



Credentials Policy

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Section 1. Purpose.

The purpose of the Texas REALTORS® Credentials Policy is to detail the duties and procedures of the Credentials Committee (the Committee) and to set forth the criteria under which the Committee will: (1) evaluate persons seeking to serve as a Regional Vice President or applying to be a candidate for Elected Office, and (2) consider requests for removal of an Elected Officer, Regional Vice President, or Texas REALTORS® Elected Director.

Section 2. Definitions.

“Alternate Committee Member(s)” refers to alternate member(s) of the Texas REALTORS® Credentials Committee.

“Committee Member(s)” refers to member(s) of the Texas REALTORS® Credentials Committee.

“Elected Director(s)” means the members of the Board of Directors who serve by virtue of having been elected to fill an Elected Director position under Article VI, Section 1, Subsection (b) of the Texas REALTORS® Bylaws.

“Elected Officer(s)” refers to the Texas REALTORS® Chairman of the Board, Chairman-Elect, and Secretary/Treasurer and to any person elected by the Texas REALTORS® Board to serve in one of these positions where the person’s term of office has not yet begun.

“Elected Office(s)” means the offices of the Texas REALTORS® Chairman of the Board, Chairman-Elect, and Secretary/Treasurer.

“Executive Board” refers to the Texas REALTORS® Executive Board as set forth in Article VI, Section 7 of the Texas REALTORS® Bylaws.

“Member Board(s)” has the meaning set forth in Article II, Section 2 of the Texas REALTORS® Bylaws.

“Not Qualified Candidate” means a person seeking Elected Office that the Committee has deemed to be a not qualified candidate for that Elected Office.

“Qualified Candidate” means a person seeking Elected Office that the Committee has deemed to be a qualified candidate for that Elected Office.

“Region(s)” refers to the Region(s) set forth in Article V of the Texas REALTORS® Bylaws.

“Regional Vice President(s)” refers to the Regional Vice President(s) set forth in Article VI, Section 7 of the Texas REALTORS® Bylaws.

“Texas REALTORS®” means the Texas Association of REALTORS®.

“Texas REALTORS® Board” means the Texas REALTORS® Board of Directors.

“Texas REALTORS® Director(s)” refers to persons serving on the Texas REALTORS® Board of Directors.

Section 3. Credentials Committee.

The Credentials Committee is a committee created under Article IX, Section 1 of the Texas REALTORS® Bylaws for the purpose of discussing and making determinations on matters related to: (1) the election of Regional Vice Presidents and Elected Officers, and (2) the removal of Regional Vice Presidents, Elected Officers, and Elected Directors.

3.1 Duties. The duties of the Committee are:

- (a) Evaluating persons seeking to serve as Regional Vice Presidents and recommending a slate of persons as Regional Vice Presidents to the Texas REALTORS® Board;
- (b) Evaluating persons seeking to be candidates for Chairman-Elect or Secretary/Treasurer and making determinations as to who is a Qualified Candidate, and who is a Not Qualified Candidate for each position;
- (c) Evaluating complaints in accordance with Section 11 of this policy to determine whether to recommend to the Executive Board that an Elected Director, Regional Vice President, or Elected Officer should be removed; and

- (d) Carrying out other such duties as may be delegated to the Committee by Texas REALTORS® Bylaws or the Texas REALTORS® Board.

3.2 Criteria for election and service on the Committee.

- (a) To be eligible to be elected to serve as a Committee Member, a person:
 - (i) Must be a REALTOR® member in good standing with their Member Board(s), Texas REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS® (NAR);
 - (ii) Cannot serve consecutive full two-year terms as a Committee Member;
 - (iii) Cannot have received formal discipline from the Texas Real Estate Commission for a violation that falls under Section 535.191(d) or (e) of the Texas Real Estate Commission rules within seven (7) years preceding the date of the election;
 - (iv) Cannot have been found in violation of NAR's Code of Ethics within three (3) years preceding the date of the election;
 - (v) Must have attended four (4) out of the last six (6) annual Texas REALTORS® meetings as set forth in Article VIII of the Texas REALTORS® Bylaws; and
 - (vi) Must have participated in Texas REALTORS® activities (*e.g.*, served as a Texas REALTORS® Director, Committee/Task Forces participation, etc.) in the last three (3) years; and
 - (vii) Must have done at least one of the following:
 - (A) served at least one (1) year on their local Board of Directors;
 - (B) served at least one (1) year on the board of a qualified Institute, Society or Council affiliated with the National Association of REALTORS®; or
 - (C) served at least one (1) term as Regional Vice President of Texas REALTORS®.
- (b) To be eligible to be elected to serve as an Alternate Committee Member, a person:
 - (i) Must meet the requirements of subsection (a)(i), (iii), (iv), (v), and (vi); and
 - (ii) Must not have served as a Committee Member in the term immediately preceding the term for which the person is applying to serve as an Alternate Committee Member.
- (c) To remain eligible to serve as a Committee Member or Alternate Committee Member once elected, a person:
 - (i) Must sign an acknowledgement form provided by Texas REALTORS® that he

