



Tucson Association of REALTORS® Multiple Listing Service, Inc.

POLICY STATEMENTS



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Operational Philosophy

TAR/MLS is a volunteer driven organization. As such, it relies on the volunteers to assist with the preparation of programs, functions, or projects. Volunteer assistance with labor-intensive projects enables the organization to keep overhead as low as possible and still provide quality service.



The term "committee" as used in these Policy Statements shall be deemed to include the terms "work group," "sub-committee," "advisory group," "task force," "PAG," or any other group formed under the auspices of TAR/MLS.

It's Our Organization!

Policy #1: Policy Purpose & Formulation

Policy statements are to be used for developing guidelines and standards for internal operations. Policy statements are ongoing and are reaffirmed by the Board of Directors each year. Any new policies must be approved by the Board of Directors sitting at the time of the recommendation of the new policy. Policy recommendations may be made by staff, committee chairs, the Board of Directors, any Participant and/or agent of the Service. Recommended policy changes must be presented, in writing, to the Chief Executive Officer prior to presentation to the Board of Directors for approval/disapproval.

Policy #2: Requests for Information

Requests for information from the general public, written or verbal, shall be referred to the President and Chief Executive Officer. The President or the Chief Executive Officer, or the Chief Executive officer's designee pertinent to a specific occasion, shall be the only authorized spokesperson(s) for the Service. No other individuals shall speak for the Service on matters affecting the Service or its Participants without prior written approval of the President or Chief Executive Officer.

Policy #3: Anti-Trust Compliance

The Tucson Association of REALTORS® MLS, Inc. has not and will not establish or maintain fixed or recommended commission rates. Commissions are a matter of negotiation between the parties (the principal and the broker) and TAR/MLS will not interfere in those negotiations or inhibit in any way the freedom of the parties to negotiate with bylaw provisions, recommended schedules, or sanctions imposed on Participants.

Policy #4: Confidentiality

Certain matters discussed by the Board of Directors and Committees are problematic and of a sensitive nature. Such matters are to be worked out and resolved within the confines of the entity where the matter arose. If it cannot be resolved within those confines, the matter should be taken through the following chain of command for resolution: first to the Committee Chair then to the Chief Executive Officer and then to the MLS President. If it cannot be resolved by working through this chain of command, then and only then should the matter be taken to the Board of Directors.

Policy #5: Smoking Policy

In accordance with Arizona law, smoking is strictly prohibited at all TAR/MLS events and in all Association facilities and within 20 feet of entrances to said events or facilities.

Policy #6: Products and Services Endorsements/Group Discounts

All requests to TAR/MLS to endorse products or services or to provide group discounts to Participants shall be referred to the appropriate committee(s) for approval subject to input and approval by the Chief Executive Officer. All requests must meet the following criteria:

- A. Requests/offers shall be made in writing.



- B. Proposed product or service shall fit within the TAR/MLS current Vision and Mission statements.
- C. Participants must receive a pricing structure that is a group discount due their being a TAR/MLS Participant. If the pricing structure offered is readily available to the general public, TAR/MLS shall decline the offer.
- D. Proposed products shall not be in competition with items sold in the TAR/MLS store.
- E. Consideration should include any potential legal or ethical responsibilities and risks for TAR/MLS, its employees and Participants that may be incurred for promoting the product or service.
- F. There shall not be a monetary commitment needed from TAR/MLS to promote the product, service or group discount.
- G. The product or service shall be competitive in quality and cost with similar products and services in the industry.
- H. The product or service must meet the needs of the Participants.
- I. Length of term for the offer must be stated in writing. Provisions for renegotiating the offer at the end of each term should be provided.
- J. The provider must state in writing their procedure for handling customer complaints.

Policy #7: Donations and Fund Raising

The Tucson Association of REALTORS® Multiple Listing Service supports charitable efforts in the community and wishes to contribute where appropriate. TAR/MLS will support charitable endeavors when they contribute to housing the less fortunate or assist recipients with skills to create economic opportunity.

