

Memo

To: Committee Chairpersons and Staff Liaisons

From: K. Michelle Lind, CEO

Date: November 19, 2014

Re: Implementation of Code of Ethics Guideline

Leadership has requested that a guideline be implemented for all committees to follow. Accordingly, please see the guideline attached to this memo.

If you have any questions or concerns regarding this guideline, please feel free to contact me.

Code of Ethics Guideline

Effective Date: December 1, 2014

I. Purpose

The purpose of this guideline is to reinforce and promote the significance of maintaining the highest and best measures of professional responsibility by way of observing the Code of Ethics pursuant to Article XII, Section 1 of AAR's Bylaws, Policies and Official Statements.¹

II. Scope

This guideline applies to all decisions and recommendations made by AAR's Primary Committees, Standing Committees, task forces and work groups (collectively "Committees").

III. Guideline

All Committees should consider and address Code of Ethics implications when recommending any type of action or making any decision. Consideration should involve a discussion of the effects of a recommendation or decision and whether the recommendation or decision could cause a potential violation of the Code of Ethics as interpreted by the Standards of Practice and the compilation of Interpretations of the Code of Ethics prepared by the NATIONAL ASSOCIATION OF REALTORS®.

IV. Guidance for Implementation

It is not necessary to review every single Code of Ethics' standard of practice or compilation of interpretation for every recommendation or decision. The Committees, however, should be cognizant of the Code of Ethics at all times and consider whether there could be a potential violation of the Code of Ethics – particularly as the code pertains to Duties to Clients and Customers and Duties to the Public.

It should further be noted that while many issues can ultimately touch upon real estate matters, the Committees are only allowed to act upon those matters which are within the confines of each Committee's authority. In other words, the Committees should be cognizant of the Code of Ethics when considering all issues properly before them.

The following are example decisions where Committees should consider Code of Ethics implications.

¹ For ease of reference, Article XII, Section 1 states "The *Code of Ethics* of the NATIONAL ASSOCIATION OF REALTORS®, as interpreted from time to time in the Standards of Practice and the compilation of Interpretations of the *Code of Ethics* prepared by the NATIONAL ASSOCIATION OF REALTORS®, shall be considered a part of AAR's Rules and Regulations and such Rules and Regulations shall, in the future, be deemed to be amended whenever the *Code of Ethics* of the NATIONAL ASSOCIATION OF REALTORS® is amended by the National Association."

- A. The Professional & Business Development Committee wants to hold an education class at a specific location. That location does not have wheelchair access. Pursuant to Article 10 of the Code of Ethics, the committee should reconsider their decision because a person with a handicap may be denied equal professional service.
- B. The Legislative & Political Affairs Committee is monitoring bills directly related to the real estate industry. One bill, on its face, appears to provide greater protection to tenants but effectively discriminates against familial status. Even though the bill is intended to provide greater protection, the committee should consider opposing the bill because the bill effectively violates the Code of Ethics.

V. Responsibility for Implementation

The responsibility for the implementation of this guideline resides with the Chairperson of each committee, task force or work group.