific action of the Board of Directors without the necessity of modifying this Section III.

In addition, members of the North Carolina Association of REALTORS®, Inc. and others who support the real estate industry may make separate contributions to the Fund. Such contributions may be personal or corporate funds.

The Issues Mobilization Fund assets will be maintained in a separate account or accounts and managed in accordance with the NCAR Investment Policy.

SECTION IV. USE OF FUND

The Fund shall be used for the following purposes:

- 1) Research of issues;
- 2) Lobbying of issues;
- 3) Providing information of issues to REALTORS®, public officials, and the general public;
- 4) Fundraising expenses;
- 5) Administrative expenses;
- 6) Expenses for consultants, professional advice (including legal services) and other types of technical assistance related to the issues; and
- 7) Other expenses deemed appropriate by the Issues Mobilization Committee.

Notwithstanding the above, the Fund shall not be used to support actual or proposed litigation. In addition, the Fund shall not be used to support candidates or for any other purpose prohibited by federal, State, or local law.

Local Boards and Associations of REALTORS® may apply to receive monies from the Fund on a form prescribed by the NCAR Legislative Committee. The Issues Mobilization Committee shall consider all funding requests within thirty (30) days of receipt of the appropriate application by either the Chair of the Issues Mobilization Committee or the NCAR Executive Vice President.

In addition, except in cases of extraordinary circumstances, the Issues Mobilization Committee WILL NOT accept “after the fact” or reimbursement funding requests.

Applicants who receive monies from the Fund will work with NCAR staff to contribute feedback and resources to build a library of material to assist future applicants. Any products produced or

published with Fund monies will be subject to review by NCAR staff to ensure legal compliance and adherence to the purpose for which the Fund monies were allocated.

SECTION V. POLICY AMENDMENTS

The NCAR Board of Directors may amend this Policy from time to time. The NCAR Legislative Committee or the NCAR Executive Committee may recommend amendments to this Policy by a majority vote of the members present and voting at any regular meeting of the NCAR Legislative Committee; provided, such recommendations are subject to the approval of the NCAR Board of Directors.

[Amended by Board of Directors 09-12-2011 and is effective 09-12-11]

JOINT FORMS TASK FORCE – COMMERCIAL

APPOINTMENT. Three NCAR members shall serve on the Task Force, one of whom shall be the then Chair of the RCA-NCAR Forms Committee and the others shall be at-large appointees. Each incoming NCAR President, following consultation with the incoming Chair of the RCA-NCAR Board of Governors, shall appoint one NCAR member to an at-large position for a term of two calendar years beginning January 1st following the appointment. The NCAR President, following consultation with the Chair of the RCA-NCAR Board Governors, shall fill vacancies occurring during the year and the person filling any such vacancy shall complete the balance of the term of his or her predecessor. The NCAR staff liaison to the RCA-NCAR Forms Committee shall also represent NCAR on the Task Force.

RELATIONSHIP TO RCA-NCAR FORMS COMMITTEE. The Chair of the RCA-NCAR Forms Committee, as well as the NCAR staff liaison to the RCA-NCAR Forms Committee, will act as liaisons between the Task Force and the RCA-NCAR Forms Committee to facilitate communication between the two groups. For example, if the Task Force determines that it is advisable to modify a jointly-approved form, it is expected that this determination will be communicated to the RCA-NCAR Forms Committee and that any input from the RCA-NCAR Forms Committee regarding the form will be communicated back to the Task Force. On the other hand, once proposed modifications to a jointly-approved form have been finalized by the Task Force, such modifications need not be formally approved by either the RCA-NCAR Forms Committee or the RCA-NCAR Board of Governors before they are submitted to the NCAR Executive Committee for consideration.

[Revised by Executive Committee 8-11-2010]

JOINT FORMS TASK FORCE - RESIDENTIAL

APPOINTMENT. Seven NCAR members shall serve on the Task Force, including the Chair, Immediate Past Chair and Vice Chair of the NCAR Forms Committee and four at-large appointees. The terms of the four at-large appointees shall be staggered, with two being appointed each year by the President to serve two-year terms beginning on July 1st following the appointment. The Chair, Immediate Past Chair and Vice Chair of the Forms Committee shall serve as ex officio members of the Task Force. Vacancies that may occur during the year in any at-large position shall be filled by the President, and the person filling any such vacancy shall complete the balance of the term of his or her predecessor. NCAR legal counsel shall also represent NCAR on the Task Force.

RELATIONSHIP TO NCAR FORMS COMMITTEE. The Chair and Vice Chair of the NCAR Forms Committee, as well as NCAR legal counsel, will act as liaisons between the Task Force and the NCAR Forms Committee to facilitate communication between the two groups. For example, if the Task Force determines that it is advisable to modify a jointly-approved form, it is expected that this determination will be communicated to the Forms Committee and that any input from the Forms Committee regarding the form will be communicated back to the Task Force. On the other hand, once proposed modifications to a jointly-approved form have been finalized by the Task Force, it is not expected that such modifications would have to be formally approved by the Forms Committee before they are submitted to the NCAR Executive Committee for consideration.

[Revised by Executive Committee 04-11-2011]

JOINT VENTURE POLICY

NCAR shall evaluate its participation in joint venture or similar arrangements as defined under Federal tax law and take steps to safeguard NCAR's exempt status with respect to such arrangements. NCAR will negotiate in its transactions and arrangements with other members of any such venture or arrangement such terms and safeguards adequate to ensure that NCAR's exempt status is protected, and take steps to safeguard NCAR's exempt status with respect to the venture or arrangement. Some examples of safeguards include:

1. Control over the venture or arrangement sufficient to ensure that it furthers the exempt purposes of NCAR;
2. Requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits for the other participants;
3. That the venture or arrangement not engage in activities that would jeopardize NCAR's exemption; and
4. That all contracts entered into with NCAR be on terms that are arm's length or more favorable to NCAR.

[Approved by Executive Committee 12-8-08]

LANDT TROPHY

The N. C. RPAC Landt Trophy shall be placed in the NCAR headquarters.

[Amended by Executive Committee 1-24-00]

LEGAL ACTION PROGRAM

North Carolina Association of REALTORS®, Inc.
Statement of Organization and Procedure

I. NAME

A program of the North Carolina Association of REALTORS®, Inc. (NCAR) known as the Legal Action Program is hereby established.

II. PURPOSE

The principal function of the Legal Action Program shall be to establish and administer the Legal Action Fund, so as to best achieve the purposes and goals of the Legal Action Program. These purposes and goals are:

A. Promote among local Boards and Associations of REALTORS® in the State of North Carolina an understanding of their rights and duties under federal, State and municipal law and to defray the expense of legal advice to that end.

B. Provide financial resources and other assistance to parties, including but not limited to the NCAR and local Boards and Associations of REALTORS® in the State of North Carolina, their collective Officers, Directors and other persons acting in an official capacity on their behalf and members of the NCAR, engaged in litigation, actual or proposed, or administrative action which may result in the determination of the relevant legal issues in a manner that may have important precedential significance to members, real estate licensees, real estate associations, private property owners or the real estate industry generally. Assistance may be provided only to cases that meet the Criteria for Case Support set forth in Section VI.

C. Preparation and filing of *amicus curiae* briefs in appropriate cases as recommended by the Legal Action Committee.

D. Defray the administrative costs and fees of the NCAR in connection with its involvement and participation in the Legal Action Program in furtherance of the above-enumerated objectives.

III. FUNDING

The Legal Action Program shall be funded in accordance with the Reserve Policy.

IV. ADMINISTRATION

A. The Legal Action Program shall be administered by the Legal Action Committee. The Legal Action Committee shall have authority to authorize expenditures from the Legal Action Fund. All decisions of the Legal Action Committee and all disbursements from the Legal Action Fund shall be within the sole discretion of the Legal Action Committee, and all decisions shall be final. All disbursements from the Legal Action Fund shall be submitted to the Treasurer of the NCAR and paid by the Treasurer as directed by the Legal Action Committee upon the satisfaction of all contingencies, conditions or prerequisites imposed by the Legal Action

Committee.

B. The Executive Committee of the NCAR, as from time to time constituted, shall serve as the Legal Action Committee. The President of the NCAR shall serve as Chair of the Legal Action Committee. Meetings shall be scheduled in connection with the regular meetings of the Executive Committee and otherwise held at the call of the President.

C. The Legal Action Committee shall have the authority to establish such rules as may facilitate the discharge of its responsibilities under this Policy.

D. Any changes to this Policy must be approved by the Board of Directors.

V. REQUESTS FOR ASSISTANCE

A. All requests for assistance from the Legal Action Fund must be (1) in writing on the form prescribed by the Legal Action Committee; and (2) filed with the Executive Vice President of the NCAR not less than 45 days prior to the next regularly scheduled meeting of the Executive Committee. Additionally, in the case of a request for assistance from a non-member, the request must be supported by a local Board or Association of REALTORS® in the place where the litigation or action occurs, and in the case of a request for assistance from a local Board or Association of REALTORS®, its governing documents must be in accordance with procedures and policies adopted or recommended by the NCAR and the National Association of REALTORS®, Inc. Upon receipt of a written request for assistance as set forth herein, the Executive Vice President of the NCAR shall notify the Legal Action Committee of the request. Written requests not received at least 45 days prior to the next regularly scheduled Executive Committee meeting may be deferred for consideration to the date of the following regularly scheduled Executive Committee meeting, unless an exception is approved by the Legal Action Committee. Written notice of the Legal Action Committee meeting to consider the request will be given to the requesting parties at least two (2) weeks in advance.

B. The Legal Action Committee, in collaboration with counsel to the NCAR, or other counsel as deemed necessary, shall study the merits and implications of each request for assistance. Factors to be considered by the Legal Action Committee in acting upon requests for assistance shall include: whether the requesting parties are subject to threatened or actual litigation or administrative action by federal or state agencies; whether the requesting parties are the subject of threatened or pending litigation where the subject matter thereof could have statewide significance; the method and manner in which the requesting parties intend to handle the matter; and any other factors which the Legal Action Committee deems proper to consider.

C. The requesting parties and/or their representatives may appear before the Legal Action Committee in support of their request and answer any questions posed by the Legal Action Committee. The Legal Action Committee will make its decision in Executive Session. The deliberations are confidential; the decision is not. A written notification of the Legal Action Committee's decision will be furnished to the requesting parties within 1-2 weeks following the conclusion of the meeting.

D. Any reconsideration of requests for assistance shall be based on information not presented at time of the original presentation of the request to the Legal Action Committee.

VI. CRITERIA FOR CASE SUPPORT

A. A case is eligible for consideration by the Legal Action Committee if it:

1. Relates to governmental agency action or investigation or to litigation, actual or proposed, which presents an opportunity for clarifying precedent on issues of significance to the NCAR, local Boards and Associations of REALTORS® or related organizations or a substantial portion of the NCAR's membership; OR
2. Involves issues designed to promote or defend the private property rights of members, the public, or others concerned with the protection of private property.

Cases supported must clearly evidence the potential for Statewide impact on real estate related matters, the operation of REALTOR® associations or private property rights. Support is not available for cases which will affect only the particular litigants or affect only the law of a particular local jurisdiction, unless it can be shown that the cases nevertheless have such Statewide significance.

B. Financial support must be used for legal fees and expenses of the party supported and may not in any case be used to pay judgments, damages, fines or settlements, or to pay the legal fees of opposing counsel or costs of any other party.

C. It is not a prerequisite of support that the local Board or Association in the place where the litigation or action occurs provide financial support to the case, but the Legal Action Committee may make its support of a case conditional on the local Board or Association also providing funding.

D. The Legal Action Committee reserves the right to impose contingencies, conditions and/or prerequisites on support as it deems necessary or desirable, in its sole discretion, including, but not limited to, requiring verified statements of expenses at least equal to authorized disbursements from the Legal Action Fund for any supported case, and that NCAR be consulted on a current and continuing basis concerning decisions relating to the litigation which is being supported. Failure to satisfy such contingencies, conditions and/or prerequisites may result in the immediate suspension of all support of the litigation and the termination of such support if the recipient of support fails to justify such failures or otherwise satisfy the Legal Action Committee that support should be continued.

