

**Pending Approval by the Risk Management Committee
on January 5, 2023**

RECOMMENDATION TO THE EXECUTIVE COMMITTEE

FROM:

Risk Management Committee

RECOMMENDATION:

Approval of the attached revisions to the Arizona REALTORS® Adaptations to the NAR Code of Ethics and Arbitration Manual.

BACKGROUND:

On November 21, 2022, the Professional Standards Policy Workgroup met and recommended changes to the current Arizona REALTORS® Professional Standards policies.

On January 5, 2023, the Risk Management Committee will vote to approve a revised version of Arizona REALTORS® Adaptations to the NAR Code of Ethics and Arbitration Manual to reflect the changes set forth in Exhibit A.

BUDGET IMPACT:

None

MOTION:

**TO APPROVE THE REVISIONS TO ARIZONA REALTORS® ADAPTATIONS
TO THE NAR CODE OF ETHICS AND ARBITRATION MANUAL SET
FORTH IN EXHIBIT A.**

FOR MORE INFORMATION CONTACT:

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EXHIBIT A

Revise Arizona REALTORS® Adaptations to the NAR Code of Ethics and Arbitration Manual

Update Arizona REALTORS® (AAR) Adaptations to the NAR Code of Ethics and Arbitration Manual (Manual) to be compliant with the National Association of REALTORS® (NAR) Code of Ethics and Arbitration Manual (COEM).

1. **POLICY II.5 – ABANDONMENT OF AN ETHICS CASE BY THE COMPLAINANT**
Currently, staff must wait 40 days after a complaint has been abandoned by the complainant before referring it to the Grievance Committee to determine whether a public trust violation occurred. Today's technology allows complainants easier accessibility to contact the association rather than waiting for first class mail.

RECOMMENDATION: Change the response time to 30 days before the complaint is referred back to the Grievance Committee.

2. **Internal Policy C – Application Process**
The Arizona REALTORS® does not have a policy regarding a deadline for when Professional Standards and Grievance Committee applications are to be completed and submitted. A deadline for applications would allow for staff to send a comprehensive list of applicants for final approval.

RECOMMENDATION: Set the Professional Standards and Grievance Committee application deadline to November 1st of each year.