

## **SECTION 21 – STANDARDS OF CONDUCT FOR NEFAR LEADERSHIP**

### **NORTHEAST FLORIDA ASSOCIATION OF REALTORS STANDARDS OF CONDUCT FOR LEADERSHIP**

The Northeast Florida Association of Realtors®, Inc. dba NEFAR (the "Association" or "NEFAR") has adopted the following Standards of Conduct for all of those who serve as its Leadership. For purposes of this Standards of Conduct, the terms "Leadership" and "Leadership Member" and "Member in Leadership" shall be construed as being inclusive, rather than exclusive and each shall include the others as the context may so require or admit. They are both individual and corporate, singular, or plural, and gender neutral, all as the context may require or admit. These terms shall mean and include, as applicable, all of the Association's Board of Directors, all Committees and Sub-Committees, any Taskforce, all Councils, PAGs, and Panels of every kind, which may exercise any form of decision-making authority, as well as all of its individual members who serve it as Officers, Directors, and the Chair or Vice Chair of each Committee, Taskforce, Council, PAG, Panel, and all other members of NEFAR who may be in any position of authority within the Association.

Members of NEFAR who serve in Leadership, by the acceptance of the office or position to which he or she is appointed or elected, agree to adhere to the following Standards of Conduct.

This Standards of Conduct shall apply to each Member in Leadership and shall govern all conduct by each such Member in Leadership at any Realtor® Association Function, real estate-related professional function, or any other function, public or private, where the Member in Leadership shall appear or attend, in any form of professional, rather than personal capacity.

#### **I. OVERVIEW:**

Establishing a Standard of Conduct to set forth the standards and duties for those in leadership or authority is a common practice in business, government, and law. By way of example:

a. Florida Statutes, Chapter 617 defines the general standards for a Corporate Director in Section 617.0830. These statutes relate to the general operations of not-for-profit corporations in the State of Florida. They reflect the highest standards of fiduciary responsibilities and the indemnification of volunteer Board members serving.

b. The Florida Administrative Code (FAC), at Rule 6A-10.081, sets forth the Principles of Professional Conduct for the Education Profession in Florida. These standards govern those in the education profession in their relationships with their colleagues and those they teach;

c. The Code of Federal Regulation (CFR), at 37CFR ch.1, Part 11, dictates the behavioral and professional standards for those patent attorneys who represent others before the United States Patent and Trademark Office.

## **II. OUR STANDARDS OF CONDUCT – DUTIES:**

It is reasonable and prudent for NEFAR to clearly articulate and state the Standards of Conduct and duty of care for its Leadership, to wit:

**DUTY OF CARE:** The duty of care describes the level of competence that is expected of every Leadership member and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." This means that a Leadership member owes the duty to exercise reasonable care when he or she decides to be a steward of the organization.

**DUTY OF LOYALTY:** The duty of loyalty is a standard of faithfulness; every Leadership member must give undivided allegiance when making decisions affecting the organization. This means that a Leadership member can never use information obtained as a Leadership member for personal gain but must act in the best interests of the organization.

**DUTY OF OBEDIENCE:** The duty of obedience requires Leadership members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. This means that the Leadership member will comply with all governing documents, policies, and procedures of the Association.

## **III. RULES GOVERNING THE PERFORMANCE OF OUR DUTIES:**

### **1. PROHIBITION AGAINST PRIVATE INUREMENT AND PROCEDURES FOR MANAGING CONFLICTS OF INTEREST (GENERAL)**

No member of the Leadership shall derive any personal profit or gain, directly or indirectly, because of his or her service as a Leader or holding any position of Leadership. Members of the Leadership shall conduct their personal affairs in such a manner as to avoid any possible conflict of interest with their duties and responsibilities as members in any position of Leadership, including any board, or any office of the Association. Nevertheless, conflicts may arise from time to time.

- a. When there is a decision to be made or an action to be approved that will result in a conflict between the best interests of the Association and the individual in Leadership's interests, the member holding such Leadership position must immediately disclose the conflict of interest to the remaining Leadership of the Board, Committee, Sub-Committee, Taskforce or Panel so that decision making by the remaining Leadership will be fully informed about the conflict.