Policy #8: Fees Payable

Fees for all subscribers shall be payable annually in advance not later than July 31 of each year. Fees shall be computed from the day a new subscriber is granted access to the system and shall be prorated on a quarterly basis for the remainder of the year. Collection procedures are outlined in Article V, Section 4 (Nonpayment of Financial Obligations) of the Multiple Listing Service Bylaws. Fees not received within 10 calendar days of the due date will be subject to a \$75 late fee.

Policy #09: MLS Waivers

An agent of the service shall be exempt from payment of MLS fees for the following reasons:

1. The individual works solely in the field of commercial real estate, property management, or is employed by a builder in new construction site sales, does not have access to and the use of the Service in any manner, and does not have access to the Board approved lock box system.
2. Is a licensed agent afflicted by a serious illness that does not allow he or she to practice real estate, does not have access to and use of the Service in any manner, and does not have access to the Board approved lock box system.

In order to qualify for a waiver the individual must submit the MLS Waiver Application Form, along with a written statement as to how they qualify per reason (1) or (2) above, and certification by the Participant (Designated Broker). The exemption shall be effective upon approval and shall be effective through the current billing cycle only. The exemption for any individual shall automatically be revoked upon the individual's utilization of the Service. If after the MLS notifies the Participant (Designated Broker) of an agent's violation of the waiver and the Participant allows it to continue with the Participant's (Designated



Broker) knowledge the Participant (Designated Broker) is subject to a fine of \$1,000 per violation by the individual granted the waiver. If the individual transfers to a different office, he/she is required to reapply for the waiver under the new Participant (Designated Broker).

Policy #10: Collection Policy

TAR/MLS provides services to their Participants and/or agents. Because TAR/MLS has made commitments to outside vendors to provide those services to their Participants and/or agents, the fees charged to the Participants and/or agents must be collected in a fair, consistent and timely fashion to ensure the ability of the TAR/MLS to meet its respective obligations. Collection procedures are outlined in Article V, Section 4 (Nonpayment of Financial Obligations) of the Multiple Listing Service Bylaws.

- A. Any returned checks are subject to a \$25.00 service charge. One attempt will be made to collect on a Non-Sufficient Funds 'NSF' check. Payments not received within 15 calendar days of notice to the member will be submitted to the Pima County Attorney for bad check collection.
- B. Payments not received within 10 calendar days of the due date will be subject to a \$75 late fee.

Policy #11: Office Initiation Fee

The Board of Directors may adopt an Office Initiation Fee in a reasonable amount. Publication of such fee shall be located on the Association/MLS Price List.

Policy #12: Establishment of Product or Service Cost

Products and Services are to be sold to Participants and/or Agents at prices to reflect the actual cost to TAR/MLS, including staff, space and such expenses.

Policy #13: Operating and Reserve Account Funds

Sums placed in checking, savings, money market or Reserve Accounts shall be deposited as per this policy as stated below. All sums placed in designated Reserve Accounts shall be a continuing item placed on the balance sheet, shall be so identified, and shall be utilized only in the event of an emergency as determined by the Board of Directors by majority vote.

In the event the Board of Directors determines that Reserve Account Funds are necessary for MLS operations, said funds shall be strictly utilized for and to the purpose so outlined under the auspices of the name of the account. In no event shall these funds be in any way encumbered or utilized in any other fashion. The Chief Executive Officer shall be responsible for and have authority to invest all TAR/MLS funds, subject to Board approval.

Policy #14: Reserves

At least fifty percent (50%) of net income at the end of the year, as determined by the Annual Audit, shall be placed in an Operating Reserve Fund. In the event that the Operating Reserve Fund reaches an amount equal to six (6) months of operating expenses, the Board of Directors shall begin to utilize any amount in excess of six (6) months of operating expenses toward the annual budget.

Policy #15: Access to Legal Counsel



The President and Chief Executive Officer are the only individuals authorized to directly contact MLS Legal Counsel. Should there be a necessity for individuals or committees to meet with legal counsel, prior arrangements must be made through the Chief Executive Officer or the President. Should an individual contact legal counsel without prior approval, the individual will be billed in the amount incurred from that contact, and subject to the Collection Policy.

