ARKANSAS ALLIANCE OF RECOVERY RESIDENCES

Compliance Agreement.

The certification and compliance commitments every AARR-certified operator agrees to uphold.

EDITION 1.0 · EFFECTIVE APRIL 2026

NARRARKANSAS.ORG

Compliance Agreement

THE AGREEMENT

The AARR Certification & Compliance Agreement outlines the core obligations, ethical expectations, and operational standards required of all recovery residence providers who seek or maintain certification through AARR. This Agreement is the foundational contract between AARR and each certified provider, ensuring all certified residences operate in alignment with NARR Quality Standards 3.0, the NARR Code of Ethics, and AARR's certification protocols.

> **VOLUNTARY, THEN MANDATORY**
>
> Certification with AARR is voluntary; however, once a provider applies for certification, the commitments within this Agreement become mandatory conditions of participation. By signing, providers affirm that the information they submit is truthful and complete, agree to maintain ongoing compliance with all standards, and commit to maintaining a safe, recovery-oriented, resident-centered environment.

Purpose of the Agreement

Establish clear expectations for ethical and professional conduct. Protect residents, staff, and surrounding communities. Ensure providers maintain safe, sober, and recovery-supportive homes. Promote transparency, integrity, and accountability in all operations. Provide AARR the authority necessary to verify compliance, conduct audits, and enforce corrective actions or sanctions as needed.

Scope of formal obligations

This Agreement summarizes the formal obligations providers accept when applying for certification, including requirements related to resident rights, physical environment, governance practices, insurance and liability, incident reporting, emergency preparedness, neighbor relations, and cooperation with audits and investigations.

Attestations by NARR core principle.

CORE PRINCIPLE · OPERATE WITH INTEGRITY

I attest that our organization will operate with integrity.

• Our organization is in compliance with NARR Quality Standards 3.0 in their entirety and will remain compliant with the same. • The submission of this application truthfully represents full disclosure of facts pertaining to ownership, management, and staffing of all recovery residence locations operated by our organization. Policies, procedures, and protocols submitted accurately describe our operational practices and will not be modified thereafter without notification and review from AARR. • Should AARR request to review financial records pertaining to the operation of the residence for compliance verification, the requested documents will be provided upon

request without cost or delay. • All marketing materials are honest and forthright. Representation of outcomes must be accurate and not misleading; any data presented must be accurate and validated. • Should AARR determine in its sole discretion that this application does not truthfully and accurately represent full disclosure, sanctions will be applied without further recourse, including immediate revocation of our Certificate of Compliance.

CORE PRINCIPLE · UPHOLD RESIDENT RIGHTS

I attest that our organization will uphold resident rights.

• Our ownership, management, staff, and volunteers uphold the rights of residents as referenced throughout NARR Quality Standards and the NARR Code of Ethics, placing the rights of residents and the resident community chief among organizational priorities. • Our organization does not subscribe to the "another head to fill a bed" intake philosophy. We consider applicants for residency mindful of the needs and sensitivities of our priority population, ensuring our community is appropriate for the applicant and that the applicant is appropriate for our community. • We thoroughly orient new residents to our community, fully disclosing house rules and consequences, resident rights and responsibilities, phasing and discharge protocols, and all fees and financial commitments — billed directly or indirectly — for which the resident may potentially become legally accountable.

CORE PRINCIPLE · EMPOWER RESIDENT ENGAGEMENT

I attest that our organization will empower resident engagement.

• Our organization is in compliance with NARR Quality Standards 10 and 11 in their entirety and will remain compliant. • We are a recovery-oriented housing provider rather than a "boarding house for persons who do not drink and/or use illicit drugs." We take deliberate and intentional steps to encourage and mentor resident participation in a self-directed recovery plan. Residents have the ability to be heard in the governance of the residence.

CORE PRINCIPLE · DEVELOP PEER STAFF

I attest that our organization will develop peer staff.

• Our organization is in compliance with NARR Quality Standards 12 through 17 in their entirety and will remain compliant. • We value the resident voice and encourage peer leadership and accountability by nurturing a community culture that relies on and empowers peers to actively participate in community governance.

CORE PRINCIPLE · PROVIDE A HOME ENVIRONMENT

I attest that our organization will provide a home environment.

• Our recovery residences are safe and well maintained. Maintenance issues are taken care of in a timely manner. • Our residences include space conducive to building community for social engagement among residents. • We appreciate that overcrowding can negatively impact communal living. We provide a safe, dignified living environment with adequate storage, clean and fully

functional bathrooms, kitchen, and laundry facilities. • We foster peer leadership to model behaviors that promote orderliness and cleanliness. Peers hold one another accountable to maintain the exterior and interior of the residence. Community pride is promoted during scheduled house meetings.

CORE PRINCIPLE · PROMOTE A HEALTHY ENVIRONMENT

I attest that our organization will promote a healthy environment.

