



# Code of Ethics Enforcement Procedures for Community Associations Institute's Designation Ethics Committee

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## **A. Scope**

These Procedures apply to alleged violations of the published PROFESSIONAL MANAGER CODE OF ETHICS, COMMUNITY INSURANCE & RISK MANAGEMENT SPECIALIST (CIRMS) CODE OF ETHICS, AND RESERVE SPECIALIST (RS) CODE OF ETHICS (further referred to as "Codes") of Community Associations Institute ("CAI"). Individuals who apply for or achieved AMS, LSM, PCAM, RS, and/or CIRMS designations, and Management Companies with the Accredited Association Management Company (AAMC) accreditation, are subject to the Codes. The Code applies to a manager's actions in professional and relevant personal encounters.

Each AMS, LSM, PCAM, RS, or CIRMS professional member is personally responsible for the actions taken in their role delivering professional services. Disciplinary actions arising from a complaint or eventual sanctions shall be against the individual and potentially against the firm of the individual if it is accredited as an AAMC.

Each AAMC member is responsible for the actions and omissions of its employees, and any complaint or eventual sanctions may be imposed against the company and may also be imposed against responsible individuals at the company as well. For purposes of these Procedures, the term "Designee" shall apply to an AMS, LSM, PCAM, RS, CIRMS, and AAMC member.

It should be emphasized that actions taken under these Procedures do not constitute enforcement of law, although referral to appropriate federal, state, or local government agencies may be made about the conduct of Designees in appropriate situations. Individuals initially bringing complaints are not entitled to any relief or damages by virtue of this process, although they will receive notice of the actions taken.

## **B. Ethics Committee Organization**

1. The Designation Ethics Committee shall be comprised of at least 15 members and a maximum of 25 members and shall report to the Board of Trustees of CAI (“Board”). The term of each Committee member shall be for three years, and the terms of the members shall be staggered. Committee members’ terms shall run concurrently with the terms of the Trustees and Officers of CAI. The leadership of the Committee (see section 4 below) shall recommend Committee members to the Board. All appointments shall be subject to approval by the Board.
2. Of the total members of the Designation Ethics Committee, at least six members shall be PCAM designees, one shall be an RS designee, and one shall be a CIRMS designee. Current Officers<sup>1</sup> of CAI may not serve concurrently as a member of the Designation Ethics Committee.
3. Members of the Committee may be re-appointed to successive terms without limitation. In the event a member resigns or is unable to serve, the then current President of CAI shall appoint a replacement Committee member for the balance of the unexpired term, subject to approval by the Board.
4. The Board shall designate the Chairperson (the “Chairperson”) and the Vice-Chairperson (the “Vice-Chairperson”) of the Designation Ethics Committee. The Board may choose to designate two Co-Chairpersons instead of a Chairperson and Vice-Chairperson. The Chairperson and the Vice-Chairperson (or “Co-Chairpersons”) shall serve one-year terms in such capacity and may be re-appointed to successive terms without limitation. The Vice-Chairperson shall perform all the duties of the Chairperson at any time that the Chairperson is unable to do so.
5. The Chairperson(s) shall appoint three or more Designation Ethics Committee Members to one or more Review Panels, which shall have the task of conducting an Inquiry as to the merits of a Complaint and making a recommendation of actions to be taken under these Procedures to the Designation Ethics Committee Chair. The Chairperson(s) shall appoint a Chair of each Review Panel established. The Review Panel members shall serve for such terms as determined by the Chairperson(s).
6. The Chairperson(s) shall appoint a Hearing Panel, as follows: the Chairperson(s) and/or Vice-Chairperson of the Designation Ethics Committee and at least four other individuals who are not on the Review Committee and who do not have a conflict of interest with the Complainant or the Designee that is the subject of the Complaint (“Subject Designee”). One member shall be a non-Trustee attorney who is a member of the College of Community Association Lawyers, one member shall be from the Community Association Managers Council, one member shall be from the Business Partners Council and the remaining member shall be either a former Chair of the

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<sup>1</sup> For purposes of this section, CAI Officer means a person currently serving in the position of President, President-Elect, Secretary, Treasurer, or other CAI Board of Trustees officer position.