Policy #16: Contract/Encumbrances

The President and the Chief Executive Officer, subject to the approval of the Board of Directors, shall be the only individuals authorized to enter into contracts or agreements, which incur financial or other liabilities to the MLS. When outside facilities are required for use by any committee, approval must be obtained from the President or the Chief Executive Officer.

Policy #17: Bid Policy

The process of seeking and retaining providers of products/services will be as follows:

1. The Chief Executive Officer and Staff will research providers based on their professional knowledge of necessary requirements.
2. If a product or service is over \$15,000.00, at least three bids will be presented as part of the recommendation providing there are three providers of equal quality available for required product/service.
3. Criteria for recommendation of provider will take the following items into consideration: Quality of service and cost.
4. The Chief Executive Officer and Staff will present recommendations through the following process:
 - a. Committee responsible, if applicable
 - b. Executive Committee
 - c. Recommendation will then go to the Board of Directors for approval.
5. It will be determined by the Chief Executive Officer, on a periodic basis if the need/benefit of rebidding any product or service either proposed or existing is necessary. In no way (except in the case of a monopolized utility) shall a product or service enjoy an ongoing relationship with TAR/MLS or any subsidiary for more than 3 years from date of latest contract without such a review.

Policy #18: President Travel

Budgeted travel expenses and registration fees for the President shall be established in the annual budget for attendance at the following meetings unless funding is received from another funding source:

- NAR Annual Convention
- NAR Mid-Year Meeting & Legislative Conference
- AAR Board of Directors Meetings
- AAR Midwinter & Leadership Meetings
- Real Estate Connect, unless CEO attends

And any other travel requirements in line with the responsibilities of carrying out the duties of the office of President, as approved from time to time by the Board of Directors. Reimbursed items will include lodging, coach-air fare, ground transportation, and other actual reasonable expenses. To be reimbursed, the President must attend a minimum of the Member/Director Forum, Multiple Listing Issues and Policy Forum & Committee, Multiple Listing Service Forum (1500 + Participants) or Regional MLS, AAR Caucus, and the



Region 11 Caucus, when applicable. If the President serves as a member of a NAR MLS Committee, attendance at said committee meetings shall supersede the requirement to attend the required meetings if a conflict in scheduling occurs. (Documentation of expenses must be submitted within thirty (30) days after the expense was incurred.)

All other travel and/or per diem expense requests for the President or delegate of the Tucson Association of REALTORS® Multiple Listing Service, Inc. may be approved by the Chief Executive Officer or at the Chief Executive Officer's recommendation of approval by the Board of Directors. Anyone accepting such funding shall be obligated to attend and represent TAR/MLS at those meetings and/or programs that are the subject of the request.

Policy #19: Committee Communications

Any and all communication from a committee to any individual(s) regarding that committee's functions, responsibilities, programs, activities and meetings shall be coordinated through the Chief Executive Officer or staff liaison designated by the Chief Executive Officer. All such communication shall come from only the Chair, or at the direction of the Chair, of that committee.

Any committee wishing to promote a function through a News or Press Release shall make such requests to the Chief Executive Officer and said release shall be written and released by the Chief Executive Officer. Under no circumstances are any committees allowed to disseminate any information to the public, i.e., print media, radio, TV, or in any other manner.

Policy #20: Meetings

Participants of the MLS and their participating agents may attend meetings of the Board of Directors as a guest. All meetings of the Tucson Association of REALTORS® Multiple Listing Service, Inc. and their respective committees shall be open to the Participants and their participating agents. Exceptions may only be made for executive sessions and/or with the express approval of the TAR/MLS Board of Directors.