• We are a transitional support program for persons in recovery from a substance use disorder. Our primary purpose is to deliver recovery-oriented housing with encouragement and support to develop recovery management skills and recovery capital. • We maintain an alcohol- and drug-free environment by means of written policies and procedures regularly updated to meet best practices. • We grant AARR advance permission to conduct unannounced resident and/or staff interviews at any time. Failure to comply may result in immediate suspension and/or revocation of our Certificate of Compliance. • Residence staff promote recovery through informal and formal interactions with residents. Peers, including staff, model recovery principles in all interactions. All relationships between residents and staff reflect the ethical principles in the Code of Ethics.

CORE PRINCIPLE · BE GOOD NEIGHBORS

I attest that our organization will be good neighbors.

• Every effort is taken to maintain the street appeal of our property consistent with neighboring properties. • Residents and staff are respectful of neighbor persons and property; making every reasonable effort to blend into the neighborhood. • We are mindful that residents not loiter, use language that may be offensive to others, create noise disturbances, create parking challenges, or otherwise create traffic navigation issues within the neighborhood.

PHYSICAL DOMAIN COMPLIANCE

The physical residence inspected by AARR at the time of field certification will not be changed or altered to a lesser state than presented at the time of inspection — including the number of beds, bathrooms, and the condition of the residence. We will notify AARR of any changes to the physical residence, including number of beds, bathrooms, condition of the residence, and population served. AARR reserves the right to conduct drop-in inspections to include a physical domain review as well as resident interviews. We will seek certification for any current and future recovery residences we operate that meet the model for AARR certification — within 6 months of operation — and will request any line-item waiver in writing at the time of notification.

AARR FUNDING

We have been informed by AARR of funding opportunities and the eligibility requirements available to AARR certified operators. We will utilize any funding received from AARR for its intended purposes and ethically.

PROFESSIONAL CODE

Our organization, including owners and staff, will abide by a professional conduct code in our dealings with the public. As an organization certified by AARR, we will not criticize, disparage, or slander AARR or any other AARR-certified organization. AARR makes no distinction between organizations being better or worse than another — only whether an organization is certified and meets the national standards. We will notify AARR of unprofessional conduct or possible non-compliance with the AARR Code of Ethics by other AARR operators.

AARR INCIDENT POLICY

It is the policy of AARR that all certified residences, members, and organizations report all major incidents. A major incident is any emergency or situation with significant impact or urgency that demands a response beyond routine incident management. A major incident also includes any volunteer, staff, or owner that violates the signed Code of Ethics or whose actions — directly or indirectly — affect a participant or resident. When a major incident occurs, the AARR-certified organization is responsible for reporting the incident on the approved AARR Incident form with a written summary, submitted within 5 days of the incident date. The incident form and summary are sent to the AARR office; AARR reviews and, when necessary, refers to the Board of Directors or a special committee.

If a major incident is not reported

AARR and/or the standards/ethics committee will investigate. After investigation, AARR may require an explanation from the organization regarding the failure to report. If a non-reported incident is determined to involve negligence or fault, the matter is reported to the Board for review and a sanction decision.

Possible sanctions

A written warning concerning the negative effects of not reporting. A probationary period requiring weekly communication with AARR and possibly a corrective action plan. Suspension of AARR membership for a period determined by the Board of Directors.

OTHER POLICIES REFERENCED BY THIS AGREEMENT

Our organization is in compliance with each of the following policies, in their entirety, and will remain compliant: AARR Code of Ethics, AARR Inclusive Best Practices Policy, AARR Medication-Assisted Recovery Policy, and AARR Second Chance Employer Policy. Each policy appears in full in the chapters that follow.

REPRESENTATIONS & INDEMNIFICATION

The undersigned represents and warrants that (a) they have the right and authority to enter into this Agreement and to perform their respective obligations, and (b) their officers, directors, employees, and agents will comply with all applicable federal, state, and local laws, codes, rules, and regulations. The undersigned will indemnify, defend, and hold harmless AARR and its respective partners, trustees, beneficiaries, directors, officers, employees, affiliates, and agents from and against any claims, loss, damage, liability, and expenses (including reasonable attorneys'

fees) arising out of this Agreement or the breach by the undersigned of any representation or warranty herein.

EFFECT, AMENDMENT, ASSIGNMENT

This Agreement supersedes any previous documents, correspondence, conversations, or other written or oral understandings between the parties related to this subject matter. No waiver by either party of any breach is deemed a waiver of any other breach.

NOTICE TO PROVIDERS · ADDITIONAL TERMS

Notice to providers.

