



2017 CIRCLE OF EXCELLENCE Membership Rules & Requirements

I. Definitions

1. "Qualifying Year" shall be defined as a full calendar year beginning January 1 through December 31, 2017.
2. "Membership Year" shall be for the full calendar year immediately following the "Qualifying Year".
3. "Effective Date of Membership" shall be the date the application for REALTOR® membership is received in the Association office, provided all Association membership requirements have been fulfilled. This includes, but is not limited to:
 - a. attending orientation, if required, within a period of 120 days or four (4) months from the date the application for REALTOR® membership is received by the Association office; and,
 - b. Approval by the Board of Directors.
4. "Individual" applicants shall have no licensees working for the applicant showing property, writing offers, making listing presentations, making buyer presentations, negotiating contracts or performing administrative functions on behalf of the applicant on a regular basis during the qualifying year which is paid either directly or indirectly by the applicant.
5. "Team" applicants shall be defined as those applicants having one or more licensees working for the applicant at any given time during the qualifying year.
6. "Team Members" shall be defined as those licensees working for a Team applicant at any point during the qualifying year.
7. "New Homes" shall be defined as applicants that have at least 50% of the total volume credit resulting from the "listing side" of the sale of new homes.

II. Membership Requirements

1. Any employee or independent contractor who is both licensed under the Georgia Real Estate Commission and is a REALTOR® member in good standing of the 400 North Association of REALTORS® and has not applied, nor is a member of another Association of REALTORS® Awards Club, for the current year is eligible for membership. Only applicants receiving commissions are eligible for membership.
2. To qualify, an individual must fulfill the following requirements:
 - a. Produce new business in the amount of or in excess of \$2,000,000 during the qualifying year.
 - i. Only transactions closed after the Effective Date of Membership in an Association of REALTORS® will count as COE volume.
 - ii. At the discretion of the Team applicant, Team Members that leave their Team during the year, have the ability to count their volume produced with the Team, as long as the volume is not also included on the Team application. *(The broker must still certify the volume credited to the transferee.)*
 - b. Must be a member of the 400 North Association of REALTORS® at the time of election and at the time of presentation of awards. The time of election is the date which the Board of Directors of the 400 North Association of REALTORS® approves membership in the COE.



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- c. COE Application must be approved by the Board of Directors of the 400 North Association of REALTORS®.
- d. Dues payments for applicant and applicant's Designated REALTOR® must be paid in full and a signed dues certification letter must be on file at the Association office in order for the application to be considered.
- e. As in the case of all activities sponsored by the 400 North Association of REALTORS®, membership in the COE shall be contingent upon membership in good standing in the 400 North Association of REALTORS®. If, for any reason, a member of the COE ceases to be a member of the 400 North Association of REALTORS®, his/her membership in the COE is automatically terminated. A LIFE member who ceases to be a member of the 400 North Association of REALTORS® shall have no vote or voice in the COE.
- f. Applicant must hold their REALTOR® Membership in the 400 North Association of REALTORS®, Inc.
- g. No inter-office transferring of volume will be allowed for purposes of qualifying in the 400 North Association of REALTORS®, Inc., COE. Therefore, transferring credit from agent to agent is not allowed and is a violation of the rules.