Policy #21: Board of Directors Agenda Items

Items to be placed on the Board of Directors Agenda shall be submitted to the Chief Executive Officer at least (7) days prior to the meeting. Any item that is not on the agenda will not be discussed unless it is determined by the President or Chief Executive Officer to be of an emergency nature. If any person requesting the placement of an item on the agenda disagrees with the decision of the President or the Chief Executive Officer, the item will require a two-thirds vote of the Directors present to be placed on the agenda.

Policy #22: Staff Liaison/Meeting Schedule

The Chief Executive Officer shall assign a staff liaison to all committees. Regularly scheduled committee meetings will be held at the MLS office and the Committee Chair shall make arrangements for meetings through the assigned staff liaison. The staff liaison will be responsible for notifying committee members of meeting dates and times, notices, taking and preparing minutes of meetings and maintaining committee files.

Policy #23: Coordination of MLS Activities



All MLS activities shall be coordinated through the Chief Executive Officer in an effort to avoid conflicts. A master calendar for scheduling purposes will be maintained at the TAR/MLS office and include activities of TAR, the local NAR Institutes, Societies and Counsels, and the Arizona Association of REALTORS®.

Policy #24: Committee Participation

Participation on committees will occur by appointment of the President, subject to confirmation by the Board of Directors, and terminate at the expiration of the current term of office, except upon recommendation of the Chair and Approval of the Board of Directors. Members of the MLS Technology, MLS Standards, and Commercial Committees are appointed for specific terms. Only those Participants and/or agents who have been appointed and confirmed by the Board of Directors are authorized to vote on issues that come before a committee. Work groups, PAG's, and/or special committees may continue until their project is completed.

Policy #25: TAR/MLS Staff Support

All TAR/MLS staff is directly responsible to and under the direction of the Chief Executive Officer. Any requests for staff time shall be coordinated through the Chief Executive Officer. The Chief Executive Officer is responsible for the hiring, supervision and termination of employment of any and all staff. TAR/MLS staff is not to make personal in-field technical support calls, (not including training) for any Participant, agent or company.

Policy #26: Committee Meeting Report Procedure

A copy of the reports and minutes of all committee meetings will be available to the Committee prior to their next regularly scheduled meeting.

A copy of the reports and minutes of all committee meetings will be distributed to the Board of Directors at their next regularly scheduled meeting.

Policy #27: Noise Emitting Devices

Pagers/beepers, mobile phones and other noise emitting devices must be in either off or in the silent mode in all TAR/MLS meetings or programs.

Policy #28: Candidates for TAR/MLS Elected Office

Candidates for TAR/MLS elected office, except officer positions, may receive one free TAR/MLS email blast for campaign purposes.

Policy #29: Voting Procedures

The procedures for balloting and tabulation are as follows:

1. The Chief Executive Officer of the Tucson Association of REALTORS® Multiple Listing Service, Inc. shall be responsible for implementing the voting procedures.
2. Elections shall be conducted electronically.
3. Participants eligible to vote will be provided detailed voting instructions with the Candidate Information provided in advance of the election period. Participants eligible to vote shall be those Participants in good standing with TAR/MLS. The election period shall be determined by the Chief Executive Officer in compliance with Policies and/or Bylaws.
4. The election site will clearly state "Vote for not more than #." # indicates the number of positions available.



5. The election site will be a secure site, allowing eligible Participants to vote only during the election period.
6. Participants without internet access may cast their electronic vote at the TAR/MLS office during the election period.
7. In the event of a tie between two or more candidates, a written ballot shall be taken at the first appropriate Board of Directors meeting by those Directors elected at large, the candidate receiving the highest number of votes shall be declared elected.
8. At the completion of the election period, the results will be available to the Chief Executive Officer or appointed voting administrator via a password protected website from the electronic voting provider. The reports available will include how many votes were cast and the results of the election. No information is maintained that would indicate who voted for whom.
9. Results of elections shall become part of the permanent records of TAR/MLS. Results of the elections shall be announced to the membership within 5 business days of the end of the election period. Vote results shall be published on the TAR/MLS webpage for 30 days.