Community Association Managers Council, a Past President of CAI, or a current or former member of the Designation Ethics Committee. The Hearing Panel members shall serve for such terms as determined by the Chairperson. When possible, members of the Board shall not make up the majority of the Hearing Panel.

### **C. Allegations**

1. Any person or community association (the "Complainant"), including a Designation Ethics Committee Member or the Committee itself, may initiate a complaint regarding alleged violations of the Codes by submitting to CAI's Chief Executive Officer or the CEO's designee (collectively the "CEO") a written complaint (the "Complaint"). The Complaint shall be submitted on the approved Ethics Complaint Form and shall include information specifying:
  - a. The identity of the Subject Designee who is alleged to have violated the Codes, along with a narrative summary of the circumstances and events leading to the alleged violation, and reference to the section(s) of the Codes alleged to have been violated;
  - b. Evidence (which may include written documentation, corroborating statements by other persons, or specific information as to persons who may be contacted to provide such corroboration) supporting the allegation(s);
  - c. Complainant's name, address, e-mail address and telephone number; and
  - d. If the Complaint is filed by a community association, the Board of Directors of that association must attach an approved and witnessed Resolution indicating a majority of the Board members approved the filing of the Complaint.
  - e. If the Complaint is filed by a member of the Designation Ethics Committee or the Committee itself, section 1.a.-d. is not a prerequisite of the complaint filing.

Corroborating statements by additional Complainant(s) against the Designee should be included as evidence in a single complaint. If multiple complaints are filed by Complainants corroborating against a Designee, the CEO may combine the complaints and investigate as a single complaint.

A Complaint also may be self-initiated by the Chairperson(s) and/or CAI on behalf of the Committee based on any information, such as a news source or anonymous complaint.

2. If the Complaint submitted is not in compliance with the Procedures as outlined under section 1.a.-d. above, the CEO may return the Complaint with instructions on compliance with CAI Procedures. All Complaints conforming to the filing requirements shall be promptly forwarded by the CEO to the Chairperson(s). If the Complaint originates in the market area of the Chairperson(s), the Chairperson(s) has a personal or professional relationship with any of the parties named in the Complaint, or the Chairperson(s) is in any way associated with any individual named in the Complaint, the Chairperson(s) shall disclose the conflict. If there is a conflict of interest, the CEO shall forward the Complaint to the Vice-Chairperson or alternate Co-Chairperson, and the Vice-Chairperson/Co-Chairperson shall perform the functions of Chairperson for that Complaint.

Should the Vice Chairperson/Co-Chairperson have any of the same conflicts as the Chairperson, the Complaint will then be forwarded to another Committee Member, selected on a basis of seniority, until a member does not have a conflict. The CEO shall also advise the Chairperson(s) of all designations held by the Subject Designee and all dates such designations were received.

3. Upon receipt of the Complaint, the Chairperson(s) shall review the Complaint and make an initial determination whether the Complaint, on its face, raises an actual question of ethics under the Codes within 30 days of receipt of the complaint from staff.
  - a. If, in the determination of the Chairperson(s), there is a legitimate question of ethics in the Complaint, the Chairperson(s) shall delegate to the Review Panel the authority to make such inquiries and preliminary investigations as to the matters covered by or related to the Complaint as they deem appropriate (“Inquiry”).
  - b. If the Complaint, on its face, does not state a claim that is actionable under the Codes, or otherwise contains unreliable or insufficient information, or is patently frivolous or inconsequential, the Chairperson(s) may dismiss such Complaint, with written notice to the Complainant from the Chief Executive Officer.
  - c. If there is an active criminal or civil investigation or litigation, or other pending investigation by a governmental or non-governmental entity, the Chairperson(s) may, in addition to actions set forth under Section H.7. of these Procedures, postpone the review pending the outcome of the investigation or litigation. Written notice of the suspended complaint will be sent from Chief Executive Officer to the Complainant and the Subject Designee with a copy of the Complaint.
4. For each matter that the Chairperson(s) determines requires an Inquiry, the Chairperson(s) shall ensure that the CEO promptly provides written notice to the Subject Designee of the identity of the complaining party, the nature of the Complaint specifying the provisions of the Codes that are alleged to have been violated (with a copy of these Procedures and the Code(s)), the potential sanctions, and stating that the Subject Designee shall have the opportunity to respond to the Chairperson(s) regarding the Complaint within thirty (30) days of receipt of the notice. The Chairperson(s) also shall ensure that the Complainant receives written notice that the Complaint is being reviewed.
5. Complaints involving an AAMC member or those AMS, LSM or PCAM members affiliated by employment with an AAMC member shall follow these additional guidelines:
  - a. The Subject Designee may include the firm as well as the PCAM member responsible for the AAMC Member’s management program and other Designees;
  - b. The AAMC member may be held responsible for the ethical behavior of all employees, including any AMS, LSM or PCAM designees under its direction. The AAMC member may also be subject to sanctions for violations of any of its affiliated staff members;
  - c. The person responsible for the AAMC member’s management program (“Supervising PCAM member”) will be advised of any Inquiry regarding the AAMC or any affiliated Designees;

