



CMM Policies and Procedures

NARO Foundation

Voluntary Certification Program Policy and Procedures

I. OBJECTIVE

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

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

The CMM Program is administered by the NARO Foundation Board and its CMM Certification Committee. All educational seminars and related continuing education courses are professionally designed, and approved by Directors of the Foundation and the CMM Certification Committee.

II. CMM CERTIFICATION COMMITTEE

The CMM Certification Committee, appointed by the NARO Foundation Board, shall consist of no less than four and no more than seven members representing 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 CMM Certification Committee has the authority and/or responsibility to:

1. Review, recommend, select, and approve course curricula, marketing materials, expenditures, instructors, certification requirements, administrative procedures, and additional courses.
2. Arbitrate and resolve all related disputes.
3. Recommend to the Foundation Board denial or revocation of certification.
4. Set appropriate program fees.
5. Approve all requests for special consideration of all Educational Credits or the fulfillment of certification requirements.
6. Develop, oversee, and administer all examinations. Approve or deny candidates' requests for sequential testing by 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 CMM participants for program compliance.
8. Maintain CMM program databases and backup databases.
9. Determine the eligibility of candidates' professional qualifications for prerequisite 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 requirements and determine appropriate number of credits.
11. Notify each CMM of recorded Education Credits after submission as well as before recertification in writing.

B. Delegation of Duties

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

C. CMM Administration

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

III. QUALIFICATIONS

A. Entering the Program

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

B. Certification Levels

CMM Certification is available in two levels of study which the candidate chooses at the time of sitting for the first examination: The Associate Level and The Professional Level.

1. CMM Associate

Associate Level Certification is designed for the individual who wishes to increase his/her base of knowledge in managing personal or family mineral properties. The individual may not receive monetary compensation except for managing personal or family mineral interests.

2. CMM Professional

Professional Level Certification is designed for the individual who is currently, or plans to be involved in any aspect of managing, administration or development of oil and gas properties.

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 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 a registration form prior to sitting for the first examination. Candidates will be certified in achieving a passing score in three sequential examinations (hereinafter Examination I; Associate Examination II, Professional Examination II, or Examination II; and, Associate Examination III, Professional Examination III, or Examination III), and the fulfillment of Prerequisite Education Credits.

E. Examination Process

1. Registration forms and application fees must be received prior to each examination of the certification process. The candidate may then sit for Examination I and Examination II. In addition to the registration form and application fee, Prerequisite Education Credits must be completed before sitting for Examination III. (See also 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 as follows: Examination I, 60 minutes; Examination II 60 minutes; Examinations I and II taken in a single sitting 90 minutes; Examination III, 90 minutes.
4. Each candidate will receive a written or electronic pass/fail notice. Exact numerical scores will not be given, nor will a candidate be allowed to see the candidates' 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. A candidate who fails to pass any examination will be allowed one free re-take of the alternate exam version. If the candidate fails to pass the re-take, an additional examination registration fee will be paid prior to subsequent attempts.
7. To be eligible to sit for the Examination III, candidates must have passed the first two examinations, must have completed all Prerequisite Education Credits for certification for their appropriate level AND reported those Education Credits as outlined in Section III.E. Candidates must contact the CMM Registrar before sitting for the Examination III to determine Prerequisite Education Credit requirements have been met. Examination III is offered only at the National NARO Convention. In the event a candidate is requesting to sit for Examination III and is lacking only the number of Education Credits which will be earned by attending on the same date(s) the examinations will be offered, the education credits earned are permitted to be included in the required prerequisite Education Credits prior to sitting for Examination III.
8. Examination opportunities are offered at the annual National NARO Convention; at NARO-affiliated state conventions, and at NARO-sponsored seminars. Examination III is offered only at the National NARO Convention. Examinations I and II may be taken at non-NARO events only if the candidate petitions and receives prior approval from the Certification Committee. After approval by the CMM Certification Committee arrangements for the examination(s) will be made with a CMM to proctor those exams. The CMM Certification Committee may assess additional fees if necessary to recover costs incurred by the foundation.
9. Upon the successful completion of all examinations, the appropriate number of Prerequisite Education Credits, meeting all program requirements, and payment of appropriate fees, a

permanent certification number will be assigned and a certificate presented to the new Certified Minerals Manager.

F. Prerequisite Education Credits

In addition to passing all three examinations, candidates must complete the required number of Education Credits for initial certification.

1. The Associate Level

The Associate Level Candidate must complete a minimum of twenty (20) NARO-sponsored Education Credits to include one (1) Education Credit in Ethics.

2. The Professional Level

The Professional Level Candidate must complete a minimum of fifty (50) Education Credits to include one (1) Education Credit in Ethics. A maximum of eighteen (18) Education Credits 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) Education Credits may be awarded for one to five years experience; four (4) Education Credits may be awarded for more than five up to ten years experience; eight (8) Education Credits may be awarded for more than ten up to twenty years experience; and ten (10) Education Credits may be awarded for over twenty years experience. Eligibility of individual professional qualifications will be determined by the CMM Certification Committee.
- b. Certification by a related professional organization such as the NADOA, NALTA, AAPL, ABA, etc. No more than ten (10) Education Credits will be available for other professional certification(s). Eligibility of individual professional qualifications will be determined by the CMM Certification Committee.
- c. A maximum of fourteen (14) Education Credits will be allowed for attendance of previous seminars, college courses and other educational programs approved for related professional Education Credits. Education Credits awarded will be determined by the CMM Certification Committee.
- d. Remaining Education Credits needed for certification are earned by attendance at NARO-sponsored seminars/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 the Professional Level Certification or to the Associate Level Certification, depending on the Level chosen by the candidate when completing their Registration for Certification. (See V.)