[Amended by Board of Directors 09-22-2004]

LEGAL COUNSEL

NCAR will not be responsible for legal billing for outside Legal Counsel not originated by the NCAR President, Treasurer or Executive Vice President.

NCAR's in-house Legal Counsel is prohibited by State law from giving legal advice to any local Board/Association or individual members.

[Amended by Executive Committee 3-15-01]

LIMITATION ON SERVING IN MULTIPLE LEADERSHIP POSITIONS

Except as may otherwise be specifically provided in the NCAR Bylaws or Policy Manual:

1. A volunteer member serving as an NCAR officer shall not, during his or her tenure as an officer, also serve as the chair or vice-chair of any NCAR committee, or the senior officer of any division or section, or as an officer other than secretary of any entity that is an NCAR subsidiary or affiliate.
2. A volunteer member serving as an NCAR committee chair or the senior officer of any division or section, may not, during his or her tenure as chair or the senior officer, also serve as the chair of any other NCAR committee, or the senior officer of any division or section, or as an officer of any entity that is an NCAR subsidiary or affiliate.

[Approved by Executive Committee 1-18-11]

LOCAL ASSOCIATION EXECUTIVES COMMITTEE

All persons who are employed as Association Executives of local associations qualify for membership on the Local Association Executives Committee (the "Committee"). The purpose of the Committee is to be a resource for North Carolina Association of REALTORS® associations by (1) ensuring that there is knowledge and understanding of issues and concerns between the North Carolina REALTOR® association community and NCAR committees and leadership; (2) providing a framework, which ensures that local Association Executives and their staff have the professional development and management resources needed to provide optimal services to their members; and (3) communicating local Association Executive concerns on issues before the Executive Committee of the NCAR.

There shall be a Committee chairperson and vice-chairperson, each serving one-year terms. The vice-chairperson shall move up to the position of chairperson at the end of his or her term as vice-chairperson. If a vacancy occurs in the chairmanship, the NCAR President shall appoint a replacement to serve for the remainder of the term. The vice-chairperson may become the chairperson for the remainder of the term and be eligible to serve another full term as chairperson. If a vacancy occurs in the vice-chairmanship, the NCAR President-Elect shall appoint a replacement for the remainder of the term.

Immediately following NCAR's annual elections, Committee representatives shall meet with the newly elected President-Elect to discuss appointment of the vice-chairperson for the following year. Thereafter, the Committee shall provide the newly elected President-Elect a list of Association Executive Members it recommends to serve as vice-chairperson. The newly elected President-Elect shall then appoint the vice-chairperson for the following year. While the newly elected President-Elect shall endeavor to appoint a person on the list, the appointment is within his or her sole discretion.

The NCAR Executive Vice President shall appoint an NCAR staff liaison responsible for working with the Committee's chairperson and vice-chairperson. The staff liaison is responsible for producing meeting minutes and maintaining the Committee's records. Meetings of the Committee will be scheduled for NCAR's governance meetings at Inaugural, Legislative and Annual Convention or upon the Chairperson's or NCAR President's request.

When the Committee is allotted funds from NCAR's annual budget for the presiding officer's travel to Committee meetings, the Committee chairperson is responsible for the proper expenditure of those funds and must adhere to the budgeted amount. If additional funding is required, a formal request must be made in writing and referred first to the Finance Committee for its recommendation and then to the Executive Committee for action.

[Approved by Executive Committee 8-11-2004]

MANAGEMENT CONTINGENCY PLAN

In the event that the NCAR Executive Vice President (EVP) should become ill or otherwise incapacitated and therefore be temporarily unable to perform the duties of the office, the following procedures govern the ongoing management of the North Carolina Association of REALTORS®, Inc. (“Association”) during the EVP’s absence:

- The Chief Operating Officer shall serve as the Acting EVP and be responsible for the day-to-day management of the Association, including administration, finances, human resources and information technology. While serving as the Acting EVP, the Chief Operating Officer shall seek the input and advice of the General Counsel regarding the day-to-day management of the Association. Nonetheless, the Chief Operating Officer serving as the Acting EVP shall make the decisions regarding the day-to-day management of the Association.
- The General Counsel shall provide, in addition to his or her usual duties, the Chief Operating Officer serving as the Acting EVP with oversight and direction for the Legal, Legislative, Communications & Marketing, Education and Events departments.
- The Chief Operating Officer serving as the Acting EVP shall strive to maintain a steady flow of communication with the NCAR President and President-Elect and shall conduct the affairs of the Association in accordance with the reasonable wishes of the Executive Committee or President.

[Approved by Executive Committee 12-09-2002]

MEDIA SPOKESPERSON

All news media requests seeking interviews with or comment by NCAR that are received by NCAR staff members or volunteers (including, but not limited to, members of any NCAR Committee, Task Force or Advisory Group) must immediately be referred to the NCAR Executive Vice President. The EVP is responsible for providing prompt response to those inquiries. Whenever possible, special care will be given to making the NCAR President available for media interviews or comment. Other NCAR volunteer leaders may be asked to speak on behalf of the Association, but only on the agreement of the EVP and President. No NCAR staff members or volunteers are authorized to speak to the media on behalf of NCAR, unless they have secured the prior, express permission of the EVP in accordance with this policy. The EVP may designate a staff member to carry out the EVP's responsibilities under this policy.

Executive Committee members and all Committee, Task Force or Advisory Group Chairs and Vice-Chairs must acknowledge and agree to this policy in writing prior to serving.

[Approved by Executive Committee 12-09-2002]

NC ASSOCIATION OF REALTORS® MEMBER LOGO

The NC Association of REALTORS® Member Logo (the “Logo”) allows members to enhance their commitment to the real estate brokerage industry and the NC Association of REALTORS®. This reference guide provides concise guidelines for using the new Logo. Following these rules closely will ensure a unified and cohesive identity for the Logo across all media statewide.

Member Logo Use Guidelines

- Only members in good standing of the NC Association of REALTORS® are eligible to incorporate the NC REALTORS® Member logo on their web site, promotional, or marketing materials.
- The Logo may only be used to indicate that the user is a member of the NC Association of REALTORS®, and shall be used only in a context in which the Logo is likely to be understood by the public to denote membership in NCAR.
- The Logo may not be used to imply the endorsement by the NC Association of REALTORS® of any services or products.
- The Logo may not be altered, combined with other symbols or words, or used in part.
- The NC Association of REALTORS® shall at all times retain sole ownership of the Member Logo. The license granted to an authorized user to use the Logo is not intended to be and shall not be construed as an assignment, in whole or in part, of the Logo from the NC REALTORS® to the user.

Graphics Format Details

The NC REALTORS® Member logo is a design that cannot be reproduced with any typeface. It shall not be hand drawn, scanned or modified in any shape of form. It should only be reproduced with the proper electronic files.



- Spacing** The logo must have a “buffer” space around the entire logo in order to maintain proper legibility and a desired visual impact. As a rule, the logo requires a safety margin of ½” on all sides of the logo. Allow more space if possible. No type or graphics should interfere with this space.
- Size** The minimum size of 1.5” wide is the smallest allowable size for use in print. The logo should never be smaller than 125 pixels wide by 40 pixels in height on the web.
- Color** The logo can be used in its full color version or in black and white. The colors used in the logo are the following PMS colors. CMYK equivalents are also listed for reference.
- Blue: PMS 7456 CMYK 80, 53, 0, 0
 - Gray: PMS 7538 CMYK 9, 0, 13, 30
 - Red: PMS 704 CMYK 0, 90, 72, 29

These colors can be incorporated into your marketing materials for a consistent image if you so choose.

- Tagline The tagline “proud member” must always be locked with the logo as shown above. Both the logo and the tagline should have registered marks (“®”) as shown.
- Placement The logo may only be placed on a white background. The logo may not be outlined, skewed, rotated, or changed in any way. Size should be at least equal to other logo(s) displayed if any.
- Typography The fonts used in the logo are Garamond, Century Gothic, and Vladimir Script. These fonts, or Interstate Light, Regular or Bold as substitutes should be the typeface of text/copy in marketing materials where the logo is being used.

There are three different graphic formats that can be used depending on what file application(s) your company and vendor use: JPG, TIF, EPS. Under each type of file you will find black and white and full color versions of the Member Logo.

There is the possibility that not all files can be opened and/or viewed by your computer. Oftentimes a graphic designer or outside printer will require the **.eps** file so you can simply email them that type of file or any of the other formats they request. When using an outside printer, be sure you view a proof to make sure the logo use is accurate and in compliance with these guidelines.

[Approved by Executive Committee 9-28-09]

MEMBER NAMES, NRDS NUMBERS AND RECORDS

Local boards are required to provide NCAR with their members' names and National REALTOR® Database System (NRDS) numbers. Local boards are responsible for maintaining accurate NRDS records for their members.

[Amended by Executive Committee 6-14-2004]

MEMBERSHIP LIST DISTRIBUTION

The Association maintains a current electronic list of all members by name, company/firm name, mailing address, telephone number, facsimile machine number and electronic mail address, as well as special membership lists, such as Convention registrants. The Executive Committee must approve in advance all requests for copies of NCAR membership lists, and the membership lists must be used exclusively for Association business, with the following exceptions:

1. Local Boards/Associations may obtain mailing labels in paper form for their respective members on a cost basis;
2. Upon the candidate's request, the Association will provide any candidate for either Association elective office, NCREEF Director, RPAC Trustee or NCAR Service Corporation Board of Directors with the NCAR Director roster that includes the name and address of each Director. The Association will provide these candidates with a roster only once during the election cycle and free of charge; and
3. NCAR Service Corporation, NCREEF and any other affiliate NCAR organization, Division or section may (1) utilize the membership lists free of charge for commercial solicitations to NCAR members where the solicitations are related to such entity's purpose; and (2) upon prior written approval of NCAR, such approval not to be unreasonably withheld, such entity may contract with third-party vendors to utilize the membership lists for commercial solicitations to NCAR members upon such business terms as negotiated between those entities and the third party vendors, subject to the following conditions:
 - A. If such entity or a third-party vendor receives a request from NCAR or an NCAR member to remove the member from NCAR membership lists distributed pursuant to this policy, the entity or third-party vendor shall (1) immediately remove the member's listing in its entirety from the membership lists; and (2) within ten (10) days of the request, provide NCAR and each party to the contract a written notification or acknowledgment of the request, as the case may be, and confirmation of the removal of the listing. Any updated NCAR membership lists distributed pursuant to this policy will reflect the appropriate modifications.
 - B. Any such entity or third-party vendor must use the NCAR membership lists in compliance with all applicable laws and regulations, including those governing commercial solicitations and proprietary products, as may be amended from time to time, and, where appropriate, agree to indemnify, defend and hold NCAR harmless from any liability in connection therewith.
 - C. Any such entity or third-party vendor must provide recipients of commercial electronic mail messages sent by the entity or vendor (1) clear and conspicuous notice of an opportunity not to receive any further messages from the entity or vendor and (2) an automatic opt-out mechanism via reply electronic mail to the sender.

NCAR will informally seek the input and recommendations of representatives of NCAR Service Corporation, NCREEF and any other affiliate NCAR organization, Division or section that utilizes the NCAR membership lists for commercial solicitations prior to making amendments to Section 3 of this Policy. Such input is to be provided for information only and is not binding upon NCAR.

Additionally, NCAR will not release electronic mail addresses for members until NCAR has the ability to block a member's electronic mail address from a download of NCAR's membership database.

[Amended by Executive Committee 1-11-06]

NAR DISTINGUISHED SERVICE AWARD

NCAR's Executive Committee shall consider nominations for NAR's Distinguished Service Award during an executive session at its regularly scheduled meeting each January. Any local Board or Association nominating a REALTOR® for NAR's Distinguished Service Award must submit NAR's completed official nomination form, signed by the local Board's or Association's President, to NCAR's Executive Vice President no later than three (3) weeks prior to NCAR's regularly scheduled January Executive Committee meeting. Incomplete nomination forms will not be considered by the Executive Committee.