or she will abide by the guidelines, policies, and rules of the Committee during his or her years of service, which includes, but is not limited to, signing and abiding by a confidentiality agreement provided by Texas REALTORS®;

- (ii) Must make decisions that are in the best interest of Texas REALTORS® while serving in the role of Committee Member or Alternate Committee Member;
- (iii) Cannot submit an application for or serve as a Regional Vice President or Elected Officer while serving in the role of Committee Member or Alternate Committee Member;
- (iv) Cannot serve on a steering committee for a person seeking Elected Office, publicly endorse or support any person seeking Elected Office, speak on behalf of any person seeking Elected Office, participate in any photo opportunities with any person seeking Elected Office, or wear or distribute campaign paraphernalia (e.g., buttons, stickers, etc.) for any person seeking Elected Office;
- (v) Cannot communicate with a person known to be seeking Elected Office about the process of seeking Elected Office, unless the communication is only to inform that person of the Committee Member or Alternate Committee Member's role on the Committee; and
- (vi) Must maintain all criteria in Subsections 3.2(a) and (b) of this policy.

3.3 Vacancy. In the event the Texas REALTORS® Leadership Team determines by majority vote that a person serving as a Committee Member or Alternate Committee Member has failed to maintain the criteria for serving on the Committee, as set forth in Subsection 3.6 of this policy, or has otherwise failed to abide by the guidelines, policies, and rules of the Committee, a vacancy is created in that Committee Member position or Alternate Committee Member position. Furthermore, in the event the Texas REALTORS® Leadership Team determines by a majority vote that a person serving as a Committee Member or Alternate Committee Member jeopardizes or jeopardized the Committee or Texas REALTORS®'s goodwill or image, or jeopardizes or jeopardized the Committee's ability to accomplish its purpose, a vacancy is created in that Committee Member position or Alternate Committee Member position.

3.4 Meetings.

- (a) The Committee meets at times and places it determines necessary to accomplish the Committee's purpose. The Committee Chair may call a meeting by providing ten

(10) day written notice that designates the date, time, and place of the meeting. Written notice may be made by mail, e-mail, fax, or publication in a regular periodical of Texas REALTORS®.

- (b) All deliberations of the Committee shall be held in strict confidence. All Committee meetings, being of a confidential nature, shall be closed.
- (c) A majority of the Committee constitutes a quorum of the Committee.
- (d) The executive assistant of the Texas REALTORS® Chief Executive Officer shall serve as the Texas REALTORS® staff liaison for the Committee and shall, amongst other duties, prepare Committee meeting information, facilitate meeting logistics, and record the minutes of Committee meetings.

3.5 Candidate Audit Subcommittee. The Candidate Audit Subcommittee (the Subcommittee) is a subcommittee of the Credentials Committee.

- (a) Purpose. The purpose of the Subcommittee is to review:
 - i. the information submitted under Section 5 of this policy and in related financial audits, legal audits, social media audits, and criminal background checks for persons seeking Elected Office to determine each person's qualifications for an Elected Office; and
 - ii. any properly submitted request under Section 11 of this policy to determine if reasonable cause exists for a person's removal as an Elected Director, Regional Vice President, or Elected Officer.
- (b) Composition. The Subcommittee shall be composed of the following members:
 - (i) the Committee Chair; and
 - (ii) four (4) elected Committee Members randomly selected to serve a one-year terms on the Subcommittee, except that an elected Committee Member may not serve consecutive terms on the Subcommittee.
- (c) Alternate Subcommittee members. The Committee Vice Chair will serve as chair at any Subcommittee meeting in which the Committee Chair is unable to attend. One (1) elected Committee Member will be randomly selected to serve a one-year term as an alternate Subcommittee member to serve at any Subcommittee meeting in which a Subcommittee member, other than the Committee Chair, is unable to attend, except that an elected Committee Member may not serve consecutive terms as an alternate Subcommittee member.