- b. It is every Leadership Member's obligation, following this policy, to fully ensure that decisions made by the Leadership of any Board, Committee, Sub-Committee, Taskforce, or Panel reflect independent thinking. Consequently, if any Leadership Member receives compensation or benefit from a third party relating to the matter before the Leadership, such compensation or benefit must be approved by the remaining Leadership in advance, and such approval spread upon the minutes before acting on that matter.
- c. Any conflicts of interest, including, but not limited to financial interests, on the part of any Member of Leadership, shall be disclosed to the remaining Leadership when the matter that reflects a conflict of interest becomes a matter of Leadership action.
- d. Any Member of Leadership having a conflict of interest shall not vote or use his or her personal influence to address the matter, and he or she shall not be counted in determining the quorum for the meeting.
- e. All conflicts disclosed to the Leadership will be made a matter of record in the minutes of the meeting in which the disclosure was made, which shall also note that the Member in Leadership with a conflict abstained from the vote, and was not present for any discussion, as applicable and was not included in the count for the quorum for that meeting.
- f. Any new Member in Leadership will be advised of this policy during the Leadership Change Over Summit and all Members in Leadership will be reminded of the Association Standards of Conduct and the procedures for disclosure of conflicts and for managing conflicts regularly, at least once a year.

## 2. PROHIBITION AGAINST ALL FORMS OF HARASSMENT

The Association strives to maintain a workplace that is free from discrimination and harassment. While all forms of harassment are prohibited, it is the Association's policy to emphasize that sexual harassment is specifically prohibited. Any Leadership Member who engages in discriminatory or harassing conduct towards another person is subject to removal from the Leadership position or authority. Complaints alleging misconduct on the part of Members of Leadership will be investigated promptly and as confidentially as possible by an investigation team as defined in the Association Policies and Procedure manual.

## 3. REQUIREMENT OF CONFIDENTIALITY

All Members in Leadership are reminded that confidential financial, personnel and other matters concerning the Association and the Members and staff may be included in Leadership materials or discussed from time to time. Leadership Members shall not disclose such confidential information to anyone.

## 4. WHISTLEBLOWER PROTECTION

The Association maintains a Whistleblower Policy that encourages all members, together with all Leadership, staff, and volunteers to come forward with creditable information on illegal practices or serious violations of adopted policies of the organization. The

Association will seek to protect the person from retaliation and their identities where such information can be reported.

## 5. ANTI-TRUST COMPLIANCE

The policy of the organization is to adhere to all laws and to encourage and insist that all members faithfully adhere to these laws at meetings and avoid even the appearance of unlawful action. The following topics shall not be discussed in formal or informal meetings: Price, commission rates, commission splits, market allocation, discounting, competitors' business practices, boycotting any member, denying services to any member, or denying participation by any member.

## 6. ACTIVE PARTICIPATION

All Leadership Members are expected to exercise the duties and responsibilities of their position with integrity, collegiality, and care. This includes:

- a. Making attendance at all meetings a high priority.
- b. Being prepared to discuss the issues and business on the agenda and having read all background material relevant to the topics at hand.
- c. Cooperating with and respecting the opinions of fellow Leadership Members, leaving personal prejudices out of all business discussions, as well as supporting actions of Leadership even when the individual Leadership Member personally did not support the action taken.
- d. Putting the interests of the Association above personal interests.
- e. NEFAR is a neutral and safe haven and there shall be no recruiting by any member of Leadership at any NEFAR office, event, meeting, educational program, or offsite events or mixers directly or indirectly held or sponsored by NEFAR.
- f. Representing the Association in a positive and supportive manner and maintaining the highest level of integrity, honesty, and ethical standards at all times and in all places.
- g. Showing respect and courteous conduct in all Leadership meetings.
- h. Refraining from intruding on administrative and directional issues that are the responsibility of management, except to monitor the results and ensure that procedures are consistent with Board policy.
- i. Declining to solicit or accept, directly or indirectly, any gift, gratuity, benefit, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking to influence a decision or action, or seeking a contractual or other business or financial relationship with the Association
- j. Declining to seek preferential treatment by the Board, any of its committees, or any contractors or suppliers.
- k. Conducting all Leadership meetings, including Board meetings, the annual meeting of the membership, committee meetings, and all other meetings in a professional and businesslike manner. Personal attacks against other Leadership Members, including Board Members, Association Officers or members in management, or guests are not consistent with the best interests of the Association and will not be

tolerated. Language at meetings shall be kept professional and in a businesslike manner.

- I. Refraining from defaming anyone in the Association. Members in Leadership shall not engage in defamation, by any means, of any other Member in Leadership, or any management and staff. The Association shall deem any Member in Leadership who engages in defamation to be acting outside the scope of his or her authority as such a Member in Leadership.

#### **IV. AVOIDING THE APPEARANCE OF IMPROPRIETY IN LEADERSHIP**

OUR STANDARD: No Member of Leadership shall engage in any action, circumstance, expression, or omission which constitutes or communicates any appearance of impropriety within the real estate profession or to the public at large.