The Executive Committee shall vote by secret ballot to endorse one (1) nominee from among all completed nomination forms submitted to NCAR. The Executive Committee's decision shall be final. Each local Board or Association submitting a completed nomination form will receive a memorandum of the Executive Committee's decision. The President will sign the selected nomination form on behalf of NCAR and return it to the nominating local Board or Association. **It is the responsibility of the nominating local Board or Association to submit the nomination to NAR.**

[Amended by Executive Committee 6-14-2004]

NCAR AWARDS

NCAR customarily presents the following awards on an annual basis:

- a. Citizenship, given to recognize a REALTOR® for contributions to the betterment of his or her community through outstanding public service;
- b. Hall of Fame, a lifetime achievement award given to honor a REALTOR® who has contributed persistent, outstanding service to the real estate profession in the areas of development, environment or government, and leadership in the local, State and National Associations of REALTORS® which have an enduring effect upon the profession;
- c. Regional Service, given to recognize those REALTORS® in each NCAR region who have contributed to and continue to serve their local, State and National Associations of REALTORS®;
- d. Rising Star, to recognize those REALTORS® in each local board or association who have been REALTORS® for five years or less, have provided exemplary service to the local board or association and who exhibit leadership potential; and
- e. REALTOR®-of-the-Year, given to recognize the REALTOR® who has contributed most during the year or over a period of years to NCAR and the real estate profession.

Citizenship, Hall of Fame and Regional Service Awards: Each year, the NCAR President shall appoint an Awards Committee of up to seven (7) members, including a chairperson, to review the year's nominations and select the winners. Specific award criteria, as determined from time to time by the Executive Committee, and nomination forms will be available on NCAR's Web site by March 1st of each year. Completed nomination forms must be received by NCAR no later than July 1st. Nominations must be submitted by the nominee's local board or association of REALTORS®, except that the Awards Committee may consider other members for the awards in its discretion. The Awards Committee should meet and make its decisions no later than July 15th. Decisions of the Awards Committee are final.

Rising Star Award: Each local board or association of REALTORS® may select a recipient from among its membership and submit the winner's name to NCAR for statewide recognition. Specific award criteria, as determined from time to time by the Executive Committee, and report forms will be available on NCAR's Web site by March 1st of each year. Completed report forms must be received by NCAR no later than July 1st.

REALTOR®-of-the-Year: The recipient shall be selected by the REALTOR® of the Year Committee, consisting of five (5) members: the current REALTOR®-of-the-Year, the immediate past REALTOR®-of-the-Year, and three (3) at-large appointees serving staggered three-year terms. The NCAR President shall make any at-large appointments. Names of the at-large appointees are confidential. The chairperson is the current REALTOR®-of-the-Year. Specific award criteria, as determined from time to time by the Executive Committee, and nomination forms will be available on NCAR's Web site by March 1st of each year. Completed nomination forms must be received by NCAR no later than July 1st. Nominations must be submitted by the nominee's local board or association of REALTORS®, except that the REALTOR®-of-the-Year Committee may consider other members for the award in its discretion. The REALTOR®-of-the-Year Committee should meet and make its decision no later than July 15th. Decisions of the REALTOR®-of-the-Year Committee are final.

[Approved by Executive Committee 6-14-2004]

NC REALTORS® Leadership Academy

ARTICLE I NAME

Section 1. The name of the organization shall be NC REALTORS® Leadership Academy, a division of the North Carolina Association of REALTORS®.

ARTICLE II PURPOSE

Section 1.

- (a) The purpose of NC REALTORS® Leadership Academy shall be to identify and develop new Leaders who are members of the North Carolina Association of REALTORS®.
- (b) To ensure that NC REALTORS® Leadership Academy is diverse, non-discriminatory, geographically representative and forward thinking in its vision, application and administration.
- (c) To ensure that the program is designed to develop leadership skills that can be applied to benefit the candidates in their family life, their community, their local boards and associations, and the state and national associations of REALTORS®.

ARTICLE III COMMISSIONERS

Section 1. A Board of Commissioners shall conduct the affairs of NC REALTORS® Leadership Academy. The Commissioners shall set the general policies thereof and may recommend amendments to the Executive Committee of the North Carolina Association of REALTORS®, as necessary. Robert's Rules of Order, latest edition, shall be recognized as the authority governing all meetings and retreats when not in conflict with the Bylaws of the North Carolina Association of REALTORS®.

Section 2. The Board of Commissioners of NC REALTORS® Leadership Academy shall consist of six commissioners:

- (a) The NCAR President elect shall appoint new commissioners to fill expired terms. Commissioners shall serve staggered terms of not more than three years, at the discretion of the NCAR president. Commissioners can be re-appointed after standing out for one year. All appointments shall be made prior to the Annual General Meeting of NCAR. In the event any commissioner dies or resigns, or for any other reason a vacancy occurs, the NCAR president shall appoint a successor to serve the remaining term of the vacating commissioner.
- (b) The president and executive vice president of the North Carolina Association of REALTORS® shall be ex-officio, non-voting members of the Board of Commissioners.
- (c) Vacancies shall be filled, as necessary, by the NCAR president.

Section 3. The Chairperson of the Board of Commissioners shall be elected by the Commissioners for the ensuing year during the Fall planning meeting of the Board of Commissioners. Any Commissioner who has served as such for at least

one year is eligible to be elected as Chairperson. The Chairperson shall hold office until his/her successor shall have been duly elected and shall have been qualified.

Section 4. The Board of Commissioners shall meet at least twice a year. A planning meeting of the incoming commissioners shall take place during the Fall, and will include sitting commissioners who desire to participate. At all meetings, members of the Board of Commissioners present shall constitute a quorum for the conduct of business and a majority vote of those commissioners present at any meeting shall be binding, unless otherwise provided herein.

Section 5. Absence from any two (2) meetings within a two year period, without written excuse deemed valid and so recorded by the Board of Commissioners, shall be construed as a resignation.

ARTICLE IV DUTIES AND RESPONSIBILITIES

Section 1. The duties of the Commission shall be as follows:

- (a) To ensure that one or more of the commissioners or past commissioners serve as Moderators/Mentors of every NC REALTORS® Leadership Academy Retreat.
- (b) To carefully assign duties and responsibilities to commissioners so as not to overburden any one trustee and to ensure that all commissioners are involved.
- (c) To coordinate with staff of the North Carolina Association of REALTORS® the administration of the program and its finances.
- (d) To coordinate with staff of the North Carolina Association of REALTORS® the selection of Retreat locations and dates.

Section 2. The duties of the Retreat Moderators/Mentors shall be as follows:

- (a) To assist in coordinating the selection of speakers for each retreat and the social and networking opportunities.
- (b) To assist staff with the logistics for each retreat.
- (c) To ensure that the overall cost of each retreat stays within the budget allocated for that retreat.
- (d) To introduce all speakers and to present them with their appropriate honorarium and or gifts.
- (e) To write appropriate thank-you notes to all speakers.

ARTICLE V FINANCES AND STAFF RESPONSIBILITIES

Section 1. Finances and Administration:

- (a) The finances of NC REALTORS® Leadership Academy shall be accounted for through the appropriate program budget line items of the North Carolina Association of REALTORS®.
- (b) Application fees shall be determined each year based on a review of the previous year's financial records.
- (c) The Executive Vice President of the North Carolina Association of REALTORS® will be responsible for providing staff for NC REALTORS® Leadership Academy.

ARTICLE VI CANDIDATE SELECTION

- Section 1.** Application forms to participate in NC REALTORS® Leadership Academy shall be distributed widely, including at the Annual Convention of the North Carolina Association of REALTORS®.
- Section 2.** The president elect shall appoint an anonymous Candidate Selection Committee for the following year. The committee will consist of six members, one of the members will be appointed by the president elect to serve as chair for the year and at least one member will be a graduate of NC REALTORS® Leadership Academy. The president elect may appoint the executive vice president of the North Carolina Association of REALTORS® and/or a staff member of the association to serve as a non voting member of the committee.
- Section 3.** All Candidates, Selection Committee members, the president elect, and other volunteers or staff who will be involved with the selection process will be required to sign a Confidentiality Agreement as approved and set forth by the Board of Commissioners.
- Section 4.** The Candidate Selection Committee will review all applications and make their selection based on the qualifications of the candidates, taking into account diversity issues including, age, gender, geography, race, and country of national origin.
- Section 5.** All REALTOR® members in good standing of the North Carolina Association of REALTORS® are eligible to apply for NC REALTORS® Leadership Academy except those who have completed one or more years of service on the NCAR Executive Committee or as President or Chairperson of NCREEF, NCAR Service Corporation, NCAR Management Corporation, NCAR Housing Opportunity Foundation, or RPAC.
- Section 6.** All candidates will be notified as to whether or not they have been accepted. Such notification shall be mailed no later than thirty days prior to the beginning day of the first retreat. A list of alternate candidates will be established, in priority order. Unsuccessful candidates will be invited to submit their applications the following year.

ARTICLE VII CANDIDATE GRADUATION AND RECOGNITION

- Section 1.** Candidates who have successfully completed all training will graduate at the Annual Meeting of the North Carolina Association of REALTORS® and be appropriately recognized.
- Section 2.** Candidates who miss no more than one day of the required curriculum, with an excused absence at the discretion of the Board of Commissioners, may make up by attending the appropriate retreat the following year and graduate with that class. Such candidates will be required to cover the cost of attending any make-up retreat.

**ARTICLE VIII
AMENDMENTS AND DISSOLUTION**

- Section 1.** These policies, except as herein provided, may be amended at any regular or called meeting of the Executive Committee of the North Carolina Association of REALTORS®, provided only that the NC REALTORS® Leadership Academy Commissioners have been notified of any such amendments at least thirty (30) days prior to the meeting, or the recommendations for amendment have been made by the NC REALTORS® Leadership Academy Commissioners to the Executive Committee.
- Section 2.** The dissolution of NC REALTORS® Leadership Academy shall only be carried out with the approval of the Executive Committee of the North Carolina Association of REALTORS®.

[Revised by Executive Committee 4-11-11]

NOTIFICATION OF CERTAIN POSITIONS TO BE FILLED

At such time as the Corporate Secretary, in accordance with the NCAR Bylaws, notifies the Members regarding NCAR Elective Positions to be filled during the year, the Corporate Secretary shall also cause notice to be made contemporaneously to the Members of elected positions to be filled during the year regarding all entities owned or controlled by NCAR.

Additionally, elected positions to be filled for all such entities shall be listed on the ballot for the NCAR Annual Election.

[Approved by Executive Committee 08-11-10]

**POLICY ON PERFORMANCE, APPROVAL AND DISSEMINATION OF ANNUAL
AUDITED FINANCIAL STATEMENTS**

NCAR shall engage a certified public accounting firm to audit NCAR's financial statements on an annual basis. A different accounting firm shall be engaged to perform the audit no less frequently than every seven years and the firm conducting the audit shall rotate responsible partners or managers within the firm every 4 years.

The audited financial statements and the accountant's report shall be provided to the Board of Directors for approval. Upon written request from an NCAR member, the latest audited annual financial statements approved by the Board of Directors shall be provided to the member.

[Amended by Executive Committee 08-11-2010]

PROFESSIONAL STANDARDS COMMITTEE SERVICE

As a condition of service on the NCAR Professional Standards Committee, all members shall be required, during the first full calendar year of their term on the Committee, to complete a workshop on Professional Standards procedures offered by NCAR or NCREEF (or a program determined to be comparable in the opinion of the Chairperson of the Committee). In addition, all members shall be required, during the first full calendar year of their term on the Committee and each calendar year thereafter, to complete ethics training that meets NAR's then-current minimum criteria.

Credit for completing any Professional Standards or ethics training program meeting the requirements set forth above shall be given to any member of the Committee who presents any such program as an instructor.

The NCAR President shall have the authority to remove any member of the Committee who fails to comply with the above requirements. The NCAR President may also dismiss any member of the Committee who misses two consecutive meetings.