Section 4. Eligibility and Service Requirements for Regional Vice Presidents; Process.

4.1 Eligibility requirements for recommendation and service as a Regional Vice President. To be eligible to be nominated by the Committee and to serve as a Regional Vice President, a person:

- (a) Must be a Primary REALTOR® member of a member board in the Region;
- (b) Must have served on a committee, task force, or the board of directors of Texas REALTORS® in the past three (3) years;
- (c) Must be recommended as a Regional Vice President by the Member Board in the Region that the person is a primary REALTOR® Member in;
- (d) Must be a REALTOR® member in good standing with their Member Board(s), Texas REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS® (NAR);
- (e) Cannot serve three (3) consecutive full two-year terms as a Regional Vice President, unless the Region represents a single Member Board only;
- (f) Must have attended four (4) out of the last six (6) annual Texas REALTORS® meetings as set forth in Article VII of the Texas REALTORS® Bylaws; and
- (g) Must have done at least one of the following:
 - (i) served at least one (1) year on their local Board of Directors; or
 - (ii) served at least one (1) year on the board of a qualified Institute, Society or Council affiliated with NAR.
- (h) Must not have received formal discipline from the Texas Real Estate Commission for a violation that falls under Section 535.191(d) or (e) of the Texas Real Estate Commission.
- (i) Must not have been found in violation of NAR's Code of Ethics within three (3) years preceding the date of the election.

4.2 Interviews. Prior to the Winter Meeting of the Texas REALTORS® Board, the Committee shall interview each person seeking to serve in a Regional Vice President position that has a term expiring that year. Additionally, when a vacancy in a Regional Vice President position exists, the Committee shall interview, prior to the next meeting of the Texas REALTORS® Board following the creation of the vacancy, each person seeking to serve in the vacant Regional Vice President position.

4.3 Other considerations by the Committee. The Committee may consider any information relevant to a person's suitability for the position in its determination of who is the most qualified eligible person to serve in each Regional Vice President position.

4.4 Nomination to the Texas REALTORS® Board. Prior to the Winter Meeting of the Texas REALTORS® Board, the Committee will nominate to the Texas REALTORS® Board a slate of persons for the Regional Vice President positions with terms expiring that year. Additionally, when a vacancy in a Regional Vice President position exists, the Committee will, prior to the next meeting of the Texas REALTORS® Board, nominate to the Texas REALTORS® Board a person to serve the remainder of the unexpired term for the position. Each person nominated by the Committee to the Texas REALTORS® Board under this Subsection will have been determined by the Committee to be the most qualified eligible person to serve in a particular Regional Vice

President position. The Committee's nominations under this Subsection are final and cannot be appealed.

4.6 Service. A Regional Vice President must adhere to the Texas REALTORS® Volunteer Leadership Policies as adopted by the Executive Board.

Section 5. Information Required from Persons Seeking Elected Office and Elected Officers.

5.1 Application to be a candidate for Elected Office. A person seeking Elected Office as Chairman-Elect or Secretary/Treasurer must complete an application form provided by Texas REALTORS® and provide all required information to the Texas REALTORS® staff liaison for the Committee by the September 1st immediately preceding the election. The earliest date that the application may be submitted is December 1st of the year that is two (2) years preceding the year in which the election will occur.

As part of a completed application form, the person must authorize Texas REALTORS®, at any time before or during any term of office, to conduct a financial audit, legal audit, social media audit, and criminal background check.

5.2 Duty to update information. Elected Officers and persons seeking Elected Office have a duty to notify the Texas REALTORS® staff liaison for the Committee within ten (10) days of:

- (a) any new information that arises that may impact the Committee's determination of the person as a Qualified Candidate; and
- (b) any changes to the responses that the person previously provided in their application under Subsection 5.1 of this policy.

