

GRIEVANCE PROCEDURE
NATIONAL ASSOCIATION OF THE REMODELING INDUSTRY, ATLANTA CHAPTER

PREFACE

The National Association of the Remodeling Industry – National (“*NARI National*”) has authorized each of its chapters to adopt grievance procedures. This Grievance Procedure was developed and recommended by the Ethics Committee of **NATIONAL ASSOCIATION OF THE REMODELING INDUSTRY, ATLANTA CHAPTER (“*NARI Atlanta*”)**. This procedure was approved by the Board of Directors of NARI Atlanta at a duly constituted meeting of the Board at which a quorum existed on October 25, 2005. This procedure replaces the former procedure as to any open, outstanding or new complaints as of the approval date. The Board of Directors of NARI Atlanta hereby authorized the Ethics Committee to adopt such additional rules and interpretations of these procedures as determined appropriate by the Ethics Committee and to implement these procedures. Whenever these rules and procedures refer to NARI Atlanta, they shall be implemented and determined by the Ethics Committee unless context requires otherwise.

OVERVIEW

One purpose of the National Association of the Remodeling Industry (“*NARI*”) is to advance and promote the remodeling industry’s professionalism, product and vital public purpose. NARI is committed to being professional, ethical, honest and dedicated to high standards. NARI Atlanta is governed by its Articles, Bylaws, Code of Ethics and other rules and standards applicable to NARI Atlanta including those applicable to NARI Atlanta by virtue of its charter with NARI National (collectively “*Governing Documents*”) all of which represent the agreement between NARI Atlanta and its members. These grievance procedures were established to assist NARI Atlanta and its members (as well as NARI National, as applicable) uphold the integrity of its Governing Documents. Additionally, the Ethics Committee is authorized to modify and amend these procedures and their implementation to achieve the goals, purposes and objectives of NARI Atlanta.

APPLICABILITY

When a grievance is received the preliminary process begins by a determination that the grievance has been filed against a member subject to the jurisdiction of these rules: The determination of the Ethics Committee as to the applicability shall be definitive.

A. Chapter Members. A grievance may be filed under these procedures against any non-excluded Chapter Member of NARI Atlanta by a complainant or against any member by NARI Atlanta. These are members having a “Regular Membership” or similar classification in accordance with the rules of NARI Atlanta (including those of the Membership committee or NARI Atlanta’s Executive Director). For purposes of these procedures, Chapter Members may be deemed to include those who have made application for Membership to NARI Atlanta, those parties whose membership have been suspended or terminated, and those parties who may have resigned their membership and special rules may apply to these parties as may be determined at any time by NARI Atlanta in its sole discretion in order to protect the reputation and purposes of NARI. Generally, unless NARI Atlanta shall specifically, in its sole discretion, determine otherwise, a Chapter Member which for itself (or through a parent organization having full or controlling ownership), has an aggregate of 100 or more full time employees and a separate independent full-time dedicated complaint department, shall not be covered by these procedures with respect to a complaint from a consumer. In addition, Chapter Members who are affiliates such as Lenders, Publications and Public Utilities who are not excluded by virtue of their status as National Members may be excluded if they are subject to the direct jurisdiction of a state regulatory agency which has a consumer grievance

-- References to the “OCGA” are to the Official Code of Georgia. Current Georgia law is available online under www.georgia.gov.

procedure (other than a construction licensing board or agency). Nothing however is intended to exempt any member from a complaint filed by NARI, NARI Atlanta or the Ethics Committee, whether under these rules or any of the Governing Documents.

B. Members-at-Large and National Members. Members who are classified as Members-at-Large (outside the geographic boundary of NARI Atlanta), another NARI chapter or a National Member (supplier, distributor, manufacturer or other categories as determined by NARI) will be subject to the grievance procedure established by NARI National and generally are not covered by these procedures. However, if NARI Atlanta shall determine in its sole discretion, that in order to protect the reputation or to carry out the goals, objectives and purposes of NARI, that the specific circumstances require otherwise, these procedures are not applicable to these members.

C. Honorary Members. Generally, unless NARI Atlanta shall determine in its sole discretion, that in order to protect the reputation and purposes of NARI and NARI Atlanta, that the specific circumstances require otherwise, these procedures are not applicable to these members.

E. Others: Grievances against a member of NARI National or any other NARI Chapter may be filed under their respective procedures to the extent permitted by those respective procedures. Generally, unless NARI Atlanta shall determine in its sole discretion, that in order to protect the reputation and purposes of NARI, that the specific circumstances require otherwise, these procedures are not applicable to these members.

Scope of Grievance Procedure

These procedures are intended to apply to complaints brought against members by parties other than NARI National or NARI Atlanta (or any of the duly authorized committees of NARI Atlanta) Nothing in these procedures shall limit the separate powers of the Board of Directors or the Ethics Committee to take disciplinary action against members for cause under any of the Governing Documents; however, the Board of Directors and the Ethics Committee may refer to these procedures as a reference in any action taken.