[Amended by Executive Committee 1-11-06]

RAPID RESPONSE TEAM

Purpose: To provide a means of regular feedback and direction to NCAR staff on legislative, regulatory and political issues affecting the real estate industry. Where time is of the essence, to approve NCAR's support of or opposition to proposed legislation and regulation and other policy initiatives.

Team Participants: The following individuals comprise the Rapid Response Team (the "Team"):

NCAR Legislative Committee Chair
NCAR Legislative Committee Vice-Chair
NCAR President
NCAR President-Elect
NCAR Immediate Past President
Three (3) At-Large Appointees*
NCAR Governmental Affairs Director
NCAR Regulatory Director
NCAR Executive Vice President

The NCAR Legislative Committee Chair serves as Team Chair.

*The NCAR President appoints the At-Large Appointees for the current calendar year. At-Large Appointees must be NCAR members in good standing and will be chosen based on their political acumen and knowledge of issues impacting real estate. At-Large Appointees serve one-year terms or until the end of the current calendar year, whichever is shorter.

Methodology: When the N.C. General Assembly is in session, the Team will meet by conference phone call each Monday (or the next business day, if a holiday) at 4:00 p.m. NCAR staff will provide the Team with a written briefing on pending issues by 5:00 p.m. on the preceding business day. The Team may meet at additional times upon the call of the Team Chair. The Team may conduct meetings in person, through conference phone call, or through any other electronic means, including electronic mail, that provide written statements appearing to have been sent by Team members. Team members participating in a meeting by these means are deemed to be present in person at the meeting. All members of the Team, except the Governmental Affairs Director, the Regulatory Director and the Executive Vice President, are entitled to vote. A quorum is a majority of the Team members entitled to vote. Where a quorum exists, the majority vote of those present is the act of the Team.

[Approved by Executive Committee 12-09-2002]

RECORDS POLICY

Archivist. The Executive Vice President shall from time to time designate a staff person to act as archivist. The archivist shall maintain electronic copies of the records described herein at NCAR's principal office for NCAR and each of its related entities, which shall be defined for purposes of this policy as any entity which is wholly-owned by NCAR or one of NCAR's wholly-owned subsidiaries, or if a majority of its directors are elected or appointed by NCAR's directors, officers or members.

Records. The records subject to this policy are as follows:

- current articles of incorporation and bylaws
- approved meeting minutes of board of directors and those of any committees, divisions, members or shareholders for the past three (3) years, and records of any actions taken by any such group without a meeting for the past three (3) years
- written communication to all shareholders or all members within the past three (3) years
- a list of the names and business addresses of its current directors and officers
- its most recent annual report (for-profit corporations only)

Financial records shall be maintained by NCAR's accounting department.

Delivery of Records. The staff liaison of each covered group shall timely deliver copies of all required records to the archivist. The staff liaison shall not be responsible for delivering copies of any such records determined to be confidential by the group creating the record.

Availability of Records. Records maintained by the archivist under this policy shall be available to all NCAR members on the NCAR website. This policy shall not be deemed to require any entity to make available any records which the entity has determined must be kept confidential in the best interests of the entity, nor shall this policy be deemed to limit the rights of any NCAR member under law to inspect and copy records of NCAR or any of its related entities.

[Approved by Executive Committee 08-11-2010]

REIMBURSEMENT OF EXPENSES

I. PURPOSE:

1. NCAR recognizes that our REALTOR® volunteer members are a valuable resource, and NCAR utilizes such volunteer member leaders to deliver many services and sincerely appreciates their talents and abilities.
2. Volunteers contribute their time to NCAR, without expectation of wages, salary or other monetary reward.
3. Volunteer leaders are reimbursed for some actual cash expenses. Volunteer leaders understand that not all of their expenses will be reimbursed.
4. The Board of Directors annually adopts a budget, which defines the limits to which volunteer leaders will be reimbursed.
5. The purpose of this Policy is to define the methods and procedures by which reimbursements addressed in the annual budget will be made.

II. DEFINITIONS:

1. "Automobile travel expense" is paid at the IRS permissible rate per mile.
2. "Airfare" is the Coach class round-trip non-refundable, airfare that is booked at least 30 days in advance of departure. In lieu of airfare, NCAR will reimburse for automobile travel expense not to exceed the cost of the airfare as defined herein. Member must submit proof of cost of a 30 day advance purchase airline ticket when submitting mileage reimbursement request.
3. In the event that multiple room rates are available (such as a NAR Convention), the maximum reimbursable "hotel room rate" is the median single room rate at NAR's designated "headquarters" hotel.
4. "Median" is a value in an ordered set of values below and above which there is an equal number of values. If there is no one middle value, median is the arithmetic mean of the two middle values.
5. The "number of nights" authorized for reimbursement may be determined in advance in the Annual Budget. If the number of authorized nights is not stated in the supporting documentation of the Annual Budget, then the number of authorized nights may be determined in advance by the Treasurer. Appeals may be made, prior to the meeting, to the President.
6. "Per Diem" is an amount per day that will be disbursed in lieu of actual expenses.
7. "Actual Expenses" means that receipts must be submitted in order to be reimbursed. Use of this term means that only those expenses actually incurred will be reimbursed. No "in lieu" expenses will be reimbursed if the policy refers to "actual expenses."
8. "Travel, lodging, and meals" reimbursement is limited to reasonable expenses of these three types. Reimbursement under this provision does not include other miscellaneous expenses such as daily newspapers, magazines, formal dress attire and/or flowers. A detailed explanation is required for lodging if the member lives within 120 miles of the meeting site for a one day meeting or within 30 miles of the meeting site for a multiple day meeting.

III. LIMITATIONS & OTHER PROVISIONS (applicable to all positions):

1. All parties subject to reimbursement are encouraged to exercise care and discretion, especially as to hotel and meal costs. The Treasurer may question any expense and require additional explanation, documentation, support and/or justification.
2. Actual receipts are required when available, and required in all cases for any reimbursable expenses in excess of \$15.00.

3. All requests for reimbursement must be submitted within 45 days after the date the bill is incurred or received whichever comes later. Any request submitted after 45 days must first be submitted to the Finance and Budget Committee and, if approved, the request will be forwarded to the Executive Committee for approval.
4. All requests for reimbursement must be mailed, faxed or electronically transmitted to the NCAR office.
5. All requests for reimbursement and the supporting documents must either be the original bill or an accurate photocopy of the original bill.
6. Reimbursable hotel costs do not include food, beverages, in-room movies, valet parking and laundry or valet services.
7. An annual budget figure is established by the Finance and Budget Committee and approved by the Board of Directors. Persons responsible for expending funds from the NCAR budget, including but not limited to any Officer, Director, or chairperson of any committee, subcommittee, task force, advisory group, work group or other interim group, shall be apprised by the assigned staff person, or in the absence of an assigned staff person, by the Chief Financial Officer, that they must adhere to the budgeted amount as shown in the NCAR Annual Budget as the same may be revised from time to time. Any funding in excess of the budgeted amount as shown in the NCAR Annual Budget must first be made in writing to the Finance and Budget Committee and, if approved, the request will be forwarded to the Executive Committee for approval prior to disbursement. See Budget Limitation Policy.
8. Reimbursement will not be paid for attending any meeting unless the member is present at all required meetings for which he/she is reimbursed expenses to attend. In addition, attendance must be for the entire meeting(s) unless excused by the NCAR President, NAR President or other presiding officer, as the case may be.
9. Credit cards will not be issued to any member of NCAR. Association staff will be issued credit cards for business use only.
10. If by virtue of positions held, an NCAR member qualifies for reimbursement under two or more categories, then he or she will be reimbursed in accordance with the category that results in the greater reimbursement.
11. Any expense that is reimbursable under this Policy will not be reimbursed by NCAR if another party such as NAR or a local Board or firm reimburses the expense.

REIMBURSEMENT OF EXPENSES BY POSITION

NCAR President

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as an Officer of NCAR.
2. All travel, lodging, and meal costs of the Officer's Spouse/Guest when incurred to attend NCAR functions or activities. The spouse's/guest's expenses are included in the Officer's annual budget figure.
3. Automobile travel expenses.
4. NCAR & NAR Convention registration (President and Spouse/Guest). (2 Total for each)
5. NCAR Inaugural Banquet tickets (President and 11 Guests). (12 Total)
6. NAR Inaugural Banquet tickets (President and Spouse/Guest). (2 Total)

NCAR President-Elect

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as an Officer of NCAR.

2. All travel, lodging, and meal costs of the Officer's Spouse/Guest when incurred to attend NCAR functions or activities. The spouse's/guest's expenses are included in the Officer's annual budget figure.
3. Automobile travel expenses.
4. NCAR & NAR Convention registration (President-Elect and Spouse/Guest). (2 Total for each)
5. NCAR & NAR Inaugural Banquet tickets (President-Elect and Spouse/Guest). (2 Total for each)

NCAR Immediate Past President

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as an Officer of NCAR.
2. All travel, lodging, and meal costs of the Officer's Spouse/Guest when incurred to attend NCAR functions or activities. The spouse's/guest's expenses are included in the Officer's annual budget figure.
3. Automobile travel expenses.
4. NCAR & NAR Complimentary Convention registration (Immediate Past President and Spouse/Guest). (2 Total for each)
5. NCAR & NAR Complimentary Inaugural Banquet tickets (Immediate Past President and Spouse/Guest). (2 Total for each)

NCAR Treasurer

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as an Officer of NCAR.
2. All travel, lodging, and meal costs of the Officer's Spouse/Guest when incurred to attend NCAR functions or activities. The spouse's/guest's expenses are included in the Officer's annual budget figure.
3. Automobile travel expenses.
4. NCAR & NAR Complimentary Convention registration (Treasurer and Spouse/Guest). (2 Total for each)
5. NCAR & NAR Complimentary Inaugural Banquet tickets (Treasurer and Spouse/Guest). (2 Total for each)

NCAR President-Elect To-Be (from date of announcement of election results through remainder of that year)

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as the Ex-officio President Elect.
2. Automobile travel expenses.
4. NAR Convention registrations (Ex-officio President-Elect and Spouse/Guest). (2 Total)
5. NAR Inaugural Banquet tickets (Ex-officio President-Elect and Spouse/Guest). (2 Total)

At-Large Representatives to Executive Committee

1. Automobile travel expenses incurred while acting in their capacity as a member of the Executive Committee.
2. Hotel room costs (this Policy, definition #3) when attending the following NCAR functions: Inaugural/Vision Quest (up to 3 nights), Legislative (up to 2 nights), Convention (up to 4 nights). Number of nights will be determined by the Treasurer as referenced in this Policy, Definition No. 5.
3. Hotel room costs, up to 1 night, if needed because of distance while acting in the capacity of their position (see this Policy, Definition # 8).

4. Complimentary NCAR Convention registration (1 Total).
5. Complimentary Inaugural Banquet ticket (Officers and Spouse/Guest). (2 Total)

NCAR Regional Vice Presidents

1. Automobile travel expenses incurred while acting in the capacity of their position
2. \$50 per initial annual visit to each Board in their Region.
3. Hotel room costs (this Policy, definition #3) when attending the following NCAR functions:
Inaugural/Vision Quest (up to 3 nights), Legislative (up to 2 nights), Convention (up to 4 nights). Number of nights will be determined by the Treasurer as referenced in this Policy Definition No. 5
4. Hotel room costs, up to 1 night, if needed because of distance while acting in the capacity of their position (See this Policy, Definition #8)
5. Complimentary Convention registration (1 Total)
6. Complimentary Inaugural Banquet ticket (Officers and Spouse/Guest). (2 Total)
7. Actual expenses including registration, travel and lodging to attend meetings of any NAR committee(s) to which an RVP has been appointed, not to exceed \$1,000.00 per individual per year. All reimbursements must be in accordance with the NCAR reimbursement policy and subject to the submission of a written activity report that includes a list of meetings attended.

