



# **Mineral Management Program Policies and Procedures NARO Foundation**

## **I. OBJECTIVE**

The objective of the Voluntary Certification Program Policy, hereafter referred to as the Policy, is to enhance and to provide unique educational opportunities and credentials for those members wishing to improve mineral management skills for personal or job-related use.

The Policy shall provide a standard which the public, the industry and other official organizations will recognize as reliable evidence that a designated Registered Mineral Manager (RMM) and Certified Mineral Manager (CMM) possesses knowledge, experience and competency in the duties generally associated with oil and gas mineral and royalty management through the Mineral Management Program (Program).

The Program is administered by the NARO Foundation. All educational seminars and related continuing education courses are professionally designed by directors of the Institute, the Association, and the Certification Committee.

## **II. CMM CERTIFICATION COMMITTEE**

The Certification Committee, appointed by the NARO Foundation Board, shall consist of no less than four and no more than seven members, all of whom possess current and compliant CMM Certifications. The members of the committee may represent various disciplines related to mineral management. This may include, but is not limited to: landmen, accountants, attorneys, educators, and other experienced professionals.

### **A. RESPONSIBILITIES**

The Certification Committee has the authority and/responsibility to:

1. Review, recommend, select, and approve course curricula, marketing materials, expenditures, instructors, certification requirements and administrative procedures and additional courses.
2. Arbitrate and resolve all related disputes.
3. Recommend to the Foundation Board denial or revocation of certification.
4. To set appropriate certification fees.
5. Approve all requests for special consideration of Educational Credits or the fulfillment of certification requirements.
6. Develop, oversee, and administer all examinations. Approve or deny candidates' request for sequential testing on a case-by-case basis. Approve or deny candidates' request for retesting failed exams. Establish and adhere to protocol determining retesting and sequential testing arrangements. Score exams in a timely and efficient manner, reporting areas of weakness to the candidate.
7. Inspect and audit Program participants for program compliance.
8. Maintain Program databases and backup databases

9. Determine the eligibility of candidates' professional qualification for prerequisites Education Credits and determine appropriate number of credits for such qualifications.
10. Determine the eligibility of candidates' and certified members' non-NARO/ industry related educational credits for prerequisite and recertification and determine appropriate number of credits.
11. Notify each Program Participant of recorded Educational Credits after submission as well as before recertification in writing.

#### B. Delegation of Duties

Certification Committee can delegate by letter duties needed to operate to the Certification Registrar. Delegation is binding by this letter for a period not to exceed 13 months unless rescinded by the Certification Committee or the NARO Foundation Board. The letter of delegation will be reviewed and updated annually.

#### C. Certification Registrar

The Certification Registrar operates as an agent of the Certification Committee performing the day-to-day operations of the duties delegated. The Certification Registrar serves as the primary contact to the Program participants.

### III. QUALIFICATIONS

#### A. Entering the Program

Each candidate for certification as either a RMM or CMM must be a NARO member in good standing in order to take the exams and to receive and maintain certification at either level.

#### B. Certification Levels

The Program provides for two distinct levels of certification:

1. Registered Mineral Manager (RMM)
2. Certified Mineral Manager (CMM)

#### C. CMM Emeritus

The CMM Emeritus distinction is designed for the individual who currently holds a valid CMM certificate, who has previously had ten (10) years of good standing in the CMM program with at least one renewal, who is a member in good standing of NARO and who no longer receives compensation for their mineral management services.

#### D. Registration for Certification

All candidates for certification must complete registration in the Program prior to sitting for the first examination. Candidates will be certified as an RMM by achieving a passing score on Examination 1 and fulfillment of Prerequisite Educational Credits. Candidates will be certified as a CMM by achieving a passing score on Examinations 1 & 2 and the fulfillment of Prerequisite Education Credits.

#### E. Examination Process

1. All candidates must be registered participants in the Program (including having submitted their initial program registration form and paying their program application fee) and must have completed their Prerequisite Continuing Education credit hours (see also III.F.1) prior to sitting for Examination 1. All candidates must be registered participants in the Program (including having submitted their initial program

registration form and paying their program application fee), must have completed their Prerequisite Continuing Education credit hours (see also III.F.2) and must have received a passing grade on Examination #1 prior to sitting for Examination 2. Testing fees must be paid before taking either Examination 1 or Examination 2. (See III.E.7).