IV. RECERTIFICATION

Certified Mineral Managers will continue to retain their 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 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 candidate continues to meet the criteria to maintain CMM status for their appropriate level.
3. Approximately 120 days prior to the annual NARO National Convention, Recertification Notices will be sent to CMMs needing to recertify noting the forthcoming anniversary date of initial certification, displaying education credits submitted and education credits needing to be fulfilled if any. Each CMM must complete the letter, submit any requisite credit hours, the Recertification Notice and any applicable fees and return it to the CMM Certification Committee within thirty days prior to their anniversary date.
4. All CMM's must complete the requisite number of Education Credits 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 Associate Level

Associate Level CMM's must accumulate a minimum of fifteen (15) of NARO-sponsored Education Credits to include one (1) Education Credit in Ethics.

b. The Professional Level

Professional Level CMM's must accumulate a minimum of thirty (30) Education Credits to include one (1) Education Credit in Ethics. Fifteen (15) of the Education Credits must be from NARO-sponsored programs.

c. The Emeritus Level

No Education Credits are needed.

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

V. EDUCATION CREDITS

Each CMM will be responsible for determining and reporting the number of Education Credits appropriate for a seminar/event attended by the CMM, subject to audit by the CMM Certification Committee. Each CMM must complete an Affidavit of Attendance and attach a program schedule, including the date, seminar content, and speakers, for each program for which the CMM wishes to receive credit. The affidavit will be completed by the CMM and forwarded to the Committee within one (1) year of attendance. The CMM is responsible for maintaining a copy of submitted affidavits. Affidavit of Attendance forms are available from the NARO website or may be requested from the NARO office.

- 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 eight (8) Education Credits will be awarded for attendance at the annual NARO National Convention.

2. A maximum of seven (7) Education Credits will be awarded for attendance at the CMM Review Course.
3. A maximum of seven (7) Education Credits will be awarded for attendance at a NARO-affiliated State Convention.
4. A maximum of six (6) Education Credits will be awarded for attendance at related professional conventions.
5. A maximum of three (3) Education Credits will be awarded for attendance at full-day related professional workshops/seminars.
6. A maximum of one (1) Education Credit will be awarded for attendance at one-half day related professional workshops/seminars.
7. Industry-related and relevant college courses will be awarded a maximum three (3) Education Credits per semester hour. Proof of completion, with a grade of "B" or better, must accompany the NARO Affidavit of Attendance. Education Credits will be determined by the CMM Certification Committee. Submission to the CMM Certification Committee is recommended before signing up for a course.
8. Other events, workshops, and seminars, not fully described above, must be submitted by the form provided to the CMM Certification Committee for determination of Education Credits prior to the event.

B. Equivalency

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

- C. Written notice of any disputed Education Credits must be received by the CMM Certification Committee no later than thirty (30) days prior to the Annual NARO National Convention.

VI. REVOCATION OF CERTIFICATE

Certification may be revoked for noncompliance with the policies and procedures herein. The CMM will be notified by letter of the policy or procedure in possible noncompliance. The 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 CMM Certification Committee.

The non-refundable fees are currently:

- A. The registration fee is; \$100.00 for Professional Level, \$50.00 for Associate Level.
- B. The fee to sit for each examination is \$50.00.
- C. The fee for recertification is \$100.00 for Professional Level, \$50.00 for Associate Level.
- D. The fee to sit for the reinstatement certification 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. CHANGING LEVELS PRIOR TO CERTIFICATION

At the time of sitting for the Examination I, each candidate must choose either the Associate Level or the Professional Level (See III.B.). In the event a candidate determines the alternative level is more appropriate and wishes to change levels, the change must be approved by the CMM Certification Committee. If approved, the candidate would then begin the new level by taking the appropriate Examination II. Accrued Education Credits could be applied to the new level if the Education Credits are no older than five (5) years from the date the level change was approved by the CMM Certification Committee. The candidate must then meet all requirements of the new level.

IX. USE OF CMM DESIGNATION

- A. CMM Associate
- B. Individuals achieving the CMM Associate certification must in all written and electronic communiqué, including business cards, use “CMM Associate” to designate the certification level.
- C. CMM Professional
 - 1. Individuals achieving the CMM Professional certification may use the CMM acronym in all written and electronic communiqué, 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 certification as to the individual’s qualifications.
- D. CMM Emeritus
- E. Upon application submission and approval by the CMM Certification Committee granting the Emeritus, “CMM Emeritus” will be used in all written and spoken exchanges.
- F. Non-Authorized Use
- G. The use of the designation is not authorized upon revocation or expiration of certification.

X. MUTUAL AGREEMENT

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

XI. PRIVACY - CONTACT INFORMATION

The Board will not provide or sell candidate or certified member personal contact information maintained on the certification program data base to any outside party, unless authorized (opt-in) by the candidate or certified member or directed by court order 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 land-line phone number and other possible personally identifiable information that may be acquired during the administration of the program.

XII. PUBLICATION OF POLICY AND FORMS

This Policy and Procedures and all referenced forms will be published on the NARO website or may be requested from the NARO office.

XIII. 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 CMM 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 NARO 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

Revision October 18, 2017