

NHSCA Special Call on Policies and RESPA
Thursday, August 2, 2018 at 2:30 pm CDT.

2-10 Home Buyers Warranty: Mike Bartosch
AHG Home Warranty: Chad Forbush
AHS Family of Companies: Tom Courtney, Mark Celichowski
America's Preferred HW: Rodney Martin, Phil West, Mike Sadler
Fidelity: Howard Brothers
First American: Jeff Powell
HMS National/Cross Country: Doug Stein, John Walsh
HomeGuard Home Warranty: Robert Hessling
HWA/Direct Energy: Leah Barton
National Home Guaranteed: Richard Adams
Nations Home Warranty – Rick Husskison
Old Republic Home Protection: Gwen Gallagher, Lorna Mello, Chris Wasson
Universal: Joel Luther
NHSCA Staff: Art Chartrand, Joy Moore

Roll call was taken and a quorum was present.

1. Upon motion by Adams and second by Bartosch to approve the minutes, as *amended*, from June 21, 2018, it passed unanimously.
2. A policy titled *Officer and Exec Director Protocol on Official NHSCA Communication, Priorities or Positions* was circulated to all members for comment. Chartrand indicated this was simply a restatement of current protocol but was important to put in writing as a formal policy. There was no further discussion or comment. Upon motion by Bartosch and second by Brother, the protocol Ver. 3.1, dated 08/01/18 as noted above [**Attachment A**], was adopted unanimously.
3. Chartrand read a formal motion submitted by a member regarding RESPA as follows:

It is moved to have an official vote on the topic of RESPA, the discussion of which was had June 21 at our National Meeting in Mackinac Island with all but one member present, that the position of the NHSCA be to **NOT** pursue an exemption from RESPA by changing our status as Settlement Service Providers, or repeal Section 8 of RESPA to create an exemption, or otherwise solicit the support of RESPRO, NAR or any other third party to this end.

There was no second. Discussion ensued. Amended motions were discussed. Lacking any adopted new motion, it was clarified that the NHSCA present position is that we have no consensus of support for any changes to RESPA and do not support or advocate any changes in RESPA at this time. Martin noted that based upon the communication protocol just adopted, only the NHSCA President and Executive Director were authorized to communicate on behalf of the NHSCA and the home warranty industry as a whole. Individual members are always free to pursue or advocate any position, but not on behalf of the home warranty industry or the NHSCA.

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A motion was made by Mello and second by Adams to table the discussion until September 6 next regular conference call. It passed unanimously.

The call adjourned at 3:00 pm CST. Next regularly scheduled monthly call is September 6, 2018 at 2:30 pm CDT.

ATTACHMENT A

Officer and Exec Director Protocol on Official NHSCA Communication, Priorities or Positions

Ver. 3.1 08/01/18

Originally Proposed Policy July 2018

The NHSCA values energetic and respectful debate on any issue that does not violate its Antitrust policy or Code of Ethics. As a voluntary trade association, the NHSCA only acts with respect to matters that a majority of the Association has voted to approve, and only to the extent such action has been approved.

NHSCA official positions and priorities are:

- Set by the Board at regular meetings and conference calls.
- Only made at a meeting or call at which a quorum exists.
- Made by recorded motion, second and vote.

If an official vote is taken, the Bylaws only approve action by the majority when a quorum exists. The President of the NHSCA and Executive Director are authorized to speak on behalf of the NHSCA.

The President of the NHSCA and Executive Director, or those they designate, (such as hired PR or spokespersons), are authorized to speak and lobby on behalf of the NHSCA at any time with legislative, regulatory, media or the public to further advance the established historical positions and priorities of the NHSCA.

In the event an NHSCA position must be communicated to outside parties, a draft should be circulated between the President and Executive Director who should first agree the position is accurate and clear prior to dissemination. They should then determine if the officers and full membership require advance or follow up notification copy. Members understand that routine or well-established NHSCA policy may be an exception to this protocol. NHSCA members are free to act and speak on behalf of their own companies even when such positions may conflict with NHSCA official positions. While members may quote official NHSCA positions or model laws, they should not speak or imply they are representing the NHSCA **or the industry as a whole.**

NHSCA believes in operating within the bounds of unquestioned integrity, honesty and fairness to everyone, including those in government, to non-members and those with adverse interests. Members acknowledge that in the arena of politics, the Executive Director and NHSCA lobbyists must be empowered to execute **strategy** to achieve desired results. This may often be via confidential communication or with limited member notice and debate.

Members are never to discuss or reveal NHSCA strategy to outside parties. Any questions should be referred confidentially to the NHSCA President or the Executive Director who then shall confer with each other if further action is indicated.

The Executive Director should not pursue individual requests or matters on behalf of the NHSCA that have not been approved for priority or previously consistent with established NHSCA policy. Exceptions exist in matters of emerging legislative or administrative action where immediate action is necessary. In such cases, the Executive Director and President are empowered to act. In such cases, the NHSCA officers and remainder of the membership should be consulted or advised as soon as feasible. Routine matters that represent past positions and priorities need only be presented at routine monthly conference status calls.

The Executive Director, in consultation with the President, is authorized to employ a lobbyist up to \$5000 if necessary in a quickly emerging matter. As soon as practical thereafter, a vote should then be taken of the members on how to proceed further.

All members should take upon themselves the responsibility to refer to the NHSCA President and staff any issue, legislative initiative or media report they feel may impact the NHSCA or its members. Communication is a joint effort and responsibility. Members recognize that strategy, with limited resource allocation, is in the discretion of the Officers and Executive Director until modified by Board action.