III. Application Requirements

1. Application must be submitted on official form provided by the Association. No fax or email copies will be accepted. No Exceptions.
2. With each application, there must be a completed production log of the Applicant's closed business for the qualifying year. All transactions not listed in FMLS or GMLS, applicant must provide page 1 of the closing disclosure and the signature page of the contract for each transaction that is being claimed towards COE. For Leases/Rentals, the portion of the rental/lease that includes the property address and term of the lease, termination page, and signature page for all leases must be submitted at time of application to the COE.
3. Each application must be sworn by the Applicant and also certified by his/her Designated REALTOR® (Broker) or assigned manager that the applicant has qualified for the COE under the present rules and regulations. The application form as approved shall be a part of these rules and regulations.
4. Applications must be typed and in chronological order on Association approved format.
5. Completed application along with application fee of \$10 must be in the Association office **no later than 5:00 pm, Friday, January 12, 2018**. Postmark dates are not accepted.
 - a. A "Late Filing Period" for COE applications has been created to allow for applications to be submitted after the original deadline. Applications may be submitted during the "Late Filing Period" through 5:00 pm, January 31st of each year and must be accompanied by a \$250 late fee.
 - b. All applications received after the Late Filing Period deadline will be rejected.
6. All applications will be verified by the Awards Committee, and in case of questions the committee members shall contact the Designated REALTOR® (Broker) who certified the Application.
 - a. The Broker will be subject to a fine of \$100 for each COE application in which errors have been identified by the Committee.
7. Where a broker/applicant submits a fraudulent application, including, but not limited to, failure to disclose an ownership position in any property claimed for volume credit, the applicant will be automatically disqualified and the appropriate parties will be reported to the Professional Standards Committee for action.

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8. For all Team Applications:
 - a. Teams shall submit a Team Application reflecting the total COE volume credit produced by the entire team.
 - b. Team Application will include a section for the applicant to list every team member that has worked with the team during the year. Each team member's name, license #, starting date with the team and ending date will be required.
 - c. The application will require all of the standard information to be submitted (as defined in Section III, 1-3) along with additional areas for the team name, cumulative total of the team COE credit and the maximum number of team members (licensees) at any one time during the year.
 - d. For Team Members that are applying for COE credit:
 - i. The Team will be required to check yes or no next to the appropriate Team Member's name on the Team application if they are applying for membership in the COE. The Team Member's volume will be calculated using the current COE guidelines applicable to all applicants.
 - ii. The total number of Team Members applying to the COE along with the Team Leader must have a minimum of \$2,000,000 each in order to be eligible. *Ex: Team leader plus four team members applying for COE must have \$10,000,000 in Team Volume.*
 - iii. The Team volume submitted will not be used in any way for Team Members other than for the Association to certify whether the Team Member has qualified and will allow the Team Member to earn a year of recognition that can be applied to future qualifying for Life, Phoenix, Crystal Phoenix, etc.
 - iv. Public recognition will be provided to the Team Members in all media under the heading: "COE Team Member". Team Member will be listed alphabetically with the applicant's name, company name, and team name. The Team volume will not be included in any public recognition as it relates to the Team Member.

IV. Audit

1. The applicants selected for the random audit will be required to submit page 1 of the closing disclosure, property legal description page, signature page of the contract and any other documentation deemed necessary by the committee for each transaction included in the COE volume credit submitted. If rentals/leases were claimed, then the rental/lease form must be submitted with audit materials which should include the termination page, signature page and the entire lease agreement if the lease is two (2) years or longer.
2. Failure to submit audit information in a timely fashion, as determined by the Awards Committee, may result in the application being denied for membership.

V. Computation of Volume Credit

1. Referrals: No credit or deductions for referrals.
2. For Sales:
 - a. Volume credit claimed for each transaction shall be equal to the purchase price listed on page 1 of the closing disclosure regardless of whether the participating agent is representing the seller, buyer, or is participating as a transaction broker. An agent will be allowed to claim the sales price of the property address twice should the agent represent both sides of the transaction as long as their

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name appears on the purchase and sale agreement in both places.

- b. Partners or multiple agents that are not operating as a Team but are both participating on one side of the transaction shall calculate volume credit by equally dividing the purchase price of the transaction between the agents involved. There shall be no unequal allocations of qualifying volume allowed.
- c. Monetary consideration must be earned and verifiable by a closing statement and contract, in order to include the transaction in the computation of volume credit.
- d. The effective date for volume credit for sales shall be the date on which title is passed.
- e. Applicant or team member's name must be listed on purchase & sale agreement in order to receive credit towards COE status. If the applicant or team member's name is not listed on the Purchase and Sale Agreement then any payment received will be considered as a referral fee. In cases where a non-GAR Purchase and Sale Agreement is utilized and no specific agent is identified, the qualifying broker shall certify applicant's participation in the transaction.