Section 6. Eligibility and Service Requirements for Elected Officers.

- (a) To be eligible to be deemed a Qualified Candidate for an Elected Office and to serve as an Elected Officer, a person must:
 - i. be an active REALTOR® member in good standing, as that term is defined in Article II of the Texas REALTORS® Bylaws;
 - ii. be recommended by the Member Board the person has Primary REALTOR® Membership in;
 - iii. have done at least three (3) of the following:
 - A. served as a Texas REALTORS® or NAR Committee Chair,
 - B. graduated from the NAR Leadership Academy or the Texas REALTORS® Leadership Program,
 - C. served as the President/Chairman of a Member Board,
 - D. served as a Regional Vice President,
 - E. served as the President/Chairman of a local, state, or national institute, society, or council in the real estate industry, or

- F. gained equivalent experience as determined by the Subcommittee.
 - iv. have a reputation for intelligence, strength of character, good judgment, and the highest personal and professional integrity;
 - v. have experience working with basic financial statements and understand the financial issues that confront associations of REALTORS®;
 - vi. display knowledge of the Texas REALTORS® Strategic Plan issues and objectives;
 - vii. pledge to spend the time and effort to serve in the position to the best of such person's ability, which includes, but is not limited to, committing to attend all meetings of the Texas REALTORS® Leadership Team, Texas REALTORS® Executive Board, Texas REALTORS® Board, and NAR Board of Directors;
 - viii. conduct his or her real estate business in the State of Texas;
 - ix. not have any bankruptcy or other financial or business judgment(s) within seven (7) years preceding the date of the election;
 - x. not have received formal discipline from the Texas Real Estate Commission for a violation of Texas Real Estate License Act that falls under Section 535.191(d) or (e) of the Texas Real Estate Commission rules within seven (7) years preceding the date of the election;
 - xi. not have been found in violation of NAR's Code of Ethics within three (3) years preceding the date of the election;
 - xii. not have been convicted of a felony within seven (7) years preceding the date of the election;
 - xiii. not have any record of a foreclosure sale within the last seven (7) years on any real property owned;
 - xiv. not have a credit score lesser than the baseline as currently defined by the Federal Housing Administration (FHA);
 - xv. not have any open delinquencies on tax filings or payments;
 - xvi. not be working as a paid employee or contracted professional of any Member Board, Member Council, or multiple listing service (MLS); and
 - xvii. maintain all eligibility and service requirements of this policy while campaigning for Elected Office and while serving as an Elected Officer.
- (b) A person may not be elected or serve as an Elected Officer while serving as an officer for the National association of REALTORS® or a local association of REALTORS®.
- (c) Additionally, a person must not have any pending regulatory investigations or any pending litigation (personal or business) that could reasonably represent a source of embarrassment or liability to Texas REALTORS® or would present a conflict with Texas REALTORS® policies that the person would be called upon to uphold in their capacity as an Elected Officer.
- (d) A person that fails to maintain the eligibility and service requirements of this policy, jeopardizes or jeopardized Texas REALTORS®'s goodwill or image, or jeopardizes or jeopardized the Texas REALTORS®'s ability to accomplish its purpose, may be deemed a Not Qualified Candidate or removed from office as set forth in Article VII of the Texas REALTORS® Bylaws and Section 11 of this policy.

Section 7. Qualification Determination Regarding Persons Seeking Elected Offices; Process.

7.1 Review of persons seeking Elected Offices by the Subcommittee. The Subcommittee will review the information submitted under Section 5 of this policy and obtained from related financial audit, legal audit, social media audit, and criminal background checks in light of the qualification considerations set forth in Section 6 of this policy to determine whether the person should be deemed a Qualified Candidate or Not Qualified Candidate for Elected Office.

- (a) Financial audit. An outside auditor will conduct a financial audit of each person seeking Elected Office to ensure the person's ability to accept the financial burdens of holding an Elected Office, and to determine whether the persons seeking Elected Offices meets the criteria stated in Section 6 of this policy. Texas REALTORS® may rely on a financial audit conducted under this Subsection for up to four (4) years, provided Texas REALTORS® does not receive any updated information under Subsection 5.2 of this policy that may materially impact the person's ability to accept the financial burdens of holding an Elected Office or cause the person to fail the criteria stated in Section 6 of this policy.