Policy #30: General Advertising Policy

TAR/MLS reserves the right to accept or reject any advertising, which it feels, may not be in the best interest of TAR/MLS. All advertising through any medium offered by TAR/MLS shall be restricted to affiliates and members of the Tucson Association of REALTORS®, and Participants and/or agents of TAR/MLS. All advertisers shall indemnify the entire membership of TAR and Participants/agents of TAR/MLS, as well as TAR and TAR/MLS from advertisements based on any claims that would breach this indemnification, to include but not be limited to advertising that is: defamatory, libelous, obscene, an invasion of privacy or that has been obtained in violation of the proprietary right of any person. TAR/MLS will not discriminate with respect to race, creed, religion, color, national origin, age, handicap or sexual preference in accepting advertising and will not accept advertising of services, products or educational ideas which in any way indicates such discrimination by advertisers.

Policy #31 TAR/MLS Computer Message Guidelines

1. Information regarding computer down times.
2. Programming changes or system performance messages.
3. Any wrong doing or any unethical or dangerous person(s) trying to defraud our industry.
4. Calls to Action and any appropriate industry functions.
5. Death of any past or current REALTOR® or affiliate, who has been active in the organization.
6. Information notices regarding TAR/MLS vendors.
7. TAR/MLS educational opportunities.

Policy #32: MLS Advertising Guidelines

Participant and/or agents TAR/MLS may place advertisements in any media provided through the MLS. The TAR/MLS Board of Directors shall set fees for advertising from time to time. Policies of said advertising are as follows:

1. Advertising for Participant and/or agents shall be for the purpose of exposing real estate filed with the MLS and promoting scheduled tours of those properties. They may also advertise for sale personal property which may be of benefit to other Participants and/or agents of the REALTOR® community.



2. Advertising for Affiliates of TAR shall be for the purpose of exposing products and services which do not relate directly to the sale of properties filed with the MLS, but which have benefit to Participants and/or agents.
3. Association announcements are complimentary and for the purpose of promoting TAR and TAR/MLS educational opportunities, special events, programs, products and services and industry-related information (i.e., grant money, bonds, etc.) for the Participants and/or agents. Complimentary advertising in such media by Committees of the Association, Institutes, Societies, and Councils (ISC) shall be limited to three (3) Online Classified ads per event and/or specific announcement. Any other advertising and other reproduction services will be billed to the Committee or ISC at the prevailing cost.
4. A subsidiary company of a company, which is an affiliate or Participant of TAR or TAR/MLS may not advertise. The parent company must be the advertiser or the subsidiary must join as an affiliate.
5. All advertisements must contain the agent name and the participant company name. Affiliates of TAR must have company name and contact person on any advertisement.
6. Real estate advertisements must be for real estate filed with the MLS and must contain the MLS #.
7. All advertisements must relate to the line of work of the Participant Company or affiliate.
8. Any advertisement, which is in direct competition with the MLS, will not be allowed.
9. Advertising is prohibited by Participants and/or agents of other Associations unless they obtain Participant and/or agent status in TAR/MLS.
10. Educational courses conducted by non-Participants and/or agents can be advertised only if the course is sponsored by a company, which is a Participant and/or agent of TAR/MLS or an affiliate of TAR. Sponsorship must be stated.
11. All ads must comply with ADRE Rules and Fair Housing Laws.
12. All commission amounts must represent and clearly state that it is the commission to the selling office.
13. Any incentive (money or anything else of value) offered to a selling agent must say "With Broker's Approval" or "With Broker's Permission."
14. Any advertising by non-Participant builders must be presented through the MLS Participant who represents the builder. The address and phone number of the builder shall not appear on the advertisement.

Policy #33: Policy Prohibiting Harassment (Including Sexual Harassment)

TAR/MLS is committed to providing a work environment that is free of discrimination and/or harassment. In keeping with this commitment, TAR/MLS will not tolerate verbal or physical conduct by any employee or Participant/agent that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.