NCAR Committee Chairs or Vice-Chairs acting as the Committee Chair

1. Automobile travel expenses for presiding at committee meetings and/or reporting to the Executive Committee and/or Board of Directors.
2. Chair of Committee complimentary Inaugural Banquet Ticket (1 Total)
3. Where the Local Association Executives Committee Chair appoints a member of the Committee to act as a mentor for a new local Association Executive, then NCAR will reimburse the *mentor* automobile travel expenses for traveling to mentoring meetings with the new local Association Executive, provided that (i) the mentor is from the same NCAR region as the new local Association Executive (or a neighboring region and within 120 miles one way); and (2) total annual expenditures for all mentoring meetings collectively (wherever situated) do not exceed the current year's budget. Mentor reimbursement is subject to the additional approval of the AE Committee Chair, who is responsible for adhering to this amount.

NCAR Task Force or PAG Chairs

1. Automobile travel expenses for presiding at Task Force or PAG meetings and/or reporting to the Executive Committee and/or Board of Directors.

NAR Directors (only those NAR Directors to which NCAR is entitled as a State Association according to NAR's Constitution and as determined in accordance with NCAR's bylaws, not those NAR directors to which a local board or franchise or firm is entitled according to NAR's Constitution)

1. Airfare for attending NAR Director meetings. See this Policy, definition #2.
2. Actual expenses up to \$100 per day with submission of detailed receipts for director expenses only.
3. Hotel room costs with limitation on number of nights (10 nights total annually). See this Policy, definition #4 and #5.
4. NAR Convention registration (1 Total)
5. NCAR & NAR Inaugural Banquet ticket. (1 Total)

6. NAR Directors must attend NAR Regional Caucuses, NAR Board of Directors meetings and meetings of NAR Directors from North Carolina as a condition of reimbursement/comps under this Policy.

NAR Regional Vice President (including NAR RVP-Elect Year)

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as NAR Regional Vice President.
2. All travel, lodging, and meal costs of the Officer's Spouse/Guest when incurred to attend NCAR and/or NAR Regional functions or activities. The spouse's/guest's expenses are included in the Officer's annual budget figure.
3. Automobile travel expenses.
4. NCAR & NAR Complimentary Convention Registration (NAR Regional Vice President and Spouse/Guest). (2 Total for each)
5. NCAR & NAR Complimentary Inaugural Banquet tickets (NAR Regional Vice President and Spouse/Guest). (2 Total for each)

Other NAR Positions

For any NCAR member serving as: (a) the Chair or Vice-Chair of an NAR Committee, Forum, Sub-Forum, Task Force or PAG; (b) a national RPAC Trustee; or (c) an NAR Executive Committee member.

1. The member's actual expenses related to his or her attendance at NAR meetings to fulfill the duties of his or her position, including the member's airfare, travel, lodging and meals. See this Policy, definitions #2 - 4 and #7 - 8.
2. Reimbursement is limited to two (2) meetings per calendar year, and reimbursement for any one meeting shall not exceed the amount budgeted per meeting.
3. Each member must be actively involved in the affairs of the NAR body on which he or she serves and must submit a written summary of the events of the meeting to the NCAR Executive Vice President following the meeting and prior to reimbursement.

NCAR REALTOR® of the Year

1. Airfare and two (2) night's hotel room costs for the REALTOR®-of-the-Year and spouse/guest for attending the NAR REALTOR®-of-the-Year Awards Ceremony. See this Policy, definitions #2- 5.
2. Up to \$200 for incidental expenses in connection with attending the NAR Awards Ceremony, including taxi, meals, tips, etc., with submission of detailed receipts.
3. NAR Convention registration for the REALTOR®-of-the-Year and spouse/guest.

Executive Vice President

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as an Officer of NCAR.

NCAR Staff

1. Any and all expenses, including but not limited to travel, lodging, meals, and miscellaneous costs incurred in the performance of his/her duties as NCAR Staff.
2. For automobile travel, an analysis of the relative cost to utilize the NCAR vehicle vs. the cost to rent a vehicle should be taken into consideration in determining which option is

most feasible. These two options should be considered before considering the use of a personal vehicle.

3. All meals & lodging at the NCAR Convention.
4. All actual expenses incurred in attending professional development courses, with prior approval of the Executive Vice President.

Finance and Budget Committee

1. Automobile travel expense and one night's hotel cost for attending Finance Committee meetings called by the chair. (See this Policy, definition #8)
2. Automobile travel expense and one night's hotel cost (if required due to distance traveled) for attending their assigned Committee meeting as a liaison (see this Policy, Definition #8)

Investment Advisory Committee

1. Automobile travel expense incurred while acting in their capacity for attending Investment Advisory Committee meetings.

Professional Standard Grievance/Hearing Panelists

1. Automobile travel expenses.

Federal Political Coordinators

1. Airfare or IRS-approved mileage reimbursement for traveling to Washington DC as FPC (see this Policy, Definition #2)
2. Hotel room cost with limitation on number of nights (3), other travel, lodging and meal expense reasonable and necessary to fulfill requirements of FPC responsibilities. Reimbursement under this Section 2 is limited to \$1,000 per year (see this Policy, Definition #3).

[Amended by Executive Committee 08-11-2010]

RELATED-ENTITY LIAISONS

For purposes of this policy, an entity shall be considered a “related entity” if it is wholly-owned by NCAR or one of NCAR’s wholly-owned subsidiaries, or if a majority of its directors are elected or appointed by NCAR’s directors, officers or members.

A member of the NCAR Executive Committee will be assigned from time to time by the NCAR President to each related entity as a liaison. In cases where a member of the Executive Committee serves as an ex officio director and/or officer of the related entity, that person shall act as the liaison. The liaison shall be responsible for reporting back to the Executive Committee on the entity’s activities, including actions taken by the related entity. Reports shall be made at the regularly scheduled Executive Committee meeting next following the end of each calendar quarter.

This policy is not intended to give an assigned liaison who is not acting as an ex officio director or officer of a related entity any right or responsibility to actively participate in any decision-making process of the related entity, take any action on the related entity’s behalf, or acquire information from the entity that has been deemed confidential by the entity’s leadership. Neither is this policy intended to supersede any obligation that an ex officio director or officer of a related entity may have to maintain the related entity’s confidential information or otherwise supersede any duty owned by the ex officio director or officer to the related entity.

[Approved by Executive Committee 8-11-10]

RESERVE POLICY

I. CREATION AND PURPOSE

NCAR's Board of Directors has established certain Fund Categories to which NCAR's reserve funds are to be allocated, and designated a specified amount for each Fund Category. The purpose of the NCAR Reserve Policy is to provide readily available cash funds as needed up to the amount designated for each Fund Category. The Fund Categories, including amounts designated for each, are as follows:

Operating Reserves	\$1,200,000
Capital Expenditures	200,000
Building Maintenance	100,000
Building Replacement	500,000
Legal Action Fund	50,000

II. FUNDING

All Fund Categories shall be fully funded in cash, cash equivalents or marketable securities. If a Fund Category is thereafter depleted below its designated amount, it shall be replenished from NCAR's revenue over expenses no later than the end of each fiscal year until it is fully replenished. A Fund Category may also be replenished in such other manner as may be authorized by the Board of Directors. Amounts over and above the designated amount may from time to time be added to the Operating Reserve Fund Category by the NCAR Executive Committee as funds are available.

III. ADMINISTRATION

The Executive Committee shall be responsible for the administration of each Fund Category in accordance with this Reserve Policy, excluding the Legal Action Fund Category, which shall continue to be administered in accordance with the Legal Action Program Policy, except to the extent of replenishment, which shall be governed by this Reserve Policy. NCAR's Investment Advisory Committee shall continue to manage NCAR's reserve funds in accordance with NCAR's Investment Policy.

Disbursements from any Fund Category shall be within the sole discretion of the Executive Committee, and shall be made on an as-needed basis or as may otherwise be prescribed by the NCAR Bylaws or other written policies. In making disbursement decisions, the Committee may, by way of illustration and not limitation, consider such things as unbudgeted expenses incurred or to be incurred by NCAR or an NCAR affiliate as a result of unforeseen events or circumstances, (i.e., fees for outside legal counsel to advise NCAR or an NCAR affiliate on any such event or circumstance), or unanticipated opportunities to enhance or maintain services offered by NCAR or an affiliate to or on behalf of NCAR Members. The Executive Committee shall also be responsible for replenishing a depleted Fund Category in accordance with the "Funding" section of this Policy; if more than one Fund Category is depleted, the Committee shall, in its sole discretion, determine the order in which the depleted Fund Categories are replenished. Decisions of the Executive Committee shall be final. Disbursements from and replenishments to the Fund Categories shall be made under the supervision of the NCAR Treasurer.

The NCAR Treasurer shall submit a written report no less frequently than annually to the NCAR Board of Directors summarizing the decisions of the Executive Committee and the status of each Fund Category in conjunction with the then-current balance sheet.

IV. GAAP

All reserves, including the Fund Categories set forth in this Reserve Policy and any division reserves, shall be adequately and appropriately reflected in the financial records and reports of NCAR in accordance with Generally Accepted Accounting Principles that may be in effect from time to time and in such a manner that each reserve is readily distinguishable from other reserves and from non-designated unrestricted net assets.

V. AMENDMENTS

This Policy may be amended from time to time by the Board of Directors as it deems necessary.

[Amended by Board of Directors 09-20-10]

SIGNATURES ON CORRESPONDENCE

No communications shall be written over any member's signature, to include any officer, director, committee/subcommittee/task force chairperson, division or section leader, without prior authorization of the member.

[Amended by Executive Committee 8-11-2004]

USE OF NCAR FACILITIES

Approximately 1,800 square feet of meeting space is located on the second floor of NCAR's headquarters building at 4511 Weybridge Lane in Greensboro. The space is known as the "Kutz Training Center" (the Kutz Center) to honor the late Wilbur Kutz for his significant charitable bequest to the North Carolina Real Estate Educational Foundation. The Center has tables, chairs, and AV equipment to accommodate up to 65 people for education programs in a classroom style setting and up to 80 people in a theater/lecture style setting.

The Association also has a boardroom (the Conference Room) on the first floor of its headquarters building with AV equipment and a conference table and chairs to accommodate up to 20 people at the table with additional seating along the walls.

The Kutz Center and the Conference Room are available for use by REALTOR® groups (including local boards and member firms), subject to the rules and guidelines set forth in this policy.

RULES AND GUIDELINES

1. Groups should inquire about reservations at least thirty (30) days in advance of any event. For the Kutz Center, groups should contact the NCAR Kutz Center Coordinator. For the Conference Room, groups should contact the NCAR Executive Assistant. At that time, groups will be informed of availability, rental rate and payment terms for the facility.
2. The NCAR office is open during normal business hours from 8:30 a.m. to 5:00 p.m., Monday through Friday, except for holidays. Therefore, unless special arrangements are made in advance with the NCAR Kutz Center Coordinator or the NCAR Executive Assistant, events must begin no earlier than 8:30 a.m. and conclude by 5:00 p.m., with all attendees having exited the building no later than 5:30 p.m.
3. Water, coffee, coffee condiments and coffee cups are included with the rental rate. There are ice machines available, but, if there will be a large number of attendees, then the group should be prepared to provide an additional supply. Otherwise, groups must arrange for all beverage, food and related supplies. NCAR will provide a list of approved caterers. There are limited kitchen facilities available for the caterers. Meals generally are **not** served in the Conference Room, so groups using the Conference Room should reserve a portion of the Kutz Center for meals. At the end of each day/event, **all trash must be placed in trash receptacles and tables must be cleaned of all meeting materials and other items.**
4. NCAR staff will arrange the tables and chairs in the Kutz Center based on the requirements that the group has designated on an Event Request Form provided prior to the event. The following audio visual aids are available upon request: LCD projector, overhead projector, screen, flip chart and markers, podium w/microphone and lavalier microphone.
5. Telephones may be used for business calls only. Association computers are for use by NCAR staff only.
6. NCAR's headquarters building is a non-smoking facility. Restrooms are located on the first and second floors. Onsite parking is available.

