

# CLARK COUNTY ASSOCIATION OF REALTORS<sup>®</sup>

## Revised Bylaws, 2008

### Article I - Name

**1.1** Name. The name of this organization shall be the CLARK COUNTY ASSOCIATION OF REALTORS<sup>®</sup>.

**1.2** REALTORS<sup>®</sup>. Inclusion and retention of the Registered Collective Membership Mark REALTORS<sup>®</sup> in the name of the Association shall be governed by the Constitution and the NAR Bylaws.

### Article II – Definitions

**2.1** “**Arbitration Manual**” means the Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**2.2** “**Association**” means the Clark County Association of REALTORS<sup>®</sup>.

**2.3** “**Board of Directors**” means the existing board of directors of the Association.

**2.4** “**Bylaws**” means these Bylaws of the Association.

**2.5** “**Code of Ethics**” means the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**2.6** “**Constitution**” means the Constitution of the Association, the WASHINGTON REALTORS<sup>®</sup> and the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**2.7** “**NAR Bylaws**” means the Bylaws of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, as amended from time to time.

**2.8** “**Rules and Regulations**” means the rules, regulations and policies of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, the WASHINGTON REALTORS<sup>®</sup> and the Association.

**2.9** “**State Bylaws**” means the Bylaws of the WASHINGTON REALTORS<sup>®</sup>.

### Article III - Objectives

The objectives of the Association are:

**3.1** To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

**3.2** To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**3.3** To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

**3.4** To further the interests of home and other real property ownership.

**3.5** To unite those engaged in the real estate profession in this community with the WASHINGTON REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

**3.6** To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® and REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

## **Article IV - Jurisdiction**

**4.1** The Territorial Jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is: Clark County, State of Washington.

**4.2** “**Territorial Jurisdiction**” means the right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Association agrees to protect and safeguard the property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms.

## **Article V - Membership**

**5.1** **Members.** There shall be seven (7) classes of members as follows (each a “**Member**”):

5.1.1 **Principal REALTOR® Members.** Principal REALTOR® Members are divided into two classes: Primary REALTOR® Members and Secondary REALTOR® Members.

(a) A “Primary REALTOR® Member” is an individual who (i) remits state and national dues through the Association and (ii) meets the requirements of a REALTOR® Member set forth in Section 5.1.1(c). In regard to a Primary REALTOR® Member, one of the principals in a real estate firm must be a Designated REALTOR® Member of the Association in order for licensees affiliated with the firm to select the Association as their "primary" Association.

(b) A “Secondary REALTOR® Member” is an individual who (i) remits state and national dues through another association and (ii) meets the requirements of a REALTOR® Member set forth in Section 5.1.1(c).

(c) “REALTOR® Members”, whether primary or secondary are individuals who, (i) as sole proprietors, partners, members, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate and (ii) maintain or are associated with an established real estate office in the State of Washington or a state contiguous thereto. Except as provided in Section 1.1(b), all partners in a partnership or officers in a corporation who are actively engaged in the real estate profession within the State of Washington or a state contiguous thereto shall qualify for REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 5.1.6. REALTOR® Members may obtain membership in a "secondary" association in another state.

(d) In the case of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office or any other offices within the Territorial Jurisdiction of the Association in which one of the firm’s principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 5.1.5.

5.1.2 **Non-Principal REALTOR® Member.** “Non-Principal REALTOR® Members” are individuals who: (i) are engaged in the real estate profession other than as sole proprietors, partners, members, corporate

officers, or branch office managers, (ii) are associated with a REALTOR<sup>®</sup> Member and (iii) meet the qualifications set forth in Section 6.2.2.