2. The Candidates are closely monitored during the examinations. No cell phones, electronic tablets, scrap paper, or study materials of any kind are permitted. Basic function calculators are allowed, and Candidates are encouraged to show their work on the exam papers.
3. Time allowed for each examination is 90 minutes.
4. Each candidate will receive a written or electronic pass/fail notice. Exact numerical scores will not be given, nor will an applicant be allowed to see his examination once the test has been taken. However, after the notice has been received, the candidate may request the subject matter in which he/she is deficient.
5. The passing score is clearly stated on the front of each examination.
6. Candidates who do not pass an exam will have the opportunity to re-take the exam after an additional testing fee is paid. There will be no free re-takes.
7. To be eligible to sit for Examination 2, Candidates must have passed Examination 1, and must have completed all Prerequisite Education Credits as outlined in Section III.F.2. Candidates must contact the Certification Registrar before sitting for Examination 2 to determine Prerequisite Education Credit requirements have been met. Examination 2 is offered only at the National NARO Convention. In the event a Candidate is requesting to sit for Examination 2 and is lacking only the number of Educational Credits which will be earned by attending on the same date(s) the examinations are offered, the educational credits earned are permitted to be included in the required prerequisite Educational Credits prior to sitting for Examination 2.
8. Examination opportunities are offered at the annual National NARO Convention; at NARO-affiliated State Conventions and at NARO-sponsored seminars. Examination 2 is offered only at the National NARO Convention. Examination 1 may be taken at non-NARO events, only if the candidate petitions and receives prior approval from the Certification Committee. After approval by the Certification Committee, arrangements for the examination(s) will be made with a CMM to proctor those exams. The Certification Committee may assess additional fees if necessary to recover cost incurred by the NARO Foundation.
9. Upon the successful completion of the required examinations, the appropriate number of Prerequisite Education Credits, meeting all program requirements and a payment of appropriate fees, a permanent certification number will be assigned and either a RMM or CMM Certificate presented to the recipient.

#### F. Prerequisite Education Credits

In addition to passing all necessary examinations, candidates must complete the requisite number of continuing education credit hours for initial certification.

##### 1. The RMM Level

The Registered Mineral Manager Candidate must complete a minimum of fifty (50) continuing education credit hours including one (1) hour of Ethics Education Credit. A maximum of twenty (20) credit hours will be allowed based on experience, prior educational programs and professional credentials as follows:

- A. Professional experience in a related field such as land, title analysis, law, oil and gas accounting, division order analysis and minerals management for institutions, trusts, partnerships, corporations, etc. Two (2) credit hours may be awarded for one to five years' experience; four (4) credit hours may be awarded for five to ten years' experience; eight (8) credit hours may be awarded for ten to twenty

years' experience; and ten (10) credit hours may be awarded for over twenty years' experience. Eligibility of individual professional qualifications will be determined by the certification committee.

- B. Certification by a related professional organization such as the NADOA, NALTA, AAPL, ABA, etc. No more than ten (10) credit hours will be available for other professional certification(s). Eligibility of individual professional qualifications will be determined by the certification committee.
- C. A maximum of ten (10) education credit hours will be allowed for attendance of previous seminars, college courses and other educational programs approved for related education credits. Only events attended within five (5) years of the Program registration are eligible for credit. Education Credit hours awarded will be determined by the Certification Committee.

## 2. The CMM Level

The Certified Mineral Manager Candidate must complete a minimum of one hundred (100) education credit hours. (a) A maximum of forty (40) education credit hours will be allowed based on experience, prior educational programs and professional credentials as follows:

- A. Professional experience in a related field such as land, title analysis, law, oil and gas accounting, division order analysis and minerals management for institutions, trusts, partnerships, corporations, etc. Two (2) credit hours may be awarded for one to five years' experience; four (4) credit hours may be awarded for five to ten years' experience; eight (8) credit hours may be awarded for ten to twenty years' experience; and ten (10) credit hours may be awarded for over twenty years' experience. Eligibility of individual professional qualifications will be determined by the certification committee.
- B. Certification by a related professional organization such as the NADOA, NALTA, AAPL, ABA, etc. No more than ten (10) credit hours will be available for other professional certification(s). Eligibility of individual professional qualifications will be determined by the certification committee.
- C. A maximum of thirty (30) education credit hours will be allowed for attendance of previous seminars, college courses and other educational programs approved for related education credits. Only events attended within five (5) years of the Program registration are eligible for credit. Education Credit hours awarded will be determined by the CMM Certification Committee.
- D. Remaining Education Credits needed for certification are earned by attendance at NARO-sponsored seminars/webinars/events, including those offered at the annual Convention, statewide and regional meetings, and programs co-sponsored by NARO.
- E. Education credits may be applied to both levels of the Program so long as they fall within the approved five-year preceding timeline.