7. Groups are solely responsible for the conduct of event attendees. Each group must designate a representative for on-site for issues. Groups should report any problems or concerns about the facility that may arise during the rental period to the NCAR Kutz Center Coordinator or NCAR Executive Assistant. Groups are responsible for repair of abuse to the facility and shall relinquish future use as a result of any abuse.

8. Groups may be asked to sign a rental agreement including these rules and guidelines and other terms.

Any NCAR staff who arranges a meeting/event in the Kutz Center or the Conference Room must be present on the day of the meeting/event and is responsible for all services in connection with the meeting/event, including food, beverages and clean-up. NCAR staff should refer to the meeting/event checklist maintained by NCAR's Executive Assistant.

[Approved by Executive Committee 8-11-2004]

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PREAMBLE

(effective January 11, 2006)

The North Carolina Association of REALTORS®' (NCAR or the Association) Policy Manual serves as an administrative guide and an expansion of the terms of operation of NCAR in accordance with NCAR's articles of incorporation and bylaws. The Policy Manual is divided into two separate sections –Bylaws Related and Administrative. The Bylaws Related section contains the policies referred to in NCAR's bylaws. The Administrative section contains the remainder of the policies that address NCAR's operations.

The Executive Committee may refer policy proposals to the Policy Committee for consideration and recommendation. The Policy Committee is chaired by the NCAR Immediate Past President and consists of the President, President-Elect, Immediate Past President, Treasurer and Executive Vice President.

The members of the North Carolina Association of REALTORS®, Inc. are dedicated to the protection and preservation of the free enterprise system and right of all people to own, use, enjoy and transfer real property. We continue to hold fast to a basic belief and confidence in the American system. We will continue to adhere to and govern ourselves according to the Code of Ethics of the National Association of REALTORS®, which establishes fair, honest and professional service in all real estate transactions.

We continue to promote member participation in all aspects of political activity. In doing so, the Association supports appointees to the North Carolina Real Estate Commission and other local, state and federal agencies to protect and communicate the interests of all our membership. Through the Legislative Affairs Committee and the Rapid Response Team, the Association maintains a statewide network that responds quickly and effectively to issues requiring decisive actions.

The Association will continue to identify the needs of its members and support them by responding with programs and benefits for all real estate specialties. The Association, through the North Carolina Real Estate Education Foundation, will continue to identify and offer quality educational programs that will assist members in increasing profitability and professional competence. The Association will maintain strong involvement in the development of courses for mandatory continuing education as required by the North Carolina Real Estate Commission.

We encourage the North Carolina Real Estate Commission and the North Carolina General Assembly to support the goal of adequate protection of the public and our members in real estate transactions. We will expend any and all efforts seeking legislation and/or regulations to preserve mortgage interest deduction and we will seek favorable changes to capital gains and homestead exemption legislation. The Association will continue to actively oppose any land transfer taxes, impact taxes and impact fees that directly affect the affordability of housing and economic development.

We support a Strategic Plan for the Association that is both timely and reflective of current business trends. We promote the fiscal responsibility of the Association and urge that all necessary measures be taken to insure the long-term viability of our Association. The

Association, through the NCAR Housing Opportunity Foundation, promotes affordable housing programs.

The North Carolina Association of REALTORS®, Inc. recognizes private ownership of property as a cornerstone of free enterprise and we commit ourselves to that end.

[Amended by Executive Committee 1-11-06]

**ABSENCE FROM BOARD OF DIRECTORS OR EXECUTIVE COMMITTEE
MEETING**

A “valid” excuse, as used in NCAR’s bylaws relating to an absence by Director or Executive Committee member (“Leader”) from two consecutive Board of Directors or Executive Committee meetings (as the case may be), includes, but is not limited to, the Leader’s personal or business emergency, a death in the Leader’s immediate family or the illness of either the Leader or someone in the Leader’s immediate family. “Emergency” means a serious situation or occurrence that happens unexpectedly and demands immediate action on the part of the Leader. “Immediate family” means a spouse, child, parent, sibling, grandparent or grandchild of the Leader or Leader’s spouse and includes such step, half and in-law relations. A “valid” excuse, however, will generally not include a conflict with the Leader’s business or personal schedule, such as a closing or the Leader’s vacation plans.

A Leader must make a request for an excused absence to the NCAR President, the NCAR President-Elect or the NCAR Corporate Secretary, via a telephone call, facsimile, electronic or regular mail, or in person. The Leader must state the specific reason for his or her request. Wherever possible, the request should be made no later than one (1) hour in advance of the meeting from which the Leader expects to be absent.

The Board of Directors and the Executive Committee may consider any violations of this policy by the Leader in determining whether the Leader’s excuse is “valid.”

[Revised by Executive Committee 8/2008]

APPEAL FROM ADVERSE DECISION OF CERTIFYING/RECRUITING COMMITTEE

Purpose. This policy sets forth procedures for a candidate to appeal an adverse decision of the Certifying/Recruiting Committee.

Time for Appeal. Written notification of a candidate's appeal from an adverse decision of the Certifying/Recruiting Committee must be received by the NCAR Corporate Secretary no later than 5:00 p.m. on the seventh calendar day following the date the candidate receives written notification of the adverse decision from the Corporate Secretary (or by 5:00 p.m. on the next business day, if the seventh day falls on a weekend or holiday). Any "written notification" or "written notice" under this Policy is deemed received at the time such notification is (1) delivered via express mail service to the recipient's office address; or (2) transmitted to the recipient's business facsimile machine; or (3) transmitted to the recipient's e-mail address. The candidate's office address, business facsimile machine and email address shall be according to NCAR's then-current membership records. The Corporate Secretary's office address, business facsimile machine and email address shall be the same as the then-current office address and facsimile machine number for NCAR's office in Greensboro and the then-current email address of NCAR's Executive Vice President.

Hearing. The Executive Committee shall consider the appeal, except for the President, who shall not participate in the hearing. The President may, however, select a Chair for the hearing from among the remaining members of the Executive Committee.

The Corporate Secretary shall immediately inform the Executive Committee of the receipt of a written notice of appeal. The Executive Committee will seek to meet no later than the seventh day following receipt of the written notice of appeal (or on the next business day, if the seventh day falls on a weekend or holiday). The Executive Committee may meet in person or by conference call. The Corporate Secretary shall give the candidate written notice of and an opportunity to be heard at the hearing. The Executive Committee shall make its decision by majority vote in Executive Session, and the Corporate Secretary shall furnish a memorandum of the decision to candidate. The Executive Committee's decision is final and shall not be subject to further review. If the Executive Committee overturns the adverse decision of the Certifying/Recruiting Committee, then the candidate shall be immediately certified to run for the office or position and any Certifying/Recruiting Committee Report announced by NCAR or displayed at NCAR's Annual Convention/Annual Membership Meeting shall include, or shall be amended to include, the candidate.

[Approved by Executive Committee 03-31-2003]

ASSOCIATION EXECUTIVES SERVICE STATEMENT

Dear NCAR Association Executive Member:

According to NCAR's bylaws, you may attend executive sessions of the NCAR Board of Directors, except for any such session or portion thereof that may pertain to personnel issues, provided you sign this service statement. ***Deliberations held in executive session are confidential.*** By signing this service statement, you agree to (1) maintain in confidence and not disclose or cause to be disclosed to any person or entity any matter discussed during an executive session and any information relating to it; (2) preserve the confidentiality of the matter and any related information indefinitely; (3) keep any materials concerning the matter in a safe and secure place to protect against inadvertent disclosure; and (4) promptly return to NCAR staff, upon request, any materials that you have acquired or been sent related to the matter.

Once the NCAR Board of Directors moves into executive session, you may not thereafter discuss the deliberations outside the NCAR Board of Directors. Alleged violations of this Service Statement shall be referred to the NCAR Executive Committee for a hearing in accordance with ARTICLE XVIII, Section 2 of the NCAR bylaws.

Please sign this letter and send it back to NCAR to confirm your acceptance of these terms. Thank you very much for your cooperation and your continuing work and devotion to NCAR.

Sincerely,

NCAR President

Agreed to by:

(Name)

(Date)

(Print Name)

(Print Name of Local Association or Board)

[Approved by Executive Committee 6-14-2004]

CANDIDATE APPLICATIONS - FORMS

Applications for the following positions are attached as Appendix A to this Policy Manual and incorporated herein by reference:

NAR Director Application
NCAR At-Large Representative
NCAR Finance Committee
NCAR President-Elect
NCAR Regional Vice President
NCAR Treasurer
Issues Mobilization Committee

[Approved by Executive Committee 4-23-01]

CANDIDATE APPLICATIONS - PROCESSING

Purpose. The purpose of this policy is to establish procedures for the processing of applications required by NCAR's Bylaws of candidates and appointees for positions on the NCAR Executive Committee. Recognizing that such applications require the disclosure of potentially sensitive information about an applicant, this policy includes safeguards to help insure that the confidentiality of such information is maintained to the greatest extent possible.

Submission of Application. Applications subject to this Policy should be marked "Personal and Confidential" and sent directly to the NCAR General Counsel at NCAR's Greensboro offices. The General Counsel shall conduct a confidential, preliminary review of the application to determine (1) if it is complete and (2) if it indicates any adverse matter of a financial or legal nature involving the candidate or appointee. A copy of any application that is complete and does not indicate an adverse matter of a financial or legal nature shall be forwarded by the General Counsel to the Chair of the Certifying/Recruiting Committee. A copy of any application that does indicate such a matter shall be forwarded by the General Counsel to a CPA or attorney designated by NCAR (hereinafter referred to as the "Auditor") for further review as set forth herein. Original applications shall be maintained by the General Counsel in a confidential file.

Review and Report by Auditor. The Auditor shall conduct a review of any application forwarded to him/her by the General Counsel. The Auditor shall gather additional information about any adverse matter contained therein and shall submit a written report summarizing the matter to the Chair of the Certifying/Recruiting Committee. The Auditor shall not disclose any information about the applicant to any person other than the Chairperson, the General Counsel and other persons as may be reasonably necessary to enable the Auditor to gather additional information about any adverse matter, and shall maintain all applications and any additional information about any applicant in strict confidence except as provided herein.

Interview. The Chairperson shall arrange a telephone or in-person interview with an applicant who is the subject of a report by the Auditor to discuss the matter under review with him/her, and shall provide him/her with a copy of the report prior thereto. The Chairperson shall notify the applicant that if he/she chooses to proceed with consideration for election or appointment to office, he/she shall have seven calendar days following the date of the interview to submit supplemental information to the Chairperson as to why the applicant believes he/she is qualified for the position.

Committee Deliberation. In determining whether the applicant is qualified to serve in the position he/she seeks, the Committee shall consider the application, any report prepared by the Auditor and any supplemental information submitted by the applicant. Any applicant who refuses to supply additional information that may reasonably be requested by the Auditor or the Chairperson of the Certifying/Recruiting Committee about a matter under review shall not be certified. Committee members shall have an obligation to maintain and protect the confidentiality of any information about the applicant before, during and after the Committee's deliberations, and the Chairperson shall take reasonable steps to maintain control over any copies of any such information used by the Committee in its deliberations.

Automatic Audit. In addition to the above, the application of a candidate for the position of President-Elect or Treasurer shall automatically be forwarded by the General Counsel to the

Auditor to confirm the accuracy of the information contained in the application. The Auditor shall submit a written summary of the audit to the Chairperson of the Certifying/Recruiting Committee. The audit shall be handled in the same manner as any report submitted in accordance with the preceding paragraphs of this Policy.

Maintenance of Information. Following the conclusion of the Committee's deliberations (or if, at any time the applicant elects in writing not to pursue the position), all information about the applicant in the possession of the Chairperson or the Committee shall be destroyed, except that copies of any such information not already in the possession of the Auditor shall be forwarded to him or her by the Chairperson for inclusion in their file.

[Approved by Executive Committee 4-23-01]

CERTIFYING/RECRUITING COMMITTEE REPORT

NCAR will post the Certifying/Recruiting Committee's Report on the Members Only portion of its Web site at least thirty (30) days prior to the Annual Election and will announce such posting in the next edition of the *REALTOR*® Letter or similar NCAR publication following the posting. In addition, NCAR shall make available for inspection by its members a hard copy of the current Report at its Registration Desk during the hours that the Registration Desk is open at NCAR's Annual Convention/Annual Membership Meeting.