For purposes of this Standards of Conduct, "APPEARANCE OF IMPROPRIETY" is defined as follows: The Appearance of Impropriety is any action, circumstance, expression, failure, or omission which, to any layperson, without any special knowledge of the particular circumstances, would reasonably conclude a violation of law, ethics, propriety, professionalism, or standards of conduct, or which appears or otherwise may seem to indicate or raise a question of a violation of the ethics, propriety, or professional behavior. The following examples are given for purposes of illustration, example, and information, and not by way of limitation:

##### **1. IMPROPER INFLUENCE:**

- a. Attempting to influence another improperly or upon irrelevant grounds in any matter before, or subject to consideration by any board, body, committee, or panel; or stating or implying that he or she can influence improperly or upon irrelevant grounds the professional judgment of another, or any matter before, or subject to consideration by any board, body, committee, or panel;
- b. To the extent not covered above, making any expression or suggestion of an ability to exert improper influence upon the professional judgment of another, or in decision-making by any board, committee, or panel;
- c. To the extent not covered above, exploiting, or expressing the ability to exploit any institutional privilege, position, or office for purposes of personal gain or advantage;
- d. To the extent not covered above, attempting to coerce, or offering any form of gratuity, gift, favor, influence, private compensation, special treatment, or future employment in an attempt to alter, coerce, or improperly influence an exercise of professional judgment or any outcome in any matter before, or subject to consideration by any individual or any board, body, committee, or panel;
- e. To the extent not covered above, accepting, or soliciting the offer of any form of gratuity, gift, favor, private compensation, or employment in any matter in which he or she has presently or previously had any personal responsibility or professional judgment while in office or any position of authority;

##### **2. DISHONESTY OR ILLEGAL BEHAVIOR:**

- a. Attempting, using, or exploiting for personal benefit or gain any trade secret, special knowledge, or confidential information gained as a result of the prior or present position of Leadership, professional judgment, office, or authority;

- b. To the extent not covered above, engaging in any form of act or activity which is indicative of dishonesty, or which constitutes a real or perceived conflict of interest;
- c. Commingling of any personal funds with any funds received or held as a result of office or any position of authority.
- f. Engaging in any illegal act, behavior, or scandalous conduct, regardless of arrest, prosecution, or conviction, which act, behavior or scandalous conduct impairs or could impair the public or the professional perception of one's honesty, integrity, impartiality, temperament, or fitness for office, duty, or authority;
- g. Engaging in any intentional act which violates or denies the personal or property rights of another.

### 3. DISCRIMINATION:

- a. Engaging in any act or action or omission which indicates personal bias or prejudice against another when the act, action, or omission is based upon age; sex, race, color, or national origin; religion or spiritual belief or the absence thereof; familial status, or marital status, sexual identity, sexual orientation, or gender identity; disability, handicap condition or mental or physical limitation;
- b. Engaging in any act or action or omission which indicates such personal bias or prejudice and constituting harassment or discriminatory conduct; which unreasonably interferes with another's performance of professional or work responsibilities; or which creates a hostile, intimidating, abusive, offensive, or oppressive environment.

### 4. PERSONAL EXPRESSION:

- a. In any public or private expression, failing to take reasonable precaution to distinguish between one's personal views and those adopted by or of NEFAR;
- b. In any public or private expression or any application for any position, the making any misrepresentation about one's own education or professional qualifications; or the concealment of any material fact;
- c. In any public or private expression, the making of malicious or intentionally false or degrading statements about another individual or entity;
- d. In any public or private expression, the intentional distortion or misrepresentation of fact in any professional matter or any matter before, or subject to consideration by any board, body, committee, or panel;

Members of Leadership who do not adhere to this standard and whose actions or activities give an obvious appearance of impropriety or who otherwise act inappropriately when engaging in professional activity may be contacted by the President or CEO to resolve the situation, which may include corrective action, behavior modification, or result in discipline as outlined in VI Sections 1 and 2 below, for any violation of this portion of the Standards of Conduct.

## V. SOCIAL MEDIA GUIDELINES FOR NEFAR LEADERSHIP

As used in these Guidelines to the Standards of Conduct, the terms "LEADERSHIP", "Leadership Member", and/or "Member in Leadership" continue to carry the same meaning as outlined in the very first paragraph of this Standards of Conduct as stated above.