PROCEDURES

Step 1: Preparation/Submission of Complaint

Any complaint against a member of the NARI Atlanta from a complainant, regarding a contract between the complainant and member, must be received in writing, in English, no later than six months of the later of (i) the last day of work regarding the contract or punchlist; or (ii) the date of the original contract or (iii) if relating to a warranty claim, the date of the last work on the warranty claim. Claims that are improper, incomplete or otherwise determined lacking will be returned and processing will be significantly delayed. The complaint must:

- be clearly, concisely documented and typed or legibly written including the submission of any required form prescribed by NARI Atlanta;
- if the complainant is NOT a member of NARI then the complainant shall agree to acknowledge, consent and abide by these procedures (including a hold harmless against NARI Atlanta and its advisors, officers, directors, advisors and other members);
- specify the precise provisions of the Governing Documents (including the Bylaws and the, Code of Ethics) and/or standards, breach of contract and/or unlawful practice (including the specific code or other reference) alleged to be breached or violated and the facts applicable to evidence the claims ;
- include all pertinent details (date, time, place, individuals involved with complete contact information, supporting documentation);
- Provide a copy of the contract and all relevant information including any and all documentation and information required to be provided under OCGA §8-2-39.

-- References to the "OCGA" are to the Official Code of Georgia. Current Georgia law is available online under www.georgia.gov.

- disclose the relationship of the complainant to the member;
- The complaint shall state the Complainant's desired resolution regarding the complaint, which may include a request for monetary damages or repairs or other corrective action sought;
- Complainant shall sign and certify that the statement and complaint (including all exhibits or attachments) are true and correct and Complainant has not previously filed a complaint regarding the matter with another association or government authority or agency (or if appropriate provide all required information and findings of such association, government authority or agency).

If the complainant has or shall subsequently to the filing of a valid complaint with NARI Atlanta file a legal action against the member, filed or files with another association or agency, or the member shall file bankruptcy (or any similar proceeding), be made the subject of a court or administrative proceeding, then, unless NARI Atlanta shall determine in its sole discretion, that in order to protect the reputation or to implement the objectives, goals and purposes of NARI, that the specific circumstances require otherwise, these procedures are no longer be applicable to such person, subject however to any specific rules or circumstances as NARI Atlanta may adopt in such specific circumstances. If a member's membership is suspended for any reason, including, for example, the nonpayment of dues, or if a membership has been terminated, NARI Atlanta may, at its option, suspend the processing of a grievance until such time as there is an attempt to reactive the membership and NARI Atlanta may make such findings and impose such requirements as a condition of reinstatement or reactivation as NARI Atlanta may determine appropriate.

The complaint should be forwarded to the Executive Director of NARI Atlanta.

Step 2: Response to Complaint

In order to ensure due process, a copy of the complaint will be forwarded to the member. The member will acknowledge receipt of the complaint in writing within 5 days of receipt (however such acknowledgement need not be responsive to the charges, only acknowledge the receipt and obligation to respond in accordance with these rules and procedures). If the procedures of OCGA §8-2-35, et seq. (collectively, the "*Act*") apply, the member will also acknowledge that the complaint meets the statutory notice delivery requirements of OCGA §8-2-39 and waive any objection to the method of service; however nothing in this acceptance of notice shall require member to waive or relinquish any defense or objection against a consumer for failure to provide the information required under OCGA §8-2-38(a). To the extent applicable, the member will be encouraged to contact the complainant and to resolve the complaint to the satisfaction of all parties in accordance with the regulatory scheme created by the State of Georgia and codified at OCGA §8-2-35, et. seq. and the time periods set forth in Georgia statutes, including without OCGA §8-2-38(b).

Regardless of the outcome or pendency of a complaint, the member will be required to provide to NARI Atlanta a copy of any and all responses to the complaint in writing within the time periods set forth in the Act (including §8-2-38) as well as any inquiry from NARI Atlanta. In the event that a time period is not specified by Georgia law or the Act, a written response to any complaint or inquiry (including inquiries from NARI Atlanta) shall be made within ten (10) days. To the extent that the Act is applicable, in the event that the matter is not resolved to the satisfaction of all parties within the time periods set forth in the Act, the complaint and the response will be generally monitored by the Ethics Committee and NARI Atlanta may make such review and disposition as it determines appropriate. The Ethics Committee meets on a regularly scheduled basis for this purpose. In the event that the matter is resolved by both parties, both parties will receive a letter of acknowledgement by NARI Atlanta and a record of the complaint will be archived.

