



INTRODUCTION

Government policy has a direct impact on the everyday practice of private real estate lending. With recent trends pointing toward ever-increasing regulation, it is more important today than ever that private lenders are heard in the halls of federal and state legislatures.

The fate of issues that impact the private real estate lending profession are most often in the hands of people who know little about it. Legislators depend on private lender input to create sound public policy where it impacts – whether intentionally or not – our industry.

AAPL's advocacy role is to:

- Serve as a unified voice for the private real estate lending profession;
- Impact state and federal legislation/regulation/policy where it affects our profession;
- Provide a platform for AAPL members' participation in the democratic process;
- Educate and inform public policy makers, influencers, and citizens with its specialized knowledge and expertise.

This policy provides direction to AAPL members on what they can and can't do on behalf of the association and creates a transparent process for how the organization's position statements are determined and disseminated.

PRACTICES

In fulfilling its advocacy role, AAPL may engage in the following practices in conjunction with its Government Relations Committee, Committee Volunteers, and AAPL members:

- 1. Issues Identification and Analysis:** Monitor relevant political and regulatory environments, identify issues, and provide expert analysis on the potential effect on membership. Reassess and realign issues and priorities using frequent environmental and status scans.
- 2. Develop and Publish Position Statements:** Draft views that align with the interest of the private real estate lending industry, profession, AAPL and membership.
- 3. Government Interaction:** Develop meaningful relationships with government officials and create statements that are positive, thoughtful, brief, to the point, and technically accurate.
- 4. Testimony:** Assist AAPL member experts by providing oral or written testimony or comments. Where facts are incomplete or not yet available, AAPL will acknowledge that status and offer to gather information later.
- 5. Regulatory Government Relations:** Provide comments when a regulatory agency publishes proposed regulations and requests comments. AAPL will submit comments in writing, in a timely manner, and include input from members affected.
- 6. Coalitions:** AAPL may have a stronger voice when working through a coalition group. AAPL will create or identify existing coalitions to network through these groups on common issues for purposes ranging from information sharing to collaborative action.
- 7. Public Relations:** Communicate views to its members and the public by utilizing appropriate vehicles, including speakers, briefings and trainings, with content based on approved position statements.



| PRACTICES (CONTINUED)

- 8. Candidate Events:** Where appropriate, interact with candidates and political parties at events hosted by candidates.
- 9. Grasstops Campaigns:** Utilize members and AAPL contacts who have a high-value or personal relationship with elected or appointed government officials.
- 10. Grassroots Campaigns:** Create and/or support efforts to mobilize members and voters in elected officials' districts. This may include:
- Hosting house meetings or parties.
 - Gathering signatures for petitions.
 - Mobilize letter-writing, phone-calling, and emailing campaigns.
 - Setting up information tables.
 - Raising money from donors for political advertising or campaigns.
 - Organizing large demonstrations.
 - Asking individuals to submit opinions to media outlets and government officials.

| MEMBER CONDUCT

All members should exercise their right to participate in electoral and political activities. These activities are in many ways a professional duty: legislatures consider hundreds of thousands of bills annually, many of them affecting the practice of private real estate lending. If your legislators do not hear from you, they don't know that you care about an issue. There is no replacement for you speaking on your own behalf.

Electoral and political activities may be undertaken by AAPL members acting in their individual capacities, not in their official capacities as AAPL Members, Committee Members, Committee Volunteers, and/or any other affiliation with AAPL. Activities in an official capacity are permissible only with express written authorization from AAPL's Managing Director Linda Hyde.

An activity is undertaken in an official capacity if it uses the American Association of Private Lenders' name or brand in a way that implies an AAPL endorsement of the activity. Activities may include but are not limited to anything involving a candidate, ballot measure, policy position, political contribution/donation, gift, advocacy group, testimony, letters, meeting, and/or public statement.

Members should understand that their conduct, even in an individual capacity, may still reflect on the private real estate lending industry and AAPL. Whether acting in an individual or official capacity, all AAPL members must adhere to AAPL's Code of Ethics.

| VIOLATIONS

Non-compliance with this policy may result in substantial legal liability and public embarrassment for AAPL. Therefore, AAPL may take disciplinary action with anyone who violates this policy, including termination of membership, contract or affiliation with AAPL, and/or further legal action.