1. Employees and Participants/agents are expected to maintain a productive work environment that is free from harassing or disruptive activity. No form of harassment will be tolerated, including harassment for the following reasons: gender, race, national origin, religion, disability, pregnancy,



- age, military status, or sex. Special attention should be paid to the prohibition of sexual harassment, which includes harassment by members of the same or of the opposite sex.
2. Each supervisor has a responsibility to keep the workplace free of any form of harassment, and in particular, sexual harassment. No supervisor, manager or participant/agent is to threaten or insinuate, either explicitly or implicitly, that an employee's refusal or willingness to submit to sexual advances will affect the employee's terms or conditions of employment.
 3. Other sexually harassing or offensive conduct in the workplace, whether committed by supervisors, managers, non-supervisory employees, or non-employees, is also prohibited. Such conduct includes:
 - a. Unwanted or unwelcomed physical contact or conduct of any kind, including sexual flirtations, touching, advances, or propositions;
 - b. Verbal abuse of a sexual nature;
 - c. Jokes of a sexual nature;
 - d. Demeaning, insulting, intimidating, or sexually suggestive comments about an individual's dress or body;
 - e. The display in the workplace of demeaning, insulting, intimidating, or sexually suggestive objects or pictures, including nude photographs; and
 - f. Demeaning, insulting, intimidating, or sexually suggestive written, recorded, or electronically transmitted messages.
- Any of the above conduct, or other offensive conduct, directed at individuals because of their race, national origin, religion, disability, pregnancy, age, or military status is also prohibited.
4. Any employee who believes that a supervisor's, manager's, other employee's, or non-employee's actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible. The report or complaint should be made to the employee's supervisor, Staff Vice President, to the CEO or to the President of the Board of Directors.
 5. All complaints of harassment are to be referred to the CEO for prompt investigation in as impartial and confidential manner as possible. Employees are required to cooperate in any investigation. A timely resolution of each complaint is to be reached and communicated to the parties involved.
 6. Retaliation against any employee for filing a complaint or participating in an investigation is strictly prohibited.
 7. Any employee, supervisor, manager or Participant/agent who is found to have violated the harassment policy will be subject to immediate and appropriate corrective action, depending on the circumstances, up to and including termination.

Policy #34: Staff Relatives in Leadership Positions

Participants and/or agents related to salaried staff shall not be eligible to hold Chair or Vice Chair or any leadership positions on MLS committees or MLS Board of Directors. If such a relationship develops at the time a Participant and/or agent is serving in any of said leadership positions, either the leadership position or staff position must result in an immediate resignation.



NOTE: Family related Participant and/or agent is defined in A.R.S. § 42-137 (d) as:

1. A natural or adopted son or daughter of the taxpayer or a descendant of either.
2. A stepson or stepdaughter of the taxpayer.
3. The father or mother of the taxpayer or an ancestor of either.
4. A stepfather or stepmother of taxpayer.
5. A son-in-law, daughter-in-law, father-in-law, or mother-in-law of the taxpayer.

This policy includes spouse in the definition of family related Participant and/or agent.

Policy #35: Conflict of Interest

The purpose of the conflict of interest policy is to protect this organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Tucson Association of REALTORS®/Multiple Listing Service or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest.

Definitions:

1. Interested Person

Any director, principal officer, or member of a committee with Board of Directors delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Tucson Association of REALTORS®/Multiple Listing Service has a transaction or arrangement,
- b. A compensation arrangement with the Tucson Association of REALTORS®/Multiple Listing Service or with any entity or individual with which the Tucson Association of REALTORS®/Multiple Listing Service has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Tucson Association of REALTORS®/Multiple Listing Service is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Procedures:

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the



interested person, he/she shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the Board of Directors meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The Board President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board of Directors shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the Board of Directors has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings:

The minutes of the Board of Directors and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation:

- a. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Multiple Listing Service for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives



compensation, directly or indirectly, from the Multiple Listing Service for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Statements:

Each director, principal officer and member of a committee with Board of Directors delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy
- c. Has agreed to comply with the policy

Periodic Review:

To ensure the Multiple Listing Service operates in a manner consistent with its purposes and does not engage in activities that could jeopardize its status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Multiple Listing Service's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further its purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Use of Outside Experts:

When conducting the periodic reviews as described above, the Multiple Listing Service may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

Policy #36: Whistleblower Policy:

The Tucson Association of REALTORS®/Multiple Listing Service: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the Multiple Listing Service; (2) specifies that the Multiple Listing Service will protect the person from retaliation; and (3) identifies where such information can be reported.