Social media is a powerful and effective communication and engagement tool and NEFAR encourages Members in Leadership to utilize social media to help raise awareness of NEFAR'S work and the issues of interest to Realtors® and consumers. These Social Media Guidelines are intended to enable NEFAR Leadership to maintain their ability to express themselves personally on social media, while also ensuring that the reputation and work of NEFAR are protected. In furtherance of these objectives, Leadership Members should try to follow these Guidelines:

- a. While the President is the chief spokesperson for NEFAR, each Member of Leadership is encouraged to use social media to promote NEFAR's mission, policy positions, advocacy efforts, and association news.
- b. Unless otherwise stated, it is acceptable to repost or share NEFAR, FLORIDA REALTOR, and NAR published communications and established policy positions.
- c. Always be professional and ethical when engaging in social media and avoid making statements or posting photographs that could reasonably harm the Association or any of its Members.
- d. In the capacity of a Member in Leadership, avoid making statements contrary to NEFAR's public position on federal, state, or local issues, including but not limited to contrary statements about appointees, elected officials, or candidates, and legislative or regulatory matters.
- e. To avoid confusion, personal opinions should be identified as such. When reasonably necessary or useful, include a disclaimer reflecting that the views expressed by the Member in Leadership are personal to the individual and do not represent the official views of NEFAR.
- f. Do not ever disclose confidential information.
- g. Do not call for a boycott of any product, service, or company.
- h. Avoid any connection to NEFAR when making personal statements of endorsement or opposition to particular products, services, or companies.
- i. Respect third-party intellectual property, and always use NAR's trademarks in accordance with the NAR Membership Marks Manual. REALTOR® means a member of the National Association of Realtors® and must not be used generically as a synonym for the occupation of "real estate agent", real estate broker" or synonym for any other real estate professional.
- j. If a NEFAR Leadership Member is unsure whether a particular communication is appropriate, the Leadership Member should refrain from making the social media post or contact the President or CEO before publishing the post.

Members of Leadership who do not adhere to these Guidelines or who otherwise act inappropriately when engaging in social media may be contacted by the President or CEO to resolve the situation, which may include withdrawing, correcting, or revising the communication issue, or resulting in discipline as outlined in VI Sections 1 and 2 below, for any violation of the Standards of Conduct.

## **VI. VIOLATION REPORTS AND REPORTING, HEARINGS, AND DUE PROCESS: THERE IS A DUTY TO REPORT VIOLATIONS OF THE STANDARDS OF CONDUCT.**

### **1. VIOLATIONS, REPORTING, AND PROCESS.**

- a. **CONFIDENTIALITY.** Confidentiality shall be maintained at each step in this process. Other than notice being given to the Respondent, as set forth hereinbelow, and the necessary information being provided to the President, CEO, other officers, Executive Committee, members of the Board of Directors, and members of the Professional Standards Committee, consist with the provisions herein, only the Board of Directors shall have the authority to reveal any alleged violation and any penalty imposed;
- b. **REPORTING.** An individual who observes an action appearing to conflict with these Standards of Conduct (whether it be a Realtor, member of the public, a Board Member, an Officer,

or a staff member) has a duty to report the same. The report shall be held in strictest confidence by the individual who receives this report. The report may be oral or written, and it may be transmitted by any reasonable means, including telephone, text message, email, or in written form.

c. TRANSMISSION OF REPORT. Depending upon the Respondent as the subject of the report, the information shall be transmitted as follows:

1. If the Respondent is other than a staff member, EO, or current President, then the information and report shall be made and presented to any board member, or officer by the Observer and shall be transmitted by such person to the President and/or CEO. It shall be reviewed by the President and/or CEO to determine if there is probable cause to believe that a violation has occurred;

2. If the Respondent is a staff member, CEO, or current President, then the information and report shall be made and presented to any board member, or officer by the Observer and shall be transmitted by such person to the Executive Committee or CEO as applicable. It shall then be reviewed in Executive Session (without the Respondent present) to determine if there is probable cause to believe that a violation has occurred;

d. OUTCOME OF REVIEW AND STANDARDS TO APPLY. The review of the information and report described above may result in one of three possible outcomes.

1. NO PROBABLE CAUSE. If the review of all information indicates that there is no probable cause to believe that a violation has occurred then the President and/or CEO or Executive Committee, as the case may be, may close the matter as unfounded and a report of the same shall be delivered to the Board of Directors who may either approve such decision or direct the matter to the Professional Standards Committee as set forth below;

2. PROBABLE CAUSE, MINOR VIOLATION WITH NO PRIOR RECORD. If the review of all information indicates that there is probable cause to believe that a violation has occurred, but the violation appears minor and the Respondent has no prior history of violation of the Standards of Conduct, then the President and/or CEO or Executive Committee, as the case may be, may elect to meet with the Respondent informally and advise the Respondent of the report and information, and provide appropriate counseling and coaching as an initial step in remediation and rehabilitation. A report of the same shall be delivered to the Board of Directors who may either approve such decision or direct the matter to the Professional Standards Committee as set forth below. Upon approval of the decision by the Board of Directors, the Respondent shall be notified and the matter closed. If the Respondent does not engage and complete the counseling and coaching then the matter shall be referred directly to the Professional Standards Committee;