[Approved by Executive Committee 8-14-2002]

CONFLICT OF INTEREST

INTRODUCTION

Service as a leader for an association gives rise to certain legal obligations to the association. One obligation is the fiduciary duty owed to the association by the leader. It requires the exercise of reasonable care in performing functions for NCAR—exhibiting honesty and good faith—and encompasses the responsibilities of both care and loyalty. The duty of loyalty requires NCAR leaders to avoid conflicts of interest and be looking out for NCAR's best interests, not their best interests. A conflict of interest may exist when one participates in the decision-making process on an issue for NCAR while concurrently having other business, professional or personal interests that could tend one toward bias or predisposition on the issue. The fiduciary duty of a leader also requires a leader to avoid the appropriation of programs and activities, particularly business prospects, that properly belong to the NCAR. NCAR leaders must also maintain the confidentiality of NCAR information. These obligations run from the NCAR leader to NCAR as a whole. Even where an NCAR leader might be appointed or elected regionally or by virtue of the NCAR leader's professional position within a particular company or practice area, the obligations of the NCAR leader are to NCAR as an organization, not to the NCAR leader's constituency. The following policies apply to any NCAR leader, including but not limited to officers, directors, and members of any NCAR decision-making body, such as the Board of Directors, Executive Committee and Finance Committee.

CONFLICT OF INTEREST POLICY

Any NCAR leader will be considered to have a conflict of interest whenever that leader:

1. is a principal, partner or corporate officer of a business providing products or services to NCAR or in a business being considered as a provider of products or services to NCAR (collectively referred to herein as "the business"); or
2. holds a seat on the board of directors of the business, unless the person's only relationship to the business is service on such board of directors as NCAR's representative; or
3. holds an ownership interest of more than 1 percent of the business; or
4. holds any unique and substantial interest in the business, financial or otherwise, such as a familial, personal, employer-employee, contractor-contractee, shareholder or governance relationship with the business.

NCAR leaders with a conflict of interest must immediately disclose their interest at the outset of any discussions by a decision-making body pertaining to the business or any of its products or services. Such NCAR leaders may not participate in the discussion relating to that business other than to respond to questions asked of them by other members of the decision-making body. Furthermore, no NCAR leader with a conflict of interest may vote on any matter in which the NCAR leader has a conflict of interest, including votes to block or alter the actions of the decision-making body in order to benefit the business in which they have an interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the leader excused himself or herself from the discussion of the pros and cons and vote on the matter.

OWNERSHIP DISCLOSURE POLICY

1. When NCAR has an ownership interest in an entity and an NCAR leader has an ownership interest in that same entity, such NCAR leader must disclose the existence of his or her ownership interest.
2. If an NCAR leader has personal knowledge that NCAR is considering doing business with an entity in which an NCAR leader has any financial interest, then such NCAR leader must disclose the existence of his or her financial interest.
3. If an NCAR leader has a financial interest in an entity that the NCAR leader knows is offering competing products and services as those offered by NCAR, then such NCAR leader must disclose the existence of his or her financial interest.

NCAR leaders with an ownership interest must disclose their interest at the outset of any discussions by a decision making body pertaining to the business or any of its products or services. Such NCAR leaders may not participate in the discussion relating to that business other than to respond to questions asked of them by other members of the decision-making body. Furthermore, no NCAR leader with an ownership interest may vote on any matter in which the NCAR leader has an ownership, including votes to block or alter the actions of the decision-making body in order to benefit the business in which they have an interest. Minutes of appropriate meetings shall reflect that such disclosure was made, and that the leader excused himself or herself from the discussion of the pros and cons and vote on the matter.

CORPORATE OPPORTUNITIES POLICY

Any NCAR leader who learns of a business opening, investment, project, or program through his or her service to NCAR may not pursue that opportunity outside of NCAR without first offering it to NCAR. Only if NCAR decides not to proceed (i.e., abandons the corporate opportunity) may he or she proceed independently of NCAR. NOTE: No NCAR leader is prohibited from engaging in conduct in the same general line of commerce as NCAR, but he or she must conduct his or her own activities in good faith and without injury to NCAR. For example, assume that part of your service on a Committee entails development of an educational course to be delivered to NCAR members. It would be a violation of this Policy to take the work of the Committee and use it to create an educational course for your personal financial gain.

CONFIDENTIAL INFORMATION POLICY

Any NCAR leader must (a) maintain in confidence and not disclose or cause to be disclosed to anyone, other than NCAR, any information designated as confidential prior to or during deliberation by NCAR in NCAR's sole discretion; (b) keep any materials containing confidential information in a safe and secure place to protect against inadvertent disclosure; and (c) preserve confidential information indefinitely, even after expiration of the leader's service. Upon expiration of the leader's service, the leader must promptly return to NCAR staff, upon request, any materials containing confidential information sent to or acquired by the leader relating to the leader's work for NCAR. For example, assume that the Administrative Committee, during its search for an EVP, designates the deliberations as "confidential," to preserve the integrity of the search. It would be a violation of this Policy for members of the Committee to disclose such deliberations to anyone outside the Committee or except as may be required for the conduct of the Committee's business.

SERVICE STATEMENTS

Any person serving NCAR in an elected or appointed position must annually sign a service statement in form designated by NCAR prior to serving.

MONITORING AND COMPLIANCE

Reasonable efforts will be taken to educate NCAR leaders as to the requirements of these policies and to remind NCAR's decision-making bodies of these policies prior to and/or during meetings of such bodies. NCAR's Chief Executive Officer and chief employed finance executive will exercise reasonable diligence in monitoring proposed or ongoing transactions for conflicts of interest and disclose them to the President in order to address potential or actual conflicts, whether discovered before or after the transaction has occurred. Alleged violations of these policies by an NCAR leader shall be reported to the Executive Committee for further action in accordance with Article XIX of the NCAR bylaws.

[Approved by Board of Directors 01-23-09]

DETERMINATION/DESIGNATION OF NCAR STATE DIRECTORS

Determination of the number of Directors from the Local Boards for each calendar year shall be based on NCAR's membership records as of the immediately preceding July 31st.

By October 15th of each year, NCAR will make available a State Director Report Form for local boards and associations to use to designate their NCAR directors effective January 1st of the upcoming year. Local boards and associations shall return the completed State Director Report Forms to the NCAR Executive Assistant no later than December 1st.

In the event of a vacancy by resignation or otherwise during a year, the local board or association must notify the NCAR Executive Assistant in writing of the vacancy and replacement not less than two (2) weeks in advance of the next NCAR Board of Directors meeting.

[Approved by Executive Committee 08-11-2010]

ELECTIONEERING AND DISPLAY OF CAMPAIGN ITEMS

A candidate may not formally announce his or her candidacy or distribute or display campaign items, and no region, board or member may formally endorse a candidate, until the polls officially close for the Annual Election preceding the year of his or her election. For example, REALTOR® Jones wants to run for an RVP position. The election will take place at the 2003 Annual Convention. REALTOR® Jones may formally announce her candidacy and distribute and display campaign items, and may be formally endorsed by a region, board or member, only after the polls close for the Annual Election taking place during the 2002 Annual Convention.

A candidate, either personally or through an individual spokesperson (not a team of individuals), may make a single announcement of the candidacy itself from the floor of *either* an NCAR Board of Directors meeting *or* a general Membership meeting, including NCAR's Annual Membership Meeting. The choice between the meetings is at the discretion of the candidate. Such an announcement of candidacy may *not* be accompanied by or include candidate endorsements (see below). For example, REALTOR® Smith is a member of REALTOR® Jones' campaign committee and also an NCAR Director. REALTOR® Jones wishes to announce her candidacy for RVP at the next NCAR Board of Directors meeting, so she appoints REALTOR® Smith as her spokesperson. REALTOR® Smith announces the candidacy from the floor of the NCAR Board of Directors meeting. No other announcements of REALTOR® Jones' candidacy will be entertained on the floor of any subsequent NCAR Board of Directors or general Membership meeting.

Candidate endorsements - whether they are endorsements by a region, board or individual member - are distinguished from announcements of candidacies themselves for the purposes of this policy. No candidate endorsements may be made from the floor of any NCAR Board of Directors or general Membership meeting, including NCAR's Annual Membership Meeting. Candidates may, nonetheless, immediately prior to the start of such meetings, place leaflets or token campaign items bearing endorsements on the chairs in the rooms designated for such meetings. For example, ABC Association of REALTORS® is supporting REALTOR® Jones' candidacy for RVP. The endorsement may not be referred to on the floor of any NCAR Board of Directors or general Membership meeting, but leaflets may be placed on the chairs in such meeting room saying that REALTOR® Jones is endorsed by ABC Association of REALTORS®.

Up to one-half page of advertising space in the *Insight* Magazine-(excluding the front and back of each cover) may be purchased by, or on behalf of, a candidate on a one-time basis for the publication of material related to the candidacy, provided that any material submitted for publication is in support of the candidate and in no way derogatory toward another candidate or toward NCAR. The material is subject to editorial approval by NCAR staff. As a courtesy, NCAR staff shall notify any other candidate for the same position about the purchase of the space. For example, the members of REALTOR® Jones' RVP campaign committee purchase a one-quarter page ad stating their support for REALTOR® Jones' candidacy. The *Insight* editor notifies REALTOR® Jones' opponent upon the purchase. The material otherwise meets the publication requirements and appears in *Insight*. Subsequently, no other individual or group may purchase ad space for publication of material related to REALTOR® Jones' candidacy.

A pre-election issue of *Insight* shall, at NCAR's cost, include a photograph and a brief summary of each candidate (name, city, local association name, firm name, position sought, etc.) whose names will be on the ballot in the Annual Election, with a link to a full biography for each candidate on the NCAR website.

At any NCAR meeting or function including, but not limited to, Inaugural, Mid-Year, VisionQuest and Convention, candidates are not permitted to do any electioneering or distribute or display campaign items at the meeting facility's registration desk(s) or within 100 feet in any direction of NCAR's registration desk(s). Each candidate is limited to displaying one banner (maximum size 3' x 6') and one sign (maximum size 24"x 36") at each NCAR meeting or function. Under no circumstances is NCAR required to provide a candidate space or a table for display of campaign items at any NCAR meeting or function. Notwithstanding the above, immediately prior to the start of any NCAR Board of Directors or general Membership meeting, candidates may place leaflets or token campaign items on the chairs in the meeting room designated for such meeting. Any and all campaign items must be in support of a candidate and in no way derogatory toward another candidate or toward NCAR.

Candidates are solely responsible for making arrangements directly with the meeting facility for the physical display of any campaign items. Under no circumstances are campaign items to be nailed, tacked, pinned, taped or otherwise affixed to the meeting facility's property. In many instances, the meeting facility will charge a fee for hanging signs and banners or renting easels for display. Candidates are solely responsible for any cost(s) incurred in connection with the display of campaign items and must make their own arrangements for payment, such as by having the cost(s) billed to the candidate's hotel room. Candidates may not use NCAR easels, tables or other equipment for display of campaign items. NCAR will not authorize payment for any candidate expenses. Any costs billed to NCAR by the meeting facility due to the display of a candidate's campaign items will be charged back to the candidate. Candidates must abide by all rules and requirements of the meeting facility, and where the meeting facility's rules and requirements impose additional obligations and/or are more restrictive than this policy, the meeting facility's rules control. NCAR will endeavor to provide the meeting facility's relevant rules and requirements, if any, to all announced candidates at least two (2) weeks prior to the meeting.

Candidate hospitality suites are the sole responsibility of the candidate.

Each year during NCAR's Legislative Meetings, NCAR will hold a candidate forum for the positions of President-Elect, Treasurer and NAR Director. The candidate forum will be a stand-alone session at which candidates for those positions may make presentations and respond to questions.