## G. Adherence to the Code of Ethics

In order to obtain and maintain the RMM, CMM or CMM Emeritus standing, candidates must adhere to the Code of Ethics as adopted October 23, 2003. Subject to any adjustments in said Code of Ethics, an RMM, CMM or CMM Emeritus shall:

1. Promote and represent the industry to the public with the view of establishing and maintaining positive working relationships between the industry and the public and among industry partners.
2. Demonstrate at all times a commitment to diligence in the performance of his or her duties.
3. Conduct him or herself in a manner consistent with fairness and honesty.
4. Compete in an honest and courteous manner with careful adherence to established rules of honesty, fairness, and courtesy.
5. Not betray other's interest by directly turning confidential information to personal gain by converting or seeking for the purposes of conversion any confidential or discretionary information available for personal gain for him or herself or anyone.

6. Represent to others his or her area of expertise and shall not represent him or herself to be skilled in a function or duty in which he or she is not qualified or certified.
7. Act at all times in good faith in all dealings and exercise the utmost good faith and loyalty to the party or parties represented and shall not act adversely nor engage in any enterprise in conflict with that interest.
8. Not knowingly participate in the conduct of any activity which causes him or her to be convicted, adjudged, or otherwise recorded as guilty by any court of competent jurisdiction of any felony or any offense involving fraud as an essential element or moral turpitude.

#### **IV. RECERTIFICATION**

Registered & Certified Mineral Managers will continue to retain their RMM/CMM status for five years from the effective date of certification, unless revoked, by satisfying the following requirements:

##### **A. Recertification Criteria**

1. To maintain certification, a RMM/CMM must continue current, active membership in the National Association of Royalty Owners.
2. Application for recertification must be made every five (5) years. Such application must establish that applicant continues to meet the criteria to maintain RMM/CMM status for their appropriate level.
3. Approximately 120 days prior to the Annual NARO Convention, Recertification Notices will be sent to Program participants needing to recertify noting the forthcoming anniversary year end of initial certification, displaying education credits submitted and education credits needing to be fulfilled, if any, to maintain certification status. Each Program participant must submit any requisite credit hours, complete the Recertification Form, pay any applicable fees, and return it to the Certification Committee within thirty (30) days prior to their anniversary date.
4. All Program participants must complete the requisite number of continuing education credit hours for recertification within the prescribed five-year period for recertification. Education credits must be earned during the current certification period. Previously earned credits cannot be carried over into a new period.

##### **a. The RMM Level**

Registered Mineral Managers must accumulate a minimum of thirty (30) hours of Education Credits and one (1) hour of Ethics Education Credit, within the prescribed five-year period for recertification. A maximum of ten (10) education credit hours will be allowed for attendance of seminars, college courses and other educational programs approved for related education credits.

##### **b. The CMM Level**

Certified Mineral Managers must accumulate a minimum of sixty (60) hours of Education Credits and one (1) hour of Ethics Education Credit, within the prescribed five-year period for recertification. A maximum of twenty (20) education credit hours will be allowed for attendance of seminars, college courses and other educational programs approved for related education credits.

##### **c. The Emeritus Level**

Recertification is not needed therefore no Education Credits are required.

5. All Certified Mineral Managers must pay the applicable recertification fee(s).

## **V. EDUCATION CREDITS**

Each Program participant will be responsible for determining and reporting the number of recertification credits appropriate for a seminar/event attended by the Program participant, subject to audit by the Certification Committee. Each Program participant must complete an Affidavit of Attendance and attach a program schedule, including the date, seminar content, and speakers, for each program for which the Program participant wishes to receive credit. The affidavit will be completed by the Program participant and forwarded to the Committee within one (1) year of attendance. The Program participant is responsible for maintaining a copy of submitted affidavits. Affidavit of Attendance forms are available on from the NARO website or may be requested from the Certification Registrar. Education Credits must be obtained between recertification anniversary dates; therefore, only credits no older than five (5) years may be applied.