- d. To the extent possible, the review and Inquiry under these Procedures shall be conducted simultaneously in situations where the AAMC member and one or more of its affiliated Designees are involved;
- e. Any determination will recognize and be in accordance with established legal principles of responsibility and liability with respect to agency law and the employer/employee relationship; and
- f. Resulting sanctions, if any, may vary against those involved based upon degree of violation and responsibility.

#### **D. Inquiry**

The following shall govern any Inquiry by the Review Panel:

1. The Review Panel shall have the task of conducting an Inquiry as to the merits of the Complaint and making a recommendation to the Hearing Panel as to whether a violation of the Codes has occurred and any recommended sanction. The Chairperson(s) of the Designation Ethics Committee may be consulted but shall not actively participate in the Inquiry conducted by the Review Panel.
2. Since the nature and seriousness of each alleged violation of the Codes will vary, the Review Panel shall, in its sole discretion, determine the degree of investigation required. The Review Panel shall review the Complaint and related materials and the response of the Subject Designee and may seek further information from any available source or interview the Subject Designee. The Inquiry also may include such actions as:
  - a. Telephone conversations with individuals involved;
  - b. Requests for written or published materials; and
  - c. Visits to the locations(s) involved.
3. The CEO, a designee, and/or CAI legal counsel may consult with the Review Panel with respect to any questions as to compliance with the Codes, these Procedures, or applicable legal principles.
4. Within sixty (60) days from the receipt of the response from the Subject Designee, the Review Panel shall issue a written report to the Chairperson(s) with a copy to the CEO. This report shall explain the background and investigative steps of the Inquiry, the findings of the Review Panel with respect to sections of the Codes considered to be violated and the sanctions recommended, if any, and the basis for the recommendation, and shall include all related documents, correspondence, and other materials obtained and considered during the investigation. Included in this report must be one of the following recommendations:
  - a. No hearing is needed;
  - b. No hearing is needed, but a Letter of Warning, as defined below, should be sent;

- c. The matter should be suspended pending the outcome of an active criminal or civil investigation or litigation, or other professional investigation; or
  - d. A hearing should be conducted and the recommendations of the Review Panel considered by the Hearing Panel.
5. Within fifteen (15) days after receipt of such report, the Chairperson(s) shall ensure that written notice is given to the Subject Designee providing a copy of the report and recommendation of the Review Panel and indicating that:
  - a. The Complaint has been dismissed;
  - b. A Letter of Warning is recommended, which indicates that there was or there is the potential for impropriety which does or could border on a violation of the Codes, and shall be kept confidential and be placed on the Subject Designee's file with appropriate preservation; or
  - c. There will be a hearing on the Complaint, with the date and time of the hearing that will be conducted by telephone or video conference specified and including another copy of the Procedures and advising the Subject Designee that he/she can provide additional written information to be considered by the Hearing Panel in response to the report by the Review Panel.

#### **E. Designation Ethics Hearing**

1. Unless the Chairperson(s) decides otherwise, a single hearing will be conducted regarding the same or similar complaints even if they are against more than one Designee affiliated with an AAMC member and the AAMC member.
2. A majority of the Hearing Panel, including the Chairperson(s) or Vice-Chairperson, shall qualify as a quorum with a majority vote of those present necessary to reach any decision.
3. The agenda for the Hearing shall be established by the Chairperson(s) in accordance with the following outline:
  - a. Report of the Review Panel, which may be presented by the Chair or another member of the Review Panel.
  - b. Response of the Subject Designee(s).
  - c. Questions from the Hearing Panel.