Exception: In the case of a new construction contract, the effective date for credit for the lot is when title is passed, provided a commission is paid at that time. In the event there is no closing statement, for the improvements thereon, the effective date for credit is at the time commission is paid. Additional documentation shall serve as proof of final sales price.

3. For Leases: the amount of the gross aggregate rental called for in the original term of the lease shall be credited. Credit shall be allowed for renewals, expansions, and exercise of options for renewals. However, credit shall be allowed only upon actual renewals for the year in which such new term applies. If one or more agents are involved in the lease, the rental shall be split equally.
 - a. If a lease contains an option to purchase at any time during the lease, the amount of the gross aggregate rental as prescribed above shall be the amount credited. If the option to purchase is exercised during the term of the lease, then additional credit may be claimed in the year of closing if the purchase price is greater than the credit previously claimed. Such additional credit shall be limited to the difference, if any, in the purchase price and the credit previously claimed. If an option to purchase is exercised after the specified term of the lease, then the amount of the purchase price may be claimed as full credit in the year of closing.
 - b. For Cashed-Out Leases: full credit shall be given for the face value of the total rental to be paid over the firm term of the lease. These leases shall not be discounted, but shall be subject to the same treatment for cancellations and renewals as mentioned above.
 - c. The effective date for volume credit for leases shall be the date of occupancy or the beginning date of the rental period, whichever comes first.
4. More than one participant: If more than one individual with the same company participates as the Selling agent, or the Listing agent, the credit allowed shall be split equally among the participants.
5. Syndication: Where an individual sells shares of ownership in property through syndication, the credit allowed shall be in the same proportion as the percent of ownership, which that salesman sells in the syndicated transaction.
6. Ownership Position: Where a Broker/Agent has an ownership position in a sales, purchase, or lease for credit toward qualifying for membership in the COE, he/she shall receive credit ONLY if a commission is paid to the company.
7. Installment Commissions: Full credit will be allowed in the year of closing of a transaction where an

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installment commission exists.

8. Total Credit Amounts: Total credit amounts claimed by all applicants for purposes of qualifying for the COE cannot exceed a combined amount 100% of the total purchase price.
9. Manager/Designated Broker Commission: Any commissions earned in the capacity of a Manager/Designated Broker cannot be credited. Credit will only be given if Broker/Manager is acting as a listing or selling agent as evidenced by the signature page of the contract.
10. No Credit Shall Be Allowed for any transactions in which a fee is collected and such fee is not contingent upon the actual closing of the transaction. No credit shall be allowed for appraisals, evaluations and consultations of any kind, regardless of the purpose.

VI. Transaction Definitions

1. Applicants volume will be categorized by the following property definitions
 - a. Residential:
 - i. Any improved property zoned residential up to and including, but not exceeding four (4) units per transaction.
 - ii. A single transaction involving no more than five (5) unimproved subdivided building lots, which are zoned residential.
 - iii. Non-subdivided land, not to exceed 20 acres, which has as its existing or best use, residential.
 - b. New Homes: Any improved property zoned residential up to and including, but not exceeding four (4) units per transaction and is newly constructed.
 - c. Commercial: Any transaction that is not residential.

The combined total volume will be shown on the individual's COE certificate, in multiples of one million dollars. The transaction is recognized in the category of the zoning at the time of closing.

VII. Membership Categories

1. Member: One who has been elected to the COE for the year immediately following the qualifying year.
2. Life Member: One who has been elected to membership in an Association of REALTORS[®], Sales Award Club for three consecutive years or ANY five years.

For purposes of denoting membership in the COE on individual business cards and any other printed matter, it will be acceptable to use the term "Life Member", where applicable. All other members must precede the word "Member" with the year of their membership in the COE (i.e. 2013 MEMBER).