A person seeking Elected Office may be required to provide financial disclosure statements, and all persons seeking Elected Office are required to submit a tri-merge credit report. The outside financial auditor will review all documents and identify any material issues for the Subcommittee's review.

- (b) Legal audit, social media audit, and criminal background check. Texas REALTORS®'s General Counsel will engage a third-party to conduct a legal audit, social media audit, and criminal background check of each person seeking Elected Office and will identify any material issues for the Subcommittee's review.

A person seeking Elected Office is required to provide detailed information regarding any prior or pending legal and regulatory matters against the person, their firm(s), or firm(s) in which the person is a principal, partner, or corporate officer, including any:

- (i) pending federal, state, or county litigation or regulatory action;
- (ii) final judgments; and
- (iii) disciplinary actions.

7.2 Opportunity to address any material issues concerning qualifications. If, after reviewing the information submitted in accordance with Section 5 of this policy, the financial audit, the legal audit, social media audit, and criminal background check, the Subcommittee determines there are any material issues that may prevent a person seeking Elected Office from being deemed a Qualified Candidate for Elected Office, or that may result in a person seeking Elected Office being deemed a Not Qualified Candidate for Elected Office, the Subcommittee will promptly

disclose such material issue(s) to such person. The person will then be provided fifteen (15) days to correct any inaccurate information or offer any mitigating information relevant to such issue(s). In addition, the Subcommittee may, in its discretion, request a personal interview with the person.

7.3 Determination by the Subcommittee regarding qualifications of persons seeking Elected Office.

(a) Initial determination. By the earliest date practical following the date a person submits a completed candidate application in accordance with Subsection 5.1 of this policy, but in no event later than ninety (90) days following such application date, the General Counsel shall notify the person in writing of:

- (i) the Subcommittee's determination regarding the person's status as eligible to be deemed a Qualified Candidate or the person's status as a Not Qualified Candidate; and
- (ii) if applicable, the opportunity to appeal a determination by the Subcommittee that the person is a Not Qualified Candidate for Elected Office.

(b) Potential subsequent determination. The Subcommittee may, upon review of updated information, make a determination that a person previously deemed by the Committee to be a Qualified Candidate is no longer a Qualified Candidate and may subsequently deem the person to be a Not Qualified Candidate. Within five (5) days of a determination by the Subcommittee under this Subsection that a person is a Not Qualified Candidate for the Elected Office, the General Counsel shall notify the person in writing of:

- (i) the Subcommittee's determination that the person is a Not Qualified Candidate for Elected Office; and
- (ii) the opportunity to appeal the Subcommittee's determination.

(c) The Committee Chair shall forward the Subcommittee's determination of a person's status as a Qualified Candidate for consideration by the full Committee by the earliest practical date following the Subcommittee's determination.

7.4 Subcommittee's determination that a person is a Not Qualified Candidate. A determination by the Subcommittee that a person is Not Qualified for Elected Office, or a subsequent determination by the Subcommittee that a person who was deemed a Qualified Candidate is now deemed a Not Qualified Candidate for the Elected Office, becomes a final determination of the Committee if not timely appealed to the Committee.

7.5 Appeal of the Subcommittee's determination that a person is a Not Qualified Candidate. A person seeking Elected Office may appeal a determination by the Subcommittee that the person is a Not Qualified Candidate by submitting a written appeal to the Committee Chair and Texas REALTORS® General Counsel within ten (10) business days of receipt of the determination.

An appeal must state: (1) the basis for appeal; and (2) whether the person requests the opportunity to present their appeal to the Committee. Any supporting documentation related to the basis cited that the person wants the Committee to consider must be included with the appeal.

7.6 Appeal hearing by the Committee. Upon receipt of an appeal submitted in accordance with Subsection 7.5 of this policy, the Committee Chair shall forward a copy of the person's appeal and supporting documentation to the full Committee for its review. If the person requested a hearing, then the Committee Chair will notify the person by the earliest date practical of the date of the appeal hearing. If the person did not request a hearing, the Committee will only consider the written basis for the appeal provided by the person under Subsection 7.5 of this policy.