The NCAR President, President-Elect, Immediate Past President and Treasurer shall refrain from any direct or indirect campaign involvement other than his or her own campaign.

NCAR's Immediate Past President (or his or her designee) and the NCAR Corporate Secretary shall serve as the Sergeants-at-Arms for the purposes of this policy, and each has full authority to enforce the provisions of this policy in his or her sole discretion. The Sergeant-at-Arms will promptly remove or arrange to have removed any campaign items displayed or distributed in violation of this policy, and a candidate (or member of his or her campaign committee) who

tampers with, removes or otherwise disturbs another candidate's campaign items will have his or her own campaign items removed by or at the direction of the Sergeant-At-Arms. It is the candidate's responsibility to recover, at the candidate's expense, all campaign items so removed, and NCAR is not responsible for any items removed pursuant to this policy.

Each candidate will be required to sign a Statement of Candidate Conduct when they apply for candidacy. The specific requirements to be included in the statement will be established by the NCAR Policy Committee.

It is the candidate's responsibility to inform each member of the candidate's campaign committee of this policy.

[Amended by Executive Committee 08-11-2010]

ELECTRONIC VOTING POLICY

1. NCAR shall establish and maintain an electronic voting system that allows voters entitled to vote in the Annual Election to vote from any location where a computer with Internet access is available. The electronic method of voting will be the only means by which voters may vote in the Annual Election. For purposes of this policy, an NCAR member is entitled to vote in the Annual Election if he/she: (i) is eligible under the NCAR bylaws to vote in the Annual Election; (ii) has provided NCAR with a valid, unique e-mail address; and (iii) has not notified NCAR that he/she no longer wishes to receive email messages from NCAR. Notwithstanding the foregoing, NCAR Members may nevertheless vote in the Annual Election if they are eligible to vote under the NCAR Bylaws, notify NCAR in writing no more than 60 days and no fewer than 21 days prior to the Annual Election of their desire to vote and provide NCAR with a valid, unique e-mail address from which they will exercise their vote.
2. The Annual Election shall take place over a period of four consecutive business days prior to the Annual Convention (the "Election Period"), beginning at 12:00:01 A.M. on the first day and ending at 11:59:59 P.M. on the fourth day. The precise dates that the Election Period shall begin and end shall be established each year by the Corporate Secretary; provided, the Election Period shall begin no more than twenty (20) calendar days and end no fewer than five (5) calendar days prior to the commencement of the Annual Convention.
3. The dates and times of the Annual Election shall officially be announced by written and electronic notice to the presidents and association executives of each local REALTOR® association no fewer than one hundred eighty (180) days prior to the beginning of the Annual Election. The dates and times of the Annual Election shall also be announced via other regular channels of communication with members, including but not limited to NCAR's *Insight Magazine*, the *REALTOR Report*, the NCAR website and various list serves.
4. The names of the winning candidates in the Annual Election will be announced before the end of the Annual Convention and posted on the NCAR website. Vote totals will not be announced or posted.
5. Explanation of the electronic voting process (including system requirements) will be announced via regular channels of communication with members.
6. Candidates will have the opportunity to submit campaign information (i.e., photo, bio, personal statement, etc.) to be posted on the NCAR website and included in an 'election bulletin' to be distributed electronically on up to two occasions_by NCAR to NCAR members prior to the Annual Election. The NCAR Corporate Secretary will establish and enforce reasonable requirements and deadlines pertaining to the content, submission and dissemination of such information and candidates will be responsible for compliance with such requirements.

7. NCAR staff shall, subject to the approval of the Executive Committee, select a vendor to provide the voting system, and work with the vendor to administer the election process, including ballot production, voter identification and eligibility, and vote tabulation.
8. The selected vendor will provide a secure voting system that may require multiple identifiers for security. NCAR may use one or more personal identifiers, including email address, to determine eligibility of the voter.

[Approved by Board of Directors 4-21-09]

HARASSMENT OF NCAR EMPLOYEES, DIRECTORS OR OFFICERS

General. Harassment is illegal conduct and is contrary to NCAR policy. Harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment.

Sexual Harassment. Sexual harassment is defined as: unwelcome sexual advances, requests for sexual favors and other verbal and physical conduct of a sexual nature when:

1. Submission to such conduct is, either implicitly or explicitly, made a condition of employment.
2. Submission or rejection of such conduct is used as the basis for employment decisions affecting the persons who did the submitting or rejecting.
3. The conduct has the effect of substantially interfering with the employee's work performance or creates a hostile, offensive, or intimidating work environment.

Some examples of sexual harassment include lewd or sexually suggestive comments; off-color language or jokes of a sexual nature; slurs and other verbal, graphic or physical conduct relating to an individual's gender; or any display of sexually explicit pictures, greeting cards, articles, books, magazines, photos or cartoons.

Complaint Procedure. Any NCAR employee, director or officer who believes that he/she has suffered harassment by any member of the association must bring the problem to the attention of the President or Executive Vice President. The complaint does not have to be in writing; however, it is helpful if details of dates, times, places and witnesses, if any, to the harassment alleged can be provided.

All complaints will be investigated promptly by an investigatory team comprised of the President, President-Elect and one (1) member of the Board of Directors selected by the highest ranking officer not named in the complaint after consultation with NCAR legal counsel. If the complaint involves the President or President-Elect, they shall be replaced on the investigatory team by the immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. The complaint will be handled confidentially and the privacy of all persons involved will be protected to the extent possible. Both the complainant and the accused will be provided a full opportunity to present their positions. Witnesses interviewed will be provided only such information as is necessary to elicit from them their observations and other relevant information.

Role of NCAR Executive Vice President. The NCAR Executive Vice President will not be involved in the selection of the investigatory team, or any decision or determination of disciplinary action by the investigatory team. The EVP will be apprised of all information derived from the investigation as well as the investigatory team's decision and determination of disciplinary action, if any, and may participate in the investigation to the extent deemed necessary by the investigatory team.

Discipline. Disciplinary action against any member found to have harassed an NCAR employee, director or officer may consist of any sanction authorized in the *Code of Ethics and Arbitration Manual*, such as verbal or written warning, probation, suspension or expulsion depending on the gravity of the incident. Prior incidents of similar behavior shall be taken into consideration when determining the appropriate disciplinary action. Such decision shall be made by the investigatory team. Clear, strong, and convincing shall be the standard of proof by which alleged allegations of harassment are determined. “Clear, strong, and convincing” shall be defined as that measure or degree of proof which will produce a firm belief as to the validity of the allegations sought to be established.

Retaliation. It is contrary to NCAR policy for a member to retaliate against any employee, director or officer who files a charge of harassment. All possible steps will be taken to eliminate the possibility of retaliation resulting from the filing of a complaint. In the event a complaint of harassment is found to be totally and completely without basis, appropriate disciplinary measures may be taken against the employee, director or officer who brought the complaint. While this is in no way intended to discourage employees, directors or officers who believe they have been the victim of harassment from bringing a complaint, NCAR recognizes that a charge of harassment can cause serious damage to the personal reputation and professional career of the accused

[Approved by Executive Committee 4-20-09]

LARGE FIRM ADVISORY GROUP

There shall be a Large Firm Advisory Group (the Group) that shall act in an advisory capacity to the Executive Committee and the Leadership Team of NCAR, providing input and recommendations with respect to real estate industry and NCAR issues. The Executive Committee and the Leadership Team may seek the opinions and advice of the Group in such manner as may be convenient and may consider such information in their deliberations.

The Group shall meet with the Executive Committee and/or the Leadership Team on the call of NCAR's President. The Group shall consist of one Large Firm Representative from each of the ten (10) largest firms, partnerships or corporations in the real estate business, including buying, selling, exchanging, renting, leasing, managing, appraising for others for compensation, financing, building, developing or sub-dividing real estate, or auctioning, and which maintains an established real estate office within the State; provided, that any Large Firm Representative shall be a principal of the firm, partnership or corporation and hold primary REALTOR® membership in a local board within the State. The term "principal" shall mean an individual who is a sole proprietor, partner in a partnership, officer or shareholder of a corporation, or branch office manager acting on behalf of a firm's principals.

The ten (10) largest real estate firms, partnerships, or corporations shall be identified by determining those with the greatest number of REALTORS® employed by or affiliated with a principal of the firm, partnership or corporation. In making the determination of the largest firms, partnerships or corporations, all real estate businesses operated under common control, regardless of their business structure, shall be considered a single firm, partnership or corporation. NCAR's Corporate Secretary shall determine which firms are entitled to a representative on the Group according to NCAR's membership records at the time the President calls a meeting.. A Large Firm entitled to a representative on the Group shall designate a principal as its Large Firm Representative and submit the principal's name and certify in writing the principal's qualifications as a Large Firm Representative (as set forth above) to NCAR's Corporate Secretary no more than thirty (30) days following the Corporate Secretary's determination of a Large Firm's eligibility. In the event a Large Firm fails to designate its Large Firm Representative, then that Large Firm shall forfeit its eligibility. NCAR's Corporate Secretary shall then determine the next largest real estate firm entitled to a representative on the Group (other than one of Large Firms initially identified). A Large Firm may remove its Large Firm Representative at any time prior to a meeting with or without cause and appoint a qualified successor upon written notice to NCAR's Corporate Secretary.

[Amended by Executive Committee 6-14-2004]

ORIENTATION ATTENDANCE POLICY

All persons elected or appointed as an NCAR director shall, prior to his or her service as a director (whether it is his or her initial term or a subsequent term in such capacity), attend the NCAR director orientation program offered in conjunction with the first meeting of the Board of Directors each year. A director will be excused from attending the orientation program only in accordance with the policy pertaining to excused absences from Board of Director or Executive Committee meetings. The orientation program shall be recorded on video for viewing at a later date by persons who have obtained an excused absence from the directors' meeting or who may be elected or appointed after the directors' meeting has been held, and any such person shall certify in writing that he/she has viewed the video. The position of a director who fails to attend the orientation program or view the video in accordance with this policy shall be considered vacant and subject to being filled with a replacement in accordance with the Bylaws or Policy Manual, provided that this policy shall also apply to any replacement director.

All persons elected or appointed as chair or vice-chair of any NCAR Committee shall, prior to his or her service as a committee chair/vice-chair (whether it is his or her initial term or a subsequent term in such capacity), attend the orientation program offered each year. A committee chair/vice-chair will be excused from attending the orientation program only in accordance with the policy pertaining to excused absences from Board of Director or Executive Committee meetings. The orientation program shall be recorded on video for viewing at a later date by persons who have obtained an excused absence from the program or who may be elected or appointed after the program has been held, and any such person shall certify in writing that he/she has viewed the video. The position of a chair/vice-chair who fails to attend the orientation program or view the video in accordance with this policy shall be considered vacant and subject to being filled with a replacement in accordance with the Bylaws or Policy Manual, provided that this policy shall also apply to any replacement chair/vice-chair.

[Approved by Executive Committee 1-18-2011]

STRATEGIC PLANNING COMMITTEE

Purpose. The purpose of this policy is to establish procedures for appointment to and meetings of the Strategic Planning Committee.

Meetings of the Committee. Every two years, the President-Elect shall call such meetings of the Committee as may be necessary to develop an all-inclusive Strategic Plan. An abbreviated meeting of the Committee shall be called by the President-Elect in the second year of each two-year cycle to update the existing Strategic Plan. Meetings of the Committee shall be chaired by the President-Elect. NCAR staff shall participate in meetings of the Committee as may be directed by the Executive Vice-President.

Make-up of Committee. In years during which an all-inclusive Strategic Plan is developed, the Committee shall consist of the Executive Committee, twelve at-large NCAR members appointed by the President-Elect, and the Executive Vice-President. In years during which the existing Strategic Plan is updated, the Committee shall consist of the NCAR Leadership Team, the Executive Vice-President and the following additional persons appointed by the President-Elect: six Regional Vice-Presidents, one additional Executive Committee member and six at-large NCAR members.

Approval of Strategic Plan. The Strategic Plan and updates thereto shall be reviewed by the Executive Committee and approved by the Board of Directors.

[Approved by Executive Committee 8-11-2010]