3. PROBABLE CAUSE, MAJOR VIOLATION, OR PRIOR RECORD. If the review of all information by the President and/or CEO or Executive Committee, as the case may be, indicates that there is probable cause to believe that a violation has occurred and that there are multiple violations or the reported violation appears to be serious, or there is probable cause to believe that any violation has occurred and there is also a prior history of one or more violations, then in any such event, the President and/or CEO or Executive Committee, as the case may be, shall direct the matter to the Professional Standards Committee as set forth below;

e. REFERRAL TO PROFESSIONAL STANDARDS COMMITTEE, INQUIRY. A panel of the Professional Standards Committee shall meet and review the case. It shall be clothed with all necessary powers and shall take all necessary steps to make an inquiry and make findings of fact

regarding the reported violation of these Standards. It may review any and all records and receive the testimony of witnesses.

The Respondent shall be afforded the opportunity to be present and may be represented by counsel. The Respondent shall have the opportunity to examine witnesses and submit evidence and to cross-examine any witnesses who may appear and testify in the matter.

Strict rules of evidence shall not apply, and the Professional Standards Panel shall be the sole judge of the weight and sufficiency of the evidence in the matter under consideration. It shall make its findings of fact and its conclusions in the form of a report to the Board of Directors.

The proceedings by the Professional Standards Panel shall be strictly confidential, as shall be the report of the Panel to the Board of Directors

f. ACTION BY THE BOARD OF DIRECTORS. The report by the Professional Standards Panel shall be considered by the Board of Directors at their next regularly scheduled meeting or a special meeting called for such purpose and where the only agenda item for consideration shall be the consideration of the report by the Professional Standards Panel and a vote for its acceptance or rejection and, if the accepted report indicates that there has been a violation of the Standards of Conduct, then there may be consideration of the appropriate discipline or penalty which may be imposed. Such meeting shall be in Executive Session and strictly confidential.

If it is determined by the Board of Directors that, based upon the report of the Professional Standards Panel that a violation of the Standards of Conduct has occurred, then the Board of Directors shall impose such Discipline as it, in its collective wisdom and by majority vote may deem appropriate. Such Disciplinary Action shall be consistent with the provisions on Progressive Discipline outlined in Section 2 below. Action to be taken against the Respondent must be approved by a majority vote of the Board of Directors. The President of the Board of Directors shall then take all steps necessary to implement the disciplinary action approved by the Board of Directors.

2. PROGRESSIVE DISCIPLINE. Upon the substantiation of any complaint or report of the violation of these Standards of Conduct, the Association, acting through its Board of Directors, reserves the right to take any necessary and appropriate actions against a volunteer Member in Leadership. Disciplinary actions shall be progressive and appropriate to the violation committed, as well as any prior history of violation of these Standards. Disciplinary Actions may include but are not restricted to any of the following, or any combination of the following as deemed appropriate by the Board of Directors:

CLASS ONE: Verbal or written coaching or counseling as may be appropriate. Warning, Censure, and/or Reprimand. Such may be either private or public in nature. A prohibition from attendance at future Association meetings or events for an appropriate period of time.

CLASS TWO: Removal from a Committee or any other elected or appointed position. Attendance at specific educational classes;

CLASS THREE: Assessment of a fine or monetary sanction, and/or imposition or taxation of costs or expenses incurred. Non-endorsement to Florida Realtor and NAR Committees or offices or other positions. As appropriate such non-endorsement may be either express or silent.

CLASS FOUR: Expulsion from membership. Referral to the appropriate government and/or law enforcement agency.

I, \_\_\_\_\_, recognizing the important responsibility I am undertaking in serving the Association, hereby pledge to carry out in a trustworthy and diligent manner the duties and obligations associated with my role as a Member in Leadership of NEFAR, and such position of authority, and to abide by this Standards of Conduct.

I understand that my failure to abide by these Standards of Conduct may result in the above-stated disciplinary actions by a hearing of the Professional Standards Committee.

Any Member in Leadership, who violates this Standards of Conduct agrees that, in addition to all other remedies, the Board may seek injunctive relief against him or her, following a hearing before the Board, unless circumstances necessitate the issuance of injunctive relief prior to such hearing.

As a Member of Leadership, I also agree that the Board shall, be relieved of posting bond as a condition to its injunctive remedy and that I must pay the attorneys' fees incurred by the Board in any enforcement effort.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_