Step 3: Ethics Committee Review

At its next regularly scheduled meeting after referral to the Ethics Committee for hearing, the Ethics Committee will review the complaint and the response. The committee may recommend a course of action for the parties involved, may make findings, may dismiss the matter, may refer the matter to mediation or

-- References to the "OCGA" are to the Official Code of Georgia. Current Georgia law is available online under www.georgia.gov.

arbitration or may request the complainant to seek further action by additional outside third-party (e.g., state licensing/registration body, county regulatory group or board, Consumer Affairs Bureau, civil court, etc.) or the Ethics Committee may recommend action by NARI Atlanta regarding the member, which include suspension, termination or such other action as the Committee sees fit. The final recommendation of the Ethics Committee will be conveyed to the complainant and to the respondent in writing. The committee may, at its option and sole discretion (but without obligation), have such hearings, call such witnesses or review such information or documentation as the committee determines appropriate.

Step 4: Further Action Sought By Ethics Committee

In the event that the Ethics Committee seeks or recommends further action by appropriate outside third party, the complaint will remain open for further consideration until such time that the third-party takes action or makes a recommendation and is conveyed by reliable means. Depending on the outcome of third-party review, the Ethics Committee may determine that action by NARI Atlanta is warranted, including but not limited to suspension or revocation of membership. The complainant and respondent will be notified in writing of the decision. The committee may at its option ask for a review or confirmation of its action by the Board of Directors of NARI Atlanta.

Step 5: Right of Appeal

The decision made by the Ethics Committee may be appealed by either party to a panel consisting of a minimum of three (3) Officers or Directors of NARI Atlanta as determined by the Executive Committee or Board of Directors of NARI Atlanta. Notice of appeal must be received by NARI Atlanta within ten (10) days of the date the Ethics Committee decision was sent to the party. The panel shall schedule its own proceedings and timetable for appeal and its decision shall be final unless an appeal to the Board of Directors is permitted in accordance with the rules. The panel need not conduct a hearing or its own investigation but may make its determination from the Information available and discussions with the committee.

MISCELLANEOUS

1. If a member attempts to resign or fails to make a payment of dues or any other amounts at any time during the pendency of a open complaint, the Ethics Committee may at its option continue any investigation or make any appropriate finding notwithstanding any suspension or resignation. The membership committee may consider the facts and circumstances regarding any complaint or any matter arising in connection with the complaint in any subsequent reinstatement or reapplication.
2. These procedures, rules and regulations are intended for the benefit of NARI and NARI Atlanta and shall not invest in any other person or party any other rights or remedies.
3. NARI Atlanta may make any and all complaints, information, responses, findings, actions, documents or other items (collectively, “*Information*”) public as it determines, in its sole discretion appropriate. Every complainant, by filing a complaint shall be deemed to have granted to NARI Atlanta such rights and interest in the documents and information and such rights to use any and all Information regarding these matters as NARI Atlanta shall deem appropriate including the rights to make public information or provide information in news reports, releases or publicity. Every member agrees that NARI Atlanta may use such Information for any purpose NARI Atlanta may deem appropriate including the right to make public or provide Information in news reports, releases or publicity or to provide Information to the public or others regarding the member including the member’s status with NARI Atlanta or NARI.
4. These procedures and any rules or regulations may be changed by NARI Atlanta at any time and such changes may be made applicable to any and all proceedings, pending or otherwise. The Ethics Committee is authorized to determine if a filing fee or service charge shall be required to be paid to offset reasonable costs including overhead, ethics and consumer education costs, administrative costs, third party

-- References to the “OCGA” are to the Official Code of Georgia. Current Georgia law is available online under www.georgia.gov.

service costs, and other costs and to impose those costs in accordance with reasonably established guidelines against either or both parties. The Ethic Committee may also consider if and when such fee may be waived in appropriate circumstances or whether it may vary on a sliding basis or scale.

5. NARI Atlanta may at any time establish a consumer awareness notification process / confirmation to provide to consumers any “rating” of a member or any “status” regarding disciplinary or ethics matters. Each member hereby consents to the establishment of any and all such processes / confirmations and to any publication, publicity or other finding made.

6. Each member hereby waives and releases any and all rights or causes of action against NARI, NARI Atlanta, the Ethics Committee or any of its officers, directors, members or advisors regarding any and all actions, findings or other matters relating in any way to these procedures.

7. Should NARI Atlanta determine to enter into a mediation or arbitration program with an outside agency, the Ethics Committee may establish such rates as may be applicable and such rates or fees may be divided between complainant and member as NARI Atlanta determines appropriate. If a complainant elects binding arbitration, the member agrees to participate unless precluded by operation of law or if such proceeding would cause a material unfair result and the matters are actually pursued in another forum.

-- References to the “OCGA” are to the Official Code of Georgia. Current Georgia law is available online under www.georgia.gov.