1. **Encouragement of reporting.** The Multiple Listing Service encourages complaints, reports or inquiries about illegal practices or serious violations of the Multiple Listing Service's policies, including illegal or improper conduct by the Multiple Listing Service itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the Multiple Listing Service has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via the Multiple Listing Service's human resources channels, unless



those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

2. **Protection from Retaliation.** The Multiple Listing Service prohibits retaliation by or on behalf of the Multiple Listing Service against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Multiple Listing Service reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.
3. **Where to report.** Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the basis of the complaints, reports or inquiries. They should be directed to the Multiple Listing Service's Chief Executive Officer or President of the Board of Directors; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to the Vice President of the Board of Directors. The Multiple Listing Service will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the Multiple Listing Service may be unable to fully evaluate a vague or general complaint, report, or inquiry that is made anonymously.

Policy #37: Employee and Subscriber/Volunteer Relations:

TAR/MLS establishes the following Employee and Subscriber/Volunteer Relations policy in order to promote a cordial, pleasant and legally compliant working environment between TAR/MLS employees and its' subscribers.

Since TAR/MLS is a subscriber services organization with revolving terms in the Board of Directors and Committees, this policy is established to preserve continuity of authority and responsibility within the work environment.

Policies, Programs and Services

- A. The Board of Directors shall establish the scope of TAR/MLS policies, programs and services. The Chief Executive Officer is responsible to carry out the policies, programs and services established by the Board of Directors.
- B. No subscriber shall be provided with services beyond the scope of services provided to all subscribers. Any request by a subscriber for services outside the scope of an employee's authorization must be forwarded to the Chief Executive Officer. This request must contain information on the unique circumstances of the situation which prompted the subscriber to request the extraordinary measures be considered for their benefit. The Chief Executive Officer may then determine if an exception should be made, with input from the appropriate TAR/MLS officer, or if the request should be brought to the attention of the Board of Directors for resolution.

Committee Support

- A. A TAR/MLS employee should render all possible technical and administrative assistance to the committees and work groups to which he/she is assigned. The TAR/MLS employee is involved so as to answer questions, offer suggestions or raise questions, when appropriate, and to conduct research or carry out tasks as assigned by the committee chair and/or Chief Executive Officer.



- B. A TAR/MLS employee is expected to be knowledgeable on TAR policy, committee scope and the subject under discussion.

Policy #38 Staff and Subscriber/Volunteer Relations

- A. The Chief Executive Officer is responsible to and takes his/her instructions from the board of Directors (as a collective body). All other TAR/MLS employees are responsible to and take instruction from the Chief Executive Officer.
- B. Interaction between TAR/MLS employees and subscribers/volunteers shall be maintained at a professional level characterized by mutual respect, courtesy, effort and cooperation to resolve issues. Under no circumstances should TAR/MLS employees or subscribers/volunteers engage in discourteous or unprofessional behavior (i.e., use of profanity, disparagement of another employee or subscriber, use of physical force, etc.)
- C. Any behavior by a subscriber/volunteer, which interferes with or compromises a TAR/MLS employee's job performance, is not acceptable. A TAR/MLS employee may, at their sole discretion, terminate any conversation with a subscriber/volunteer that may be considered to be offensive. All such incidents should be reported to the Chief Executive Officer or President for appropriate action.
- D. Subscribers/volunteers are not responsible for and may not discipline a TAR/MLS employee. Any unprofessional behavior or unacceptable performance by a TAR/MLS employee, which is observed by a subscriber/volunteer, should be reported to the Chief Executive Officer or President for appropriate action.