A. Multiple disciplines are employed on a day-to-day basis in the minerals management field. Therefore, Education Credits may be earned in areas related, but not limited to, accounting, division orders, law, business, leasing, and title analysis.

1. A maximum of one (1) Education Credit will be awarded for each hour spent in attendance at a NARO-approved educational event.
2. A maximum of three (3) Education Credits will be awarded for any industry related and other relevant college courses per semester hour. Proof of completion, with a grade of "B" or better, must accompany the NARO Affidavit of Attendance. Submission to the Certification Committee is recommended before signing up for a course.
3. Other events, workshops, and seminars must be submitted to the Certification Committee for determination of Education Credits and will be evaluated on a case-by-case basis.

### **B. Equivalency**

In the event a Program participant is unable to accumulate the requisite number of recertification credits during the five (5) year period, the Program participant may satisfy the requirement by successfully passing the recertification examination and by completing eight (8) Education Credits. The Program participant wishing to sit for the recertification examination must request in writing sanction from the Certification Committee within one (1) year from their respective renewal date.

Written notice of any disputed Education Credits must be received by the Certification Committee not later than thirty (30) days prior to the recertification date.

## **VI. REVOCATION OF CERTIFICATE**

Certification may be revoked for noncompliance with the policies and procedures herein. The RMM/CMM will be notified by letter of the policy or procedure in possible noncompliance. The RMM/CMM may appeal the decision in writing to the Certification Committee. The decision of the Certification Committee is final.

## **VII. FEES**

Fees for registration, certification and recertification will be established by the NARO Foundation Board.

The non-refundable processing fees are currently:

- A. The registration fee of \$100.00 to join the Program
- B. The fee to sit for each examination is \$100.00.
- C. The fee for recertification is \$100.00.
- D. The fee to sit for the recertification examination is \$400.00.

- E. The Emeritus fee is a one-time, non-recurring \$50.00.
- F. Non-NARO event testing location fees commensurate with any additional proctor or facility expenses.
- G. Other fees may be applied as needed.

#### **VIII. USE OF PROGRAM DESIGNATION**

- A. Registered Mineral Manager (RMM)
  - 1. Individuals achieving the Registered Mineral manager certification may use the RMM acronym in all written and electronic communications, including business cards.
- B. Certified Mineral Manager (CMM)
  - 1. Individuals achieving the CMM certification may use the CMM acronym in all written and electronic communications, including business cards.
  - 2. The individual may testify in all administrative and judicial hearings as an expert witness, if so granted by the agency or court, and offer the CMM certifications as to the individual's qualifications.
- C. Certified Mineral Manager Emeritus
  - 1. Upon application, submission, and approval by the Certification Committee, the CMM Emeritus designation will be used in all written, electronic communication and spoken exchanges.
- D. Non-Authorized Use
  - 1. The use of the designation is not authorized upon revocation.

#### **IX. MUTUAL AGREEMENT**

The candidate for certification, by such application to the RMM/CMM Program, agrees to hold NARO, NARO Foundation, their officers, directors, the NARO Staff, and the NARO members harmless and without fault should the decision of the Certification Committee and/or the NARO Foundation Board result in the revocation of certification or the denial of certificate or recertification.

#### **X. PRIVACY – CONTACT INFORMATION**

The Board will not provide or sell a Program participant's personal information to any outside party, unless authorized (opt-in) by the Program participant or directed by court or subpoena. All contact information collected is for the sole purpose of administering the certification program. Contact information includes a personal home address, email address, cell and or land-line phone number and other possible personally identifiable information that may be acquired during the administration of the program. Anything herein to the contrary notwithstanding, NARO, its employees, and the Certification Registrar are allowed to confirm whether or not an individual currently possesses any certification under the Program.

#### **XI. AMENDMENTS AND REVISIONS TO THE POLICY**

The Policy may be amended and/or revised by a two-thirds (2/3) affirmative vote of the NARO Foundation Board.

The Certification Committee can amend and/or revise the Policy in the areas within their responsibility. The changes must be submitted to the NARO Foundation Board. The NARO Foundation Board will have 15 days to review the changes to the Policy. The Policy will be deemed approved by the Foundation Board if no action is taken otherwise. Additionally, the Policy may be amended and/or revised by a two-thirds (2/3) affirmative vote of the NARO Foundation Board.

History: Adopted October 1992

Revised October 18, 2017

Revised February, 2021

Revised May 27, 2021

Revised December 9, 2021