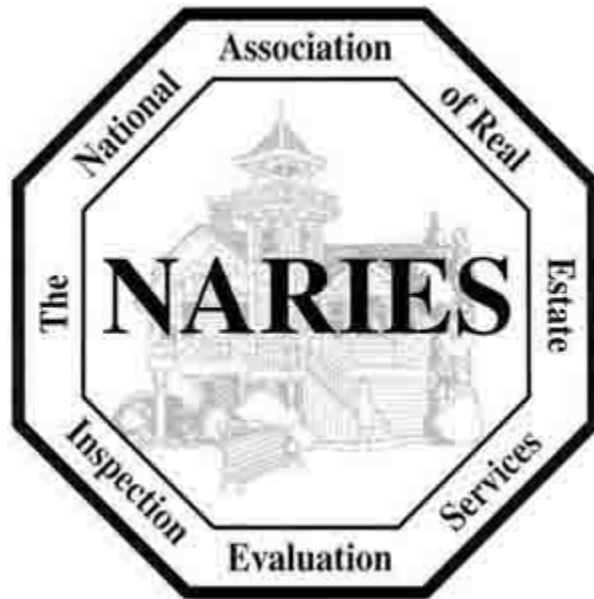


**CODE OF ETHICS AND PROFESSIONAL CONDUCT
FOR MEMBERS**



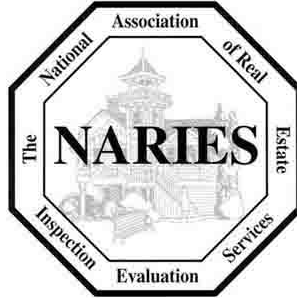
**THE NATIONAL ASSOCIATION
OF
REAL ESTATE INSPECTION AND
EVALUATION SERVICES**

NARIES™

A SUBSIDIARY OF WARIES LTD.

Published by

The National Association of Real-estate Inspection and Evaluation Services



The National Association of Real-estate Inspection and Evaluation Services, N.A.R.I.E.S.™ , a for profit corporation, was established in 1998 as an association responding to the industry need to organize and place into one organization, related real estate professionals, particularly residential and commercial building inspectors and appraisers, so they may respond to the public and the real estate industry, regarding the physical conditions of residential and commercial sites, buildings and structures. More importantly, this should provide improved consumer knowledge about the building inspection and appraisal business through good communication, education, marketing and promotion.

The mission of the National Association of Real-estate Inspection and Evaluation Services is to provide leadership through the use of our professional standards of practice and our professional code of ethics and conduct to develop the highest level of professional practice and industry excellence in the examination and inspection of real estate, including sites, buildings and other structures; provide training programs for certification and designations; provide public information regarding the examination and inspection of sites and buildings, particularly the consumer and homeowner, their inspectors and appraisers, and how to hire them.

ASSOCIATION GOAL

The association goal is to be dedicated to the advancement of knowledge to its members and consumers, about the examination and inspection of sites and buildings, including residences, commercial buildings, and structures, the related professions within the real estate and construction industry, and to be a professional association providing building inspection training, residential and commercial certification, support, education, resources for self-improvement, and opportunities for business for all of its members.

Additional copies of The N.A.R.I.E.S. Standards of Practice are available from:

N.A.R.I.E.S.

P.O. Box 532

Edmonds, WA 98020

Phone/Fax: 800-583-5821

Email: crmsnsky@wolfenet.com

Published in the United States of America 2010 © by

The National Association of Real Estate Inspection and Evaluation Services

All rights reserved

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by means electronic, mechanical, photocopy, recording or otherwise, without the prior written consent of the publisher.

CODE OF ETHICS
AND
PROFESSIONAL CONDUCT FOR MEMBERS

The National Association of Real-estate Inspection and Evaluation Services is a professional organization of Appraisers, Building Inspectors, Assessors and other interested professionals who are dedicated to the highest standards of professionalism, integrity, and competence. This code of ethics and professional conduct have been provided to assist these people to meet their goal.

The duties are in addition to any required by states or local jurisdictions whose codes of ethics and professional conduct varies from NARIES™ . Members will want to become familiar with the requirements of other types of required codes.

PREAMBLE:

Members of The National Association of Real-estate Inspection and Evaluation Services are dedicated to the highest standards of professionalism, integrity, and competency. The following code of ethics and principals are guidelines for the conduct of members in fulfilling those duties. They are applicable to all professional activities and address the responsibilities to the public which the professional serves, to the clients and users of building inspection activities, (who purchase and sell real estate) and to the art and science of the examination and inspection of sites and buildings and related real estate, and the continuation of knowledge and the legacy of the profession.