Providers seeking voluntary certification of compliance with the NARR Quality Standards 3.0 and the NARR Code of Ethics are advised that AARR Certification and Compliance staff are tasked with making recommendations of denial, suspension, and/or revocation to the AARR Compliance Committee. In the event of unresolved events of non-compliance, this committee is vested by the AARR Board of Directors with the authority to sanction the provider, including but not limited to the actions described in this notice.

Available sanctions.

Upon review of a provider's record and any pending recommendation by AARR Certification and Compliance staff, the AARR Compliance Committee may take any of the following actions: Dismissal of AARR Certification or Compliance Audit staff recommendation(s) for sanction(s). Extension of an additional thirty (30) day period during which the subject provider may achieve compliance. Scheduling a meeting with the owner(s) and staff to review the events of non-compliance before making a final determination. Suspension of certification for a period of no less than ninety (90) days, together with an order of a full compliance audit of all locations operated by the subject provider. A fee of $300.00 per location, to be borne by the provider, applies to such audits. Denial or revocation of certification based on the AARR Compliance Committee's assessment that the specified activities and/or practices represent non-compliance with the NARR Quality Standards 3.0, the NARR Code of Ethics, and/or other criteria specified in the AARR Compliance Manual. Such activities and practices may include, but are not limited to, the events of non-compliance listed below. Referral of grievances filed by stakeholders to external agencies, as determined by the AARR Compliance Committee, including but not limited to those listed in this notice.

Events that may trigger sanctions.

The following activities and practices may, on their own or in combination, constitute an event of non-compliance and may result in denial, suspension, or revocation of the provider's Certificate of Compliance: Providing false and/or misleading information to AARR at any time. Filing a false and/or misleading application for certification. Providing residence to priority populations without the organization's prior approved policies and procedures. Sexual misconduct between provider staff — including owners, managers, employees, contractors, peer leaders, or volunteers — and

residents, current or former. Such conduct constitutes a per se violation of the NARR Code of Ethics. Sexual misconduct includes, but is not limited to: sexual contact, sexual harassment, the exchange of sexually explicit communications, the exchange of anything of value for sexual contact, and any sexual relationship — even if characterized as consensual — given the inherent power imbalance between staff and residents in recovery housing. Bullying, physical threats of violence, and/or violent behavior by the provider, staff, or volunteers directed at residents, neighbors, or visitors. Participation in act(s) of patient brokering and/or insurance fraud, which evidences non-compliance with the NARR Quality Standards 3.0 and Code of Ethics. Unresolved neighbor grievances deemed by the AARR Compliance Committee to be non-discriminatory and curable by the provider, evidencing non-compliance with the NARR good-neighbor standards (NARR Standard 30 and 31). Failure of the provider to take consistent and demonstrable actions to adhere to written policies and procedures related to sustaining an alcohol- and drug-free community for residents, which evidences non-compliance with the NARR Quality Standards 3.0 and Code of Ethics. Failure of the provider to follow established protocol(s) to reasonably ensure the safety of all stakeholders when a resident is discharged as the result of a recurrence of use (relapse). This includes the safety of the residents, the safety of the residence community, and the safety of the surrounding neighborhood. The provider's discharge protocol must be approved by AARR and must be presented at the time of application for certification.

Reporting obligations of the owner of record.

Failure of the owner of record to notify AARR Certification staff in writing within seventy-two (72) hours regarding any of the following also constitutes an event of non-compliance: Provider changes to approved policies, procedures, and/or protocols. Opening and/or closure of provider locations. Changes to ownership and/or key staff. Life-threatening events and/or deaths of current residents, whether on property or elsewhere. Criminal charges alleging misconduct by any owner, manager, or staff member. Failure to report and provide a disciplinary action plan for any owner, director, and/or staff member after an instance of recurrence of use (relapse) by that individual.

Agencies to which grievances may be referred.

The AARR Compliance Committee may, at its discretion, refer grievances filed by stakeholders to one or more external agencies, including but not limited to: Federal Bureau of Investigation Arkansas Attorney General's Office — Consumer Protection Division Arkansas State Police Local law enforcement Local zoning and code enforcement departments Arkansas Division of Correction (ADC) Arkansas Division of Community Correction (ACC) Arkansas Department of Human Services (DHS) — where DHS-funded programs or vulnerable adults are involved Arkansas Department of Health (ADH) — where licensure or public-health concerns are implicated Arkansas Child Abuse Hotline (1-800-482-5964) — where any concern involves a minor Referral to one agency does not preclude referral to additional agencies. AARR retains the discretion to make multiple, parallel referrals where the facts warrant.

SIGNATURE

Acknowledged and agreed.

I hereby acknowledge understanding of the requirements of this AARR Agreement, including the Notice to Providers and the AARR sanctions framework set forth herein, and further affirm that I have authorization to execute this document on behalf of the organization named below.

PRINT NAME

TITLE

LEGAL NAME OF ENTITY

SIGNATURE

DATE

Scan and return signed to the AARR Office.