Hearing Panel members can question or seek additional clarification during each of these steps, in the presence of the Subject Designee. The rules of evidence and other legal requirements of trials or similar proceedings are not applicable. It is not expected that legal counsel will represent the Subject Designee during the Hearing but may be granted permission to be in attendance to assist the Subject Designee in presenting the response.

4. Immediately following the hearing, the Hearing Panel shall convene in executive session to reach a decision. The CEO, designated CAI staff member, and CAI's legal counsel may attend the executive session in a non-voting capacity.

The Review Panel member(s) and the Subject Designee shall not be present during the deliberations and voting. These individuals may be called back to answer questions during deliberations. The Hearing Panel shall reach one of these two decisions:

- a. Dismiss the Complaint, in which event, there is no further action within CAI; or
- b. Determine the Subject Designee has committed a violation of one or more of the sections of the Codes and is subject to sanctions as determined by the Hearing Panel in its discretion.

The Hearing Panel shall issue a written report of its determination, which report shall include the findings and determination of the Panel with respect to particular sections of the Codes considered to be violated and the sanctions imposed, if any, and the basis for the recommendation.

## **F. Sanctions**

If the Hearing Panel determines a Subject Designee has violated one or more provisions of the Codes, it will provide a report of its findings and recommend one or more of the Sanctions below. The Hearing Panel, Appeal Panel and/or Board is authorized to modify the Sanctions below as they deem appropriate to a Designee's violations.

1. Successful Completion of a CAI Approved Course in Community Association Ethics

This Sanction may be appropriate when the Subject Designee has demonstrated a lack of understanding or compliance with the ethical standards in the industry. The Sanction may stand alone or in combination with any Sanction below. This Sanction shall be deemed satisfied with proof of successful completion of the course, within 90-days, or such longer time frame as agreed to by the Chief Executive Officer. Failure to provide certificate of successful completion, within the allotted timeframe, may result in additional sanctions up to and including Revocation.

2. Private Letter of Admonishment

This Sanction may be appropriate when a violation of the Codes of Ethics occurred as an unintentional consequence of otherwise legal and ethical behavior, or the breach is sufficiently minor to merit this level of action, and the Subject Designee is fully cooperative and forthcoming as to the events that have taken place and has, by the time of the Hearing Panel's review, taken steps to mitigate the effect of the actions on others. The Letter of Admonishment is designed to assist the Subject Designee in professional development and will specify the Subject Designee's actions that resulted in a breach of ethical standards and will contain a suggestion(s) for how such breaches may be avoided in the future.

3. Public Censure

This Sanction may be appropriate when a Subject Designee has, for benefitting him or herself or others, intentionally engaged in or performed with reckless disregard activities in violation of the Codes of Ethics. Censure is a public sanction that may be applicable for significant ethical violations that have an adverse effect on clients, competitors, vendors and/or the professional reputation of CAI and its members, without rising to the level of being a crime. Censure may also be applicable when a Subject Designee has received a prior Letter of Admonishment and has once again violated the Codes of Ethics in a manner that would not have as a stand-alone event risen to the level of Public Censure.

4. Public Censure with Suspension of CAI Membership and Credentials

This Sanction may be appropriate for ethical violations involving intentional acts committed for significant financial self-benefit, fraud, unfair trade practices and/or criminal activity. Censure with Suspension may also be appropriate when a Subject Designee has received a prior Public Censure and has once again violated the Codes of Ethics in a manner that would not have as a stand-alone event risen to the level of Suspension. The CAI Designation Ethics Committee may recommend and the Board of Trustees may impose conditions upon the return of the member to active status with CAI.

Suspension of CAI Membership and Credentials may be for any period CAI feels is warranted, in its sole discretion. The Subject Designee may attend CAI events as a non-member during the suspension; however, must abandon all benefits of membership, including the display of the CAI name or logo on any printed or electronic materials.