The code is arranged in two levels, ethical standards, and rules of conduct which are placed under five separate duties. The duties are simply broad principals of conduct. Ethical standards are specific goals members should seek. Rules of conduct are mandatory, the violation of which could cause removal from the association.

DUTIES IN GENERAL:

All members should maintain and advance their knowledge of the art and science of the examination and inspection of sites and buildings, respect the existing body of examination and inspection accomplishments and contribute to its growth. Learned and uncompromised judgment should take precedence over any other motive in the pursuit of the examination and inspection of sites and buildings.

Ethical Standard 1.1 – Knowledge and Skill: Members should endeavor to the best of their ability to improve their professional knowledge and skill.

Rule of Conduct 1.11: In practicing the examination and inspection of sites and buildings, members shall demonstrate a consistent pattern of reasonable care and competence, and shall apply any general and technical knowledge, and skill which is ordinarily applied by inspectors in good standing practicing in the same locality.

Rule of Conduct 1.12 – Members: Members shall not undertake or attempt to provide professional services if their competence is substantially impaired by physical or mental disabilities.

Ethical Standard 1.2 – Standards of Excellence: Members should continually work to raise the standards of communication excellence, education, training, research and practice.

Ethical Standard 1.3 – Public Understanding: Members should endeavor to the best of their ability to improve public appreciation and understanding of the examination and inspection of sites and buildings, and the functions and responsibilities of building inspectors and appraisers.

Ethical Standard 1.4 – Allied Arts and Industries: Members should promote allied arts and industries and contribute to the knowledge and capability of the real estate industry as a whole.

DUTIES TO THE PUBLIC:

Members should uphold and advance the spirit and letter of the law governing their professional affairs, and should thoughtfully consider the public impact of their professional activities.

Ethical Standard 2.1 – Conduct: Members should uphold the law in the conduct of their professional activities.

Rule of Conduct 2.11: Members shall not, in the conduct of their professional practice, unknowingly violate the law.

Rule of Conduct 2.12: Members shall neither offer nor make any payment or gift to anyone with the intent of influencing the judgment and decisions in connection with an existing or prospective client whom the member is interested in.

Rule of Conduct 2.13: Members serving in a public capacity shall not accept payments or gifts which are intended to influence their judgment.

Rule of Conduct 2.14: Members shall not engage in conduct involving fraud or wanton disregard of the rights of others.

Rule of Conduct 2.15: If, in the course of their work, a Member becomes aware of a decision made by their employer or client, against the Member's advice, which violates any law or regulation, and which will in the Member's judgment, materially affect adversely life, health, and safety to the public, the member shall (a) refuse to consent to the decision; (b) report the decision to the responsible authority charged with the responsibility for the property unless the Member is able to cause the matter to be resolved by other means.

Rule of Conduct 2.16: Members shall not engage or assist a client in conduct that the member knows, or reasonably should know is fraudulent or illegal.

Ethical Standard 2.2 – Civic Responsibility: Members should be involved in civic activities, as citizens and professionals, and promote public awareness of issues about the examination and inspection of sites and buildings.

Rule of Conduct 2.21: Members making public statements regarding the examination and inspection of sites and buildings, shall disclose when they are being compensated for making such statements or when they have an economic interest in the issue

Ethical Standard 2.3 – Human Rights: Members should uphold human rights in all of their professional endeavors

Rule of Conduct 2.31: Members shall not discriminate in their professional activities on the basis of race, age, gender, religion, national origin, disability, or sexual orientation.

DUTIES TO THE CLIENT:

Members should serve their clients in a competent and professional manner and provide unprejudiced and unbiased judgment when performing their professional services.

Ethical Standard 3.1 – Competence: Members should serve their clients in a timely and competent manner.

Rule of Conduct 3.11: When performing professional services, members shall consider applicable laws and regulations. Members may rely upon advice from other qualified persons as to the meaning and intent of those laws and regulations.

Rule of Conduct 3.12: Members shall perform professional services only when they and any of their consultants are qualified by education, training or experience, or as required by law in the specific technical areas involved.

Rule of Conduct 3.13: Members shall not alter or change the scope or objectives of a particular object without the clients consent.