A quorum of the Committee must be present in order to conduct an appeal hearing. A two-thirds (2/3) vote of the voting Committee members present must be reached in order for the Committee to deem the person to be a Qualified Candidate for Elected Office; otherwise, the determination by the Subcommittee that the person is a Not Qualified Candidate for Elected Office is considered to be ratified by the Committee.

Following an appeal hearing, the Committee Chair shall notify the person of the Committee's decision. The Committee's decision on a person's appeal is a final determination and cannot be appealed.

7.7 Committee's determination. By the earliest date practical following the date the Subcommittee makes its determination, but in no event no later than sixty (60) days following such date, the Committee shall interview and consider all persons deemed eligible to be a Qualified Candidate by the Subcommittee. The Committee shall make a determination whether a person is a Qualified Candidate or a Not Qualified Candidate. The Committee's determination is a final determination and cannot be appealed.

7.8 Candidates for Elected Office. During the week of the May 1st immediately preceding the election, Texas REALTORS® shall identify on its website the Qualified Candidates, at that time, for the next election of Elected Officers. Texas REALTORS® shall add the name of any person later deemed to be a Qualified Candidate by the Committee to that list of candidates within three (3) business days of the Committee's determination. If the Committee determines that the status of a Qualified Candidate listed on the website has changed, Texas REALTORS® shall update that status on its website within three (3) business days of the Committee's determination.

7.9 Elections of Elected Officers. Annual elections of the Chairman-Elect and Secretary/Treasurer take place each year during the Winter Meeting of the Texas REALTORS® Board, as set forth in Article VII, Section 4 of the Texas REALTORS® Bylaws. The voting ballot shall include the names of any person deemed a Qualified Candidate at the time of the election.

Section 8. Campaign Rules.

8.1 Contact with Committee Members and Alternate Committee Members prohibited. Neither a person seeking Elected Office, nor an agent of such person (*e.g.*, their AE, someone on their steering committee, etc.), may knowingly contact a Committee Member or Alternate Committee Member about the process of seeking Elected Office. A list of Committee Members and Alternate Committee Members will be provided to persons seeking Elected Office.

8.2 Campaign Announcement and Activity. A person seeking Elected Office may not formally announce their candidacy or distribute campaign materials unless the person has been deemed a Qualified Candidate for Elected Office under Subsection 7.7 of this policy.

8.3 Campaign materials.

- (a) Candidates may not use the Texas REALTORS® logo in any campaign materials or otherwise infer endorsement by Texas REALTORS® of the candidate's campaign. Candidates may use the Texas REALTORS® member logo provided by Texas REALTORS® for member use.
- (b) Copies of all campaign materials to be distributed in connection with an election for Elected Office must be sent to the Texas REALTORS® Chief Executive Officer and Texas REALTORS® General Counsel for approval prior to distribution to protect the integrity of Texas REALTORS® and its members. Once received, the Texas REALTORS® Chief Executive Officer and Texas REALTORS® General Counsel shall have three (3) business days to review materials and reply in writing if materials are approved.

8.4 Campaign activities. Distribution of campaign materials, including signage and other media, at Texas REALTORS® events is prohibited without prior approval of Texas REALTORS®. Opportunities to reserve space at Texas REALTORS® events for campaign activities will be on a first come, first serve basis and is subject to Texas REALTORS® and facility rules.

Texas REALTORS® members may not engage in campaign activities in connection with an election for Elected Office unless the person promoted, supported, or opposed by the campaign activities is identified online by Texas REALTORS®, at the time of the activity, as a Qualified Candidate for Elected Office under Subsection 7.7 of this policy.

Campaign activities include, but are not limited to: soliciting candidate endorsements from Texas REALTORS® members or Member Boards; distributing any campaign materials; and campaigning verbally or with written materials, except that, prior to submitting a candidate

application under Subsection 5.1 of this policy, a Texas REALTORS® member may verbally solicit Texas REALTORS® members individually for potential support of a future candidacy for Elected Office. No campaign materials may be distributed to members during a meeting of the Texas REALTORS® Board.

8.5 Professional and ethical conduct on the campaign trail. Candidates shall conduct themselves in a professional and ethical manner while campaigning. Texas REALTORS® members should not campaign in connection with an election for Elected Office in a manner that jeopardizes Texas REALTORS®'s goodwill or image, or jeopardizes Texas REALTORS®'s ability to accomplish its purpose.