Applicants may transfer Sales Award Club credit years awarded in another Association of REALTORS[®] to apply toward award recognition with the COE. Applicant must submit verification of years transferring from other Association signed by the Association Executive. Applicants must meet all requirements as set forth in these rules and must be accepted into current COE in order to be awarded the level of recognition for which the applicant has applied.

VIII. Use of Seal

1. Members of the COE shall be authorized to use the COE Seal as adopted by the Board of Directors of the 400 North Association of REALTORS[®], Inc. for use in business promotion only during the year in which they are

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members of the COE.

2. Life Members of the COE shall be eligible to use such seals and insignia as long as they live and retain REALTOR® Membership.

IX. Awards

1. Top Producer Categories:
 - a. Volume: Special recognition shall be provided to one recipient in each of the following categories based on COE volume and the number of units sold during qualifying year:
 - i. New Homes
 - ii. Individual
 - iii. Team
2. The Phoenix Award: Presented to members of the COE who have qualified for any ten (10) years in a Association of REALTORS® Sales Award Club.
3. The Crystal Award: Presented to members of the COE who have qualified for any twenty (20) years in a Association of REALTORS® Sales Award Club.
4. Silver Phoenix Award: Presented to members of the COE who have qualified for any twenty-five (25) years in a Association of REALTORS® Sales Award Club.
5. All previous "Million Dollar Club" Credit earned will count towards future Circle of Excellence awards.

X. Appeal Process

The Awards Committee has the authorization to review and audit any or all applications, and make recommendations to approve or deny. These recommendations are submitted to the Board of Directors for approval.

- XI. Prior to the recommendations being submitted to the Board of Directors, staff shall notify the applicant and the applicant's broker in writing of the decision by the Committee to deny. The applicant then has 5 days from the date of notification to submit a written appeal if they so desire. If an appeal is submitted, the appeal and the committee's decision are submitted to the Board of Directors for review. As with all COE information, the applicant's name, company and any other identifying factor will not be provided to the Board of Directors. This allows all parties to make decisions strictly based on the facts and not any other potential reason.

XII. Awards Committee

The President of the 400 North Association of REALTORS®, Inc. shall each year appoint an Awards Committee, to be approved by the Board of Directors as provided for in its current Bylaws. It shall be the duty of this committee to consider all applications after the application receipt deadline and submit a report to the President and the Board of Directors of the 400 North Association of REALTORS®, Inc.

XIII. Prohibitive Use

REALTOR® Members and firms shall not use the words: "Circle of Excellence" or words similar thereto, in its awards or advertising except where this policy is used to denote membership in the COE. The spirit of this rule is important to maintain the prestige of the membership in the 400 North Association of REALTORS®, Inc. COE.

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XIV. Awards Plaques

Each member firm and/or member will be charged for any plaques, certificates or other types of awards. The cost of all awards is to be paid for by recipient, or the recipients Broker. The Awards Committee shall advise Members as to this cost each year.

XV. Fees

The COE may be authorized by the 400 North Association of REALTORS[®], Inc. to set a fee, prior to asking for application for membership in the COE. Said fee shall cover the costs of any plaques, certificates, pins, seals, advertising, dinner, etc.

XVI. Approval and Dissolution

The COE of the 400 North Association of REALTORS[®], Inc. has been established and is sponsored by the 400 North Association of REALTORS[®], Inc. and all actions of the Club shall be subject to the approval of the President and the Board of Directors of the 400 North Association of REALTORS[®], Inc. The Board of Directors of the 400 North Association of REALTORS[®], Inc. reserves the right to dissolve the club at its direction.

XVII. Amendments

These amended rules and regulations of the COE shall apply to business produced in 2015 and thereafter until modified by the Board of Directors of the 400 North Association of REALTORS[®], Inc. The final decision of any transactions not covered by these rules or interpretations of these rules shall be decided by the Board of Directors of the 400 North Association of REALTORS[®], Inc.

Revisions:

- 6/12/2017
- 6/1/2015
- 5/09/2012
- 4/13/2011
- 10/13/2010
- 7/02/2009
- 8/04/2006
- 12/31/2005
- 8/04/2000