

ARIZONA ASSOCIATION OF COMMUNITY MANAGERS, INC.

MEMBERSHIP STANDARDS

In order to promote and enhance a high level of professional conduct among its membership, the Arizona Association of Community Managers, Inc. ("AACM") has adopted the following Membership Standards. In order to become, and remain, a Member in good standing, effective January 18, 2006, amended June 18, 2008, amended May 19, 2010, amended February 15, 2012, amended February 15, 2013 and further amended April 16, 2015, each Member must agree to satisfy the following requirements and standards (and any amendments to these standards adopted by the Board of AACM).

STANDARDS

1.00 General Standards.

Code of Professional Ethics and Standards of Practice. Members must comply with AACM's Code of Professional Ethics and Standards of Practice as they are amended from time to time.

Compliance with Law. Members must comply with all applicable laws and regulations applicable to their business and activities.

2.00 Payment of Dues.

Members must timely and accurately certify their category of membership and pay the dues applicable to their category of membership at the times required by the Board of Directors.

3.00 Member Orientation Meeting.

Effective January 1, 2012, new Members must attend an orientation meeting with the AACM Professional Standards Committee within six months of joining AACM. This meeting will introduce new Members to the responsibilities and commitments required of an AACM Member, including legislative efforts, CAAM® Program Participation, and attendance at AACM functions.

4.00 CAAM & CAASP Certifications.

Each Member that is a management company member shall comply with the following requirements relating to the number of Certified Arizona Association Managers (CAAM) employed to manage client businesses:

- Within one year from July 1, 2008, or within one year after first becoming a Member, whichever comes last, at least 10% of the Member's community association managers, Designated Member and Designated Committee Representative must earn and maintain CAAM certification;

- Within two years from July 1, 2008, or within two years after first becoming a Member, whichever comes last, at least 50% of the Member's community association managers, Designated Member and Designated Committee Representative must earn and maintain CAAM certification;
- Within three years from July 1, 2008 or within three years after first becoming a Member, whichever comes last, 100% of the Member's community association managers, Designated Member and Designated Committee Representative must earn and maintain CAAM certification;
- Persons employed as community association managers who are new hires or promotions, or newly named as Designated Member or Designated Representative must earn CAAM certification within one year after the hiring, promotion or nomination as Designated Member or Designated Representative; and
- All persons enrolled in the CAAM certification program must maintain their enrollment and secure CAAM certification within a reasonable time.
- AACM Members must sign an affidavit with the annual Membership application stating that they have the required percentage of CAAMs to meet Membership Standards.
- Created in 2006, the Certified Arizona Association Support Professional (CAASP) is a designation available to those community management industry professionals who are employed by a Management Company Member and are employed in a support role such as administrative assistants, accountants, compliance manager, etc. A person who has earned the CAASP designation may apply to AACM to convert their designation to a CAAM Certification after directly performing the duties of a community manager for at least six (6) months. There is no requirement for CAASP for management company members.

5.00 Participation in AACM Programs.

Each Member shall make reasonable efforts to:

- Participate in AACM events, including trade shows and other meetings;
- Support AACM and its objectives in a reasonable manner;
- Participate in and recognize the value of AACM affiliate partner programs, so that affiliate partners receive reasonable value for their support of AACM and its programs; and
- Respond promptly to AACM requests for a legislative pledge. Members are not required to pledge a particular (or any) amount or support specific initiatives, but are required to respond to requests for pledges and indicate their positions when AACM requests support.

6.00 Criminal and Civil Proceedings and Disciplinary Actions.

- A Member, or applicant to become a Member, must disclose to AACM in its application for Membership and in an annual disclosure if (a) the Member or applicant, (b) any person who owns more than 20% of the equity of, or otherwise controls, the Member or applicant, or (c) any person who is a director, executive officer, or supervising manager of the Member or applicant is or was involved in any of the following events or proceedings:
 - (1) A conviction, or plea of guilty or no contest, in a criminal proceeding involving a felony if the conviction or plea occurred within 10 years before the date of the disclosure to AACM;
 - (2) A final decision (no longer subject to appeal) by a court in a civil proceeding finding that the person was responsible for misrepresentation, dishonesty, fraud, violations of fiduciary duty, misappropriation of funds or property, or other serious misconduct if the decision became final within 5 years before the date of the disclosure to AACM;
 - (3) A refusal to provide bonding, fidelity or crime insurance, or cancellation or suspension of any such coverage (other than for non-payment of premiums) if the refusal occurred within 5 years before the date of the disclosure to AACM;
 - (4) Suspension or revocation of any such person's professional license if the suspension or revocation occurred within 5 years before the date of the disclosure to AACM; or
 - (5) Disciplinary action by any licensing or regulatory agency or any industry association that results in suspension or revocation of professional or membership privileges if the disciplinary action occurred within 5 years before the date of the disclosure to AACM.
- AACM may impose any sanctions it deems necessary on a Member or applicant who fails to disclose information about any of the foregoing events in its application or annual disclosure. Such sanctions may include (but are not limited to) suspension or revocation of Membership.
- Each Member or applicant, by submitting the disclosure or application, consents to AACM's review of all circumstances concerning the event or proceeding, including any investigation or background review AACM deems necessary.
- After completion of any review AACM deems necessary, AACM may institute proceedings before the Professional Standards Committee with respect to any sanctions it deems necessary as a result of the events or proceedings disclosed, which may include restitution, probation or other supervision, suspension or revocation of Membership, or other sanctions deemed appropriate under the circumstances. The decision of the Professional Standards Committee is appealable only to the Board of Directors. The

decision of the Board of Directors is final. Each Member or applicant, by making the application or disclosure, waives any appeal beyond the Board of Directors.

7.00 Compliance and Sanctions.

Each Member, as a condition of AACM membership:

- agrees to be bound by and to abide by these Membership Standards including duly adopted amendments;
- is obligated to respond to AACM on initial public inquiries;
- is obligated to participate in compliance and disciplinary proceedings, and to be bound by discipline determined by the Professional Standards Committee or in any permitted appeal of PSC determinations to the Board of Directors.

If a Member is not in compliance with the CAAM certification requirements under Section 4.00, the Member has a six-month grace period to come into compliance.

If a Member does not come into and remain in compliance with the requirements of these standards, then after any applicable grace period a Member will be subject to suspension of Membership privileges (including voting rights, rights to be listed on the AACM website, and rights to participation in the CAAM Certification Program) and to termination under procedures established by the Professional Standards Committee or Board of Directors.

The Member's signature below certifies that the Member will abide by the Membership Standards (including any future amendments) and agrees that the Member is subject to procedures for compliance or disciplinary action under the procedures AACM establishes from time to time.

Signed

Date

MEMBER NAME

MAILING ADDRESS