Section 9. Enforcement of Campaign Rules.

9.1 Attempt to resolve dispute without filing a complaint. If a Texas REALTOR® has a good faith belief that a Texas REALTORS® campaign rule, as set forth in Section 8 of this policy, has been violated, such individual is encouraged to first attempt to resolve the issue by contacting the allegedly offending person seeking Elected Office, or a representative of that person's campaign team.

9.2 Submitting a complaint. If an attempt by a Texas REALTOR® under Subsection 9.1 of this policy to resolve an issue is unsuccessful, the Texas REALTOR® may file a written complaint of the alleged campaign violation with the Committee Chair. All complaints must contain the name of the complainant, the name of the respondent, and a summary of the allegations. Anonymous complaints will not be accepted.

9.3 Initial review and possible resolution of complaint. The Committee Chair, in consultation with Texas REALTORS® General Counsel, will review the complaint to determine, within five (5) business days, whether the complaint sufficiently alleges that a campaign violation may have occurred. If the complaint does not sufficiently allege that a campaign violation occurred, the complaint will be dismissed. If the complaint does sufficiently allege that a campaign violation occurred, Texas REALTORS® General Counsel will provide a copy of the complaint to the respondent and allow the respondent ten (10) business days to submit a written response to the complaint to the Committee Chair.

A group consisting of the Committee Chair, Texas REALTORS® General Counsel, and one member of the Subcommittee selected by the Committee Chair and Texas REALTORS® General Counsel will then attempt to resolve the matter in a mutually agreeable manner between the respondent and the group, which may include the imposition of a sanction. If the matter is not resolved within five (5) business days of receipt of the respondent's written response or the deadline for such response, whichever occurs first, the matter shall be referred to the Subcommittee.

9.4 Decision by Subcommittee. The Subcommittee will issue a written decision to respondent within ten (10) business days of the date that the matter was referred to the Subcommittee

under Subsection 9.3 of this policy. The decision will state whether the Subcommittee found the respondent in violation of a Texas REALTORS® campaign rule(s) and, if so, any related sanctions imposed by the Subcommittee. There is no obligation to communicate the Subcommittee's decision to the complainant.

When considering whether a campaign violation occurred, the Subcommittee may request the complainant and/or respondent to provide additional information, or appear before the panel in person or remotely. The Subcommittee is not bound by the rules of evidence and may consider any evidence in an attempt to determine whether a campaign violation has occurred. The Subcommittee has discretion to impose any one or more of the sanctions in Subsection 9.8 of this policy when the Subcommittee finds that a campaign violation occurred.

9.5 Process for appeal. A respondent may appeal a determination by the Subcommittee that the respondent has violated Texas REALTORS® campaign rules, as set forth in Section 8 of this policy, by submitting a written appeal to the Committee Chair and Texas REALTORS® General Counsel within five (5) business days of receipt of a determination that the respondent committed a campaign violation. A complainant does not have a right to appeal the Subcommittee's determination.

An appeal must state: (1) the basis for appeal; and (2) whether the person requests the opportunity to present their appeal in-person to the Committee. Any supporting documentation related to the basis cited that the person wants the Committee to consider must be included with the appeal.

9.6 Decision by Committee. Upon receipt of an appeal submitted in accordance with Subsection 9.5 of this policy, the Committee Chair shall forward a copy of the Subcommittee's decision and respondent's appeal, with any supporting documentation, to the full Committee for its review. If the respondent requested an in-person hearing, then the Committee Chair will notify the respondent by the earliest date practical of the date of the appeal hearing. If the respondent did not request an in-person hearing, the appeal shall be conducted via teleconference.

A quorum of the Committee, but not including members of the Subcommittee, must be present in order to conduct an appeal hearing. Texas REALTORS® General Counsel shall preside over the proceeding, but not vote. Members of the Subcommittee are excluded from the hearing, except that the Committee Chair, or a designee thereof from the Subcommittee, shall have the right to present the Subcommittee's decision to the Committee, but not vote. A two-thirds (2/3) vote of the voting Committee Members present must be reached in order for the Committee to reverse the finding of a violation(s) or to alter any sanction(s) imposed by the Subcommittee; otherwise, the Subcommittee's decision is considered to be automatically ratified by the Committee. The Committee is not bound by the rules of evidence and may consider any evidence in an attempt to determine whether a campaign violation has occurred.