Ethical Standard 3.2 – Conflict of Interest: Members should notify clients, owners or other contractors, of any significant circumstances known to the member which could be construed as creating a conflict of interest, and to be sure that such conflict does not compromise the interests of others or interfere with the members duty to render impartial judgments and recommendations.

Rule of Conduct 3.21: Members shall not accept compensation for services from two or more parties unless the circumstances are disclosed and agreed to by all parties involved or otherwise.

Rule of Conduct 3.22: If members have any direct or indirect business interests which could influence their judgment in connection with providing professional services, the member shall disclose to the client the nature of the interest, and if the client does not approve, the member shall terminate the association or interest, or cancel the services.

Rule of Conduct 3.23: When acting by agreement as an independent professional providing an opinion of condition and being the judge of conditions involved, the member shall render opinions impartially and objectively, favoring no other parties involved.

Ethical Standard 3.3 – Candor and Truthfulness: Members should be candid and truthful in their professional communications.

Rule of Conduct 3.31: Members shall not intentionally mislead clients about the results obtained through using the members services, nor shall members indicate they can provide services in ways that violate the law, any rules or regulations.

Ethical Standard 3.4: Members should respect the sensitivity and confidentiality of information obtained in providing their professional services.

Rule of Conduct 3.41: Members shall not reveal any information obtained while providing professional services which have been provided in confidentiality, and if disclosed would affect the interests of another party adversely. Exceptions to this would be if the information involved an act or situation which violated the law, or presented a risk to the public regarding life, health, and safety or to establish a defense in behalf of the member, or to comply with any applicable law.

DUTIES TO THE PROFESSION:

Members should uphold and promote the integrity and dignity of the profession.

Ethical Standard 4.1 – Honesty and Fairness: Members should provide their professional services in a honest and fair manner.

Rule of Conduct 4.11: Members shall adhere and comply with all registration laws, rules and regulations, governing their professional practices whether regulated as a profession or not.

Rule of Conduct 4.12: Members shall be truthful, and not make false statements in connection with applications for registrations required by law, or their application for NARIES™ membership.

Rule of Conduct 4.13: Members shall not assist anyone obtain registration and membership in NARIES™ whom the member knows is unqualified with respect to education, training, experience and character.

Rule of Conduct 4.14: Members knowing that another member may have committed a violation of this code regarding that members honesty, trustworthiness or fitness as a member shall report such information to this association.

Rule of Conduct 4.15: Members shall not sign reports, opinions or other professional work, which they have not personally provided, or directly supervised and reviewed, unless they have reviewed the work, coordinated their preparation and intend to be responsible for their adequacy.

Rule of Conduct 4.16: Members speaking or making oral presentations shall not knowingly make false or misleading statements of material fact.

Rule of Conduct 4.17: Members shall accurately represent their qualifications, scope and nature of their responsibilities in connection with any of their professional services or work.

Rule of Conduct 4.18: Members shall not copy or reproduce copyrighted material in the provision of their services without the written permission of the author.

Ethical Standard 4.2 – Dignity and Integrity: Members should actively promote the dignity and integrity of the profession and ensure that their representatives and employees conduct themselves in conformance with this code.

Rule of Conduct 4.21: Members shall not make any false, misleading or deceptive statements regarding their professional qualifications, experience or performance.

Rule of Conduct 4.22: Members shall ensure that those they supervise conform their conduct to this code.

DUTIES TO COLLEAGUES:

Members should respect the rights and respect the professional contributions of their colleagues.

Ethical Standard 5.1 – Professional Environment: Members should provide their employees with a suitable working environment, fair and equitable compensation and assist in their professional development.

Ethical Standard 5.2 – Professional Recognition: Members should build their professional reputation on the merits of their service and performance, and recognize others for the professional work they have performed.

Rule of Conduct 5.21: Members shall recognize and respect the professional work and contributions of other members.

Rule of Conduct 5.22: Members leaving an office of employment shall not remove or take any materials relating to the work performed or otherwise, without the written permission of the employer.

Rule of Conduct 5.23: Members shall not unreasonably withhold copies of materials relating to work performed by the employee, in the members service, which are not confidential.

RULE OF ENACTMENT:

Enactment

The Code of Ethics and Professional Conduct is enacted at which time a member chooses to be designated as a professional member.

Enforcement

At this time, enforcement is voluntary. At a future date, a Board of Directors shall provide a procedure of enforcement of this code.

Amendment

Any amendments, changes or alterations may be made by suggestion and/or direct presentation. At a future date, a Board of Directors shall provide a procedure of amending this code.