(Principal REALTOR<sup>®</sup> Members and Non-Principal REALTOR<sup>®</sup> Members are collectively referred to as “REALTOR<sup>®</sup> Members”)

5.1.3 Franchise REALTOR<sup>®</sup> Members. “Franchise Realtor Members” are individuals who (i) are corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States or its territories and (ii) have been elected as members pursuant to the provisions of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> Constitution and Bylaws. Franchise Realtor Members shall enjoy all of the rights, privileges and obligations of REALTOR<sup>®</sup> Members (including compliance with the Code of Ethics) except: obligations related to Association mandated education, meeting attendance, indoctrination classes or other similar requirements; the right to use the term REALTOR<sup>®</sup> or REALTORS<sup>®</sup> in connection with their franchise organization's name; and the right to hold elective office in the Association, the WASHINGTON REALTORS<sup>®</sup> or the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

5.1.4 Designated REALTOR<sup>®</sup> Members. “Designated REALTOR<sup>®</sup> Members” must be a sole proprietor, partner, member, corporate officer, or branch office manager who (i) acts on behalf of the firm's principal(s) and (ii) meet all the other qualifications of REALTOR<sup>®</sup> Members set forth in Section 6.2.1. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR<sup>®</sup> Member who shall be responsible for all duties and obligations of membership including but not limited to the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Section 11.2.1.

5.1.5 Institute Affiliate Members. “Institute Affiliate Members” are individuals who (i) hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> that addresses a specialty area other than residential brokerage or (ii) hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to become a REALTOR<sup>®</sup> Member or Associate REALTOR<sup>®</sup> Member, subject to payment of applicable dues for such membership.

5.1.6 Affiliate Members. “Affiliate Members” are individuals who, while not engaged in the real estate profession, have interests requiring information concerning real estate and are in sympathy with the objectives of the Association. The following are considered Affiliate Members”:

(a) Individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to become a REALTOR<sup>®</sup> Member in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

(b) Individuals who are engaged in the real estate profession as employees of educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

(c) Individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.

(d) Individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

**5.2 WASHINGTON REALTORS<sup>®</sup> President.** The president of the WASHINGTON REALTORS<sup>®</sup>, if

not otherwise a member of the Association, shall be a non-dues paying member of the Association during their term of office. The WASHINGTON REALTORS® president shall not have the right to vote or hold elective office in the Association, but shall, when given the authority by the Association, cast the number of votes allowed as the Association's voting delegate at the delegate body meeting of the NATIONAL ASSOCIATION OF REALTORS®.

## **Article VI - Qualification and Election**

### **6.1 Application.**

6.1.1 An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors of the Association. The application form shall contain among the statements to be signed by the applicant that:

(a) the applicant (i) consents to the Association, through its Membership Committee or otherwise, inviting and receive information and comments about the applicant from any person and (ii) agrees that any information and comment furnished to the Association by any person shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character.

(b) the applicant agrees as a condition to membership to (i) thoroughly familiarize himself or herself with the Code of Ethics, the Constitution, the NAR Bylaws, the Bylaws and the Rules and Regulations, and (ii) if elected a Member (other than a REALTOR® Member) to abide by the Constitution, the NAR Bylaws, the Bylaws and Rules and Regulations and if elected a REALTOR® Member, to abide by the Code of Ethics including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics pursuant to the terms set forth in the Code of Ethics and the Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended. The applicant shall, with the form of application, have access to a copy a copy of the NAR Bylaws, the Bylaws, the Constitution, the Rules and Regulations and the Code of Ethics.

### **6.2 Qualification**

6.2.1 Principal. A Principal REALTOR® Member applicant shall supply evidence satisfactory to the Board of Directors of the Association through its Membership Committee or otherwise that such applicant:

- (a) is actively engaged in the real estate profession;
- (b) maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property;
- (c) has a place of business within the State of Washington or a state contiguous thereto (unless a Secondary REALTOR® Member);
- (d) has no record of Recent or Pending Bankruptcy;
- (e) has no record of Official Sanctions Involving Unprofessional Conduct;
- (f) at the discretion of the Membership Committee, has completed a course of instruction covering the Bylaws, the State Bylaws, the NAR Bylaws, the Constitution, the Rules and Regulations and the Code of Ethics and is able to pass such reasonable and nondiscriminatory written examination thereon as may be required by the Membership Committee; and

(g) agrees that if elected to membership, the applicant will abide by the Bylaws, the State Bylaws, the NAR Bylaws, the Constitution, the Rules and Regulations, and the Code of Ethics.

For purposes of Section 6.2.1(d), "Recent or Pending Bankruptcy" means that the applicant or any real