Within five (5) business days of holding an appeal hearing, the Committee Chair shall notify the respondent of the Committee's decision. The Committee's decision on a respondent's appeal

shall be final. There is no obligation to communicate the Committee's decision to the complainant.

9.7 Standard and burden of proof. The standard of proof for a violation of Texas REALTORS® campaign rules, as set forth in Section 8 of this policy, is clear, strong, and convincing evidence. The burden of proof is on the complainant.

9.8 Sanctions. One or more of the following sanctions may be imposed for a campaign violation:

- (a) Confidential written warning to the person seeking Elected Office, with a copy to that person's campaign manager and the chief executive officer of the Member Board in which that person holds Primary REALTOR® Membership.
- (b) Confidential cease and desist letter to the person seeking Elected Office, with a copy to that person's campaign manager and the chief executive officer of the Member Board in which that person holds Primary REALTOR® Membership.
- (c) Confidential letter of censure to the person seeking Elected Office, with a copy to that person's campaign manager and the chief executive officer of the Member Board in which that person holds Primary REALTOR® Membership.
- (d) Confidential letter of censure to the person seeking Elected Office, with a copy to that person's campaign manager, the Regional Vice President of that person's region, and each chief executive officer of the Member Boards within that person's region.
- (e) Public letter of censure read at the next candidate forum.
- (f) Letter of censure delivered to the Texas REALTORS® Board.
- (g) Rescission of the determination of the person as a Qualified Candidate for Elected Office during the current election cycle.

Section 10. Post-Election Guidelines.

10.1 Election records. A record of all Texas REALTORS® election results, including a tally of the votes, will be retained; however, the ballots will be destroyed immediately following the election.

10.2 Use of officer titles by Elected Officers. An Elected Officer may not use their Texas REALTORS® officer title in written communications until they have been formally installed into the related Elected Office. For Elected Officers that have been installed, the Texas REALTORS® Leadership Team reserves the right to determine how Elected Officers may use their Texas REALTORS® officer titles in personal correspondence and advertising.

Section 11. Removal of an Elected Officer, Regional Vice President, or Texas REALTORS® Director.

11.1 Request. The removal of an Elected Officer, Regional Vice President or Texas REALTORS® Director will be considered only upon request. A request must:

- (a) be in writing,

- (b) be signed by a member of the Texas REALTORS® Board of Directors,
- (c) be submitted to the Committee Chair, and
- (d) state, with specificity, the alleged misconduct which is the basis for the request for removal.

11.2 Basis for Removal. An Elected Officer, Regional Vice President, or Texas REALTORS® Director may be removed for misconduct. Misconduct includes:

- (a) Failure to continue to meet required criteria;
- (b) failure to meet a fiduciary duty;
- (c) failure to meet an existing performance expectation;
- (d) being charged with or convicted of a crime involving fraud, real estate-related activities, or moral turpitude; or
- (e) other conduct, whether personal or professional, that may cause embarrassment to or shed negative light on Texas REALTORS®.

11.3 Subcommittee determination. The Subcommittee will review the request and may conduct further investigation to determine if reasonable cause exists for the person's removal. If the Subcommittee determines reasonable cause exists, the Subcommittee will refer the matter to the Committee.

11.4 Hearing before Committee. Upon referral by the Subcommittee, the Committee will review the Subcommittee's findings and hold a hearing conducted in accordance with the NAR Code of Ethics and Arbitration Manual. If the Committee determines that the person should be removed, the Committee will forward the recommendation for removal to the Executive Board.

11.4 Executive Board determination. The Executive Board will consider the recommendation for removal at their next meeting and the person at issue will be given an opportunity to respond to the removal request prior to a vote. If the Executive Board determines that the person should be removed, the Executive Board will forward a motion for removal to the Board of Directors and the person's term of office shall be suspended pending action by the Texas REALTORS® Board.

11.5 Texas REALTORS® Board of Directors vote. A motion for removal approved by the Executive Board must be ratified by the Texas REALTORS® Board of Directors. The decision of the Board of Directors is final.