5. Public Censure with Revocation of CAI Membership and Credentials

Revocation is the most serious of Sanctions; it is the cancelation and loss of opportunity to re-establish all CAI Memberships and/or Professional Designations. Revocation may be appropriately employed to protect the public and the profession from individuals who have a reckless disregard for ethical conduct, demonstrated in a single egregious act event or multiple, lesser violations, such as, but not limited to, chronic disregard for the Codes of Ethics, planned acts of theft or fraudulent business practices, reckless disregard for the health and safety of others, etc. After Revocation, an individual and/or company will never again be eligible for membership in CAI and may no longer attend CAI events. An individual changing one's name, or the reorganization and/or re-naming of a company with substantially similar ownership, shall not be recognized as a new person or entity for becoming a CAI member or re-establishing CAI Credential(s), as determined in the sole discretion of CAI.

Final Action

The Hearing Panel's recommendation shall be provided to the Subject Designee without unnecessary delay, including an explanation of the opportunity to appeal within thirty (30) days of their receipt of the Notice. (See Appeal Procedure below in Section G.) If there is no Appeal, or after the Appeal is concluded, the final recommendation of the Hearing Panel or Appeal Panel as appropriate, will be reviewed by the Board of Trustees. The Board of Trustees may either affirm,

modify, or decline the recommendation, including any sanction. The action of the Board of Trustees is final, without opportunity for reconsideration or further appeal.

#### Communication with Complainant and Others

For sanctions that provide for publication, after communicating the final action, after any appeal, to the Subject Designee, the CAI Chief Executive Officer shall notify the Complainant and other organizations, entities, or state agencies, as determined appropriate by CAI Counsel, of the final disposition of the matter.

#### Publication

When the Sanction results in any level of Public Censure, notice shall be published on the CAI website and in CAI's magazine, "Common Ground", and any appropriate Chapter publication routinely provided to Members in areas the sanctioned member services. The notice(s) shall include the name(s) of the Designee(s), the type of sanction(s) and the section(s) of the Codes that were determined to have been violated.

#### Recordkeeping

Records of all Sanctions shall be perpetually maintained in Member's files. Records of non-published Sanctions shall remain sealed in a Member's files accessible only by CAI professional staff on a "need to know" basis, with appropriate preservation of confidentiality.

### **G. Appeal**

1. Within thirty (30) days from receipt of notice of a determination by the Hearing Panel that the Subject Designee has violated the Codes, the Subject Designee may submit to the Chairperson in writing a request for an appeal. The grounds for the appeal must be stated by the Subject Designee in the request for appeal in accordance with the limited basis for appeal as referenced below in section 3. The Chairperson or Co-Chairpersons of the committee shall appoint an Appeal Panel consisting of at least three, but not more than five, members of the Board, with one member of the Appeal Panel appointed as Chair. The Appeal Panel shall review and make recommendations to the Board on actions, if any, to take on an appeal. The Appeal Panel may review one or more appeals, upon request of the President. No current members of the Designation Ethics Committee, the Review Panel or Hearing Panel may serve on the Appeal Panel; further, no one with any personal involvement or conflict of interest may serve on the Appeal Panel.
2. Upon receipt of notice of an appeal from the Subject Designee, the CEO, working with the Chair of the Appeal Panel, shall provide written notice to the Subject Designee of the Appeal with a summary of the process as provided in these Procedures. The Subject Designee may submit further information to the Appeal Panel in support of the request for appeal.

3. The Appeal Panel may only review whether the determination by the Hearing Panel of a violation of the Codes was inappropriate because of: (1) material errors of fact, or (2) failure of the Review Panel or Hearing Panel to conform to published criteria, policies, or procedures. The Appeal Panel may consider any new evidence determined by the Appeal Panel, in its sole discretion, to be material to the case. The appeal shall be considered during a meeting of the Appeal Panel, which may be by telephone or video conference, but does not include a hearing or any similar trial-type proceeding. The Subject Designee may request to present the Subject Designee's case to the Appeal Panel by telephone or video conference, with approval of such request at the discretion of the Chair of the Appeal Panel. Legal counsel for the Subject Designee is not expected to participate in the appeal process, unless requested by the Subject Designee and approved by the Chair of the Appeal Panel. The President of CAI and the Appeal Panel may consult with the CAI Chief Executive Officer, a designee, or CAI legal counsel at any time.
4. The Appeal Panel conducts and completes the appeal within sixty (60) days after receipt of the request for an appeal. The Appeal Panel shall make a recommendation to CAI's Board of Trustees.

#### **H. Special Situations**

1. State or Regulatory Body Revocation

If any state or regulatory body requiring a certificate, license, permit or other type of credential to act as a community association manager or management company revokes such credential of an AMS designee, LSM designee, PCAM designee, and/or AAMC accredited company for cause, then such member's designations may also be revoked by CAI automatically, subject to written communication to such Designee requesting a showing of good cause why such revocation should not occur.

Based on information provided by a state or other regulatory agency, as well as information submitted by the Designee, the Chairperson or Co-Chairperson of the Designation Ethics Committee and the chief executive officer shall have the discretion to decide if the Designee's designation(s) shall be revoked or whether the matter should be reviewed in accordance with these Procedures.

2. Application Provisions

The awarding of an AMS, LSM, PCAM, CIRMS or RS designation or re-designation or AAMC accreditation or re-accreditation is dependent upon truthful and non-misleading application information and affirmations made by the applicant and subsequent Designee. The awarding of a designation or re-designation is further dependent on the applicant's cause, if any, for answering "Yes" to any question(s) asked under the confirmation section of the Professional Code of Ethics.

All applications may be subject to review by the CAI Designation Ethics Committee. The Chairperson and Vice Chairperson or Co-Chairpersons have the authority to investigate any matter that arises during the application or re-designation process and issue a determination in the case of the applicant's designation or re-designation. CAI reserves the right to deny an applicant based on the determination of the Designation Ethics Committee's leadership.

CAI reserves the right to take disciplinary action at any time if determined under these Procedures that the application or affirmation contains substantive information that is incorrect, invalid, misleading, or fraudulent. All communications and other relevant information regarding the cause for such disciplinary action shall remain in the Designee's file for relevant follow-up should the Designee reapply after a suspension period.

3. Failure to Properly Re-Designate

There are requirements for each Designee to retain the designation. Proof of meeting those requirements is requested of the Designee on a scheduled basis. The Designee has an obligation to be aware of those re-designation requirements and to provide the information requested by CAI to demonstrate compliance.

After reasonable attempts are made to obtain information from the designee, CAI reserves the right to revoke or deny the designation for failure to meet current re-designation requirements.

4. Conviction of a Felony or Equivalent Crime

If a Designee (or the PCAM designee responsible for an AAMC member) is convicted of a felony or equivalent crime or enters a "no contest" or "guilty" plea regarding any felony or equivalent crime, the designation shall be revoked immediately by the CEO in consultation with the Chair of the Designation Ethics Committee. The revocation shall be subject to written communication to such Designee requesting a showing of good cause why such revocation should not occur. Notwithstanding such revocation, the CEO and the Designation Ethics Committee shall have the discretion to decide if the revocation should be reviewed in accordance with these Procedures. Notice of such action shall be provided to the Designee, the Designation Ethics Committee, and the local CAI Chapter President.

5. Failure to Cooperate

If a Designee (or the PCAM responsible for an AAMC member) fails to cooperate by not providing or withholding requested documents, destroying documents, or refusing to answer questions or cooperate with the investigation or inquiry by the time the complaint reaches Hearing, the Chairperson, after consultation with CAI's Legal Counsel and CEO, may recommend suspending the designation(s) immediately until such time as the requested information is provided or a final decision is reached. Should the Designee's actions of withholding information or documents impede or obstruct the investigative process, thereby prohibiting the appropriate investigative body from accomplishing its task, CAI shall have the right and privilege to revoke the designations in accordance with Section F.5., above.

6. Consideration of Alleged Crimes or Civil Offenses

The entirety of this section addresses alleged ethics violations concurrently being pursued by a state regulatory body or as an alleged crime or civil offense in a court of law, the Chairperson or the CAI Designation Ethics Committee may determine to postpone the investigation on the matter until it is adjudicated. If the alleged crime is egregious, such as theft or embezzlement of association funds, the Chairperson in consultation with the CAI Chief Executive Officer and CAI legal counsel may Suspend the accused's Designations or Membership pending adjudication, subject to advanced written communication to the Designee requesting a showing of good cause as to why the Suspension should not occur. The Subject Designee will have thirty (30) days from receipt of notice to provide a written justification. The Chairperson in consultation with the CAI Chief Executive Officer and CAI legal counsel shall make a final determination.

For a complaint postponed by the Chairperson due to an active investigation, the Subject Designee, who will have been notified that a Complaint has been filed against them, must report back to the Chief Executive Officer or designated CAI staff member that the matter has been adjudicated. The Subject Designee must report within thirty (30) days following adjudication. Once notified of the adjudication, the Committee will consider the action taken by the court as the factual finding of criminal misconduct or clearing of such allegation. If the accuser alleges a criminal act(s), but does not file a criminal complaint, the submission will not receive a Hearing until the accuser has refined the complaint to include only alleged violation(s) of the Codes that do not rise to the level of alleged criminal activity.

7. Surrender of Designations

A Designee may voluntarily surrender their Designation(s). Surrendering will carry with it the sanction of Public Censure with Revocation of CAI Membership and Credentials. The individual or their representative shall notify the CAI Chief Executive Officer with a written request to Surrender. The CEO shall forward the request to the Chairperson. Upon receipt, the Chairperson shall review the request and determine whether to accept the surrender or further investigate. An individual changing one's name, or the reorganization or re-naming of a company with substantially similar ownership, shall not be recognized as a new person or entity for re-establishing CAI designation(s), as determined in the sole discretion of CAI.

**I. Use of Designation(s)**

No individual or company that has had a designation suspended or revoked or has resigned, regardless of cause, may use the designation in any fashion during the term of the suspension or revocation. CAI will take whatever action is required, including legal action, should this provision be violated.

**J. Reinstatement Provisions**

1. An individual or company who has had a designation suspended ("Former Designee") may apply to CAI for reinstatement, subject to these Procedures. The Former Designee understands that CAI gives no assurance of reinstatement by accepting a request. The reinstatement will require

proof of continuing education throughout the suspension period and must occur within the standard reinstatement timeframe for the credential.

2. The CAI Designation Ethics Committee or a Review Panel will review and recommend to CAI's Board of Trustees approval or rejection of a reinstatement request, taking into consideration these factors:
  - a. The original cause(s), facts and circumstances surrounding the decision to suspend the designation;
  - b. The Former Designee's current situation; and
  - c. How the Former Designee has addressed the original reason(s) for suspension of designation.
3. No reinstatement request will be considered unless the Former Designee meets all current reinstatement qualifications as outlined in the relevant designation (i.e. AMS, PCAM) reinstatement application and has met continuing education standards during the suspension period as if no loss of designation had occurred.

CAI Staff has no obligation to issue reminders regarding reinstatement requirements or time limits. Each Former Designee shall have received a copy of these Procedures and, therefore, is appropriately advised.

#### **K. Application of Procedures**

1. A Designee is subject to the Code of Ethics Procedures in effect when the Complaint is received.
2. An Applicant is subject to the application provisions in effect when an application is submitted.
3. A Former Designee is subject to the reinstatement provisions in effect when a request for reinstatement is received.
4. CAI reserves the right to amend these Procedures as it determines is appropriate.
5. Should a court determine that one or more of these Procedures are unenforceable, the rest of the Procedures remain in force.

#### **L. Confidentiality**

All investigations and deliberations under these Procedures are conducted in confidence, with all written communications sealed and marked "Personal and Confidential," and they are conducted objectively, without any indication of prejudgment. The rules of evidence and other legal requirements of trials or similar proceedings are not applicable.

Only the following persons should be advised of a Complaint, Inquiry, Hearing or Appeal:

1. The Chairperson, Vice-Chairperson, Co-Chairpersons, and members of the Designation Ethics Committee.
2. The Review Panel;
3. The Hearing Panel;
4. The Appeal Panel;
5. The Subject Designee(s);
6. Others who may have to be contacted by CAI as part of the investigation; and
7. The Chief Executive Officer of CAI, CAI's Legal Counsel, and such CAI national staff members as are determined by the CEO to be essential to carry out the purposes of these Procedures.

The Complainant's identity shall remain confidential until such time that the Complaint is considered subject to ethical review under these procedures.

All persons involved in the conduct of an Inquiry also shall exercise their best efforts not to reveal the identity of the Complainant, unless it is determined by the Chairperson as important to the review of any Complaint or Inquiry, and to maintain integrity, impartiality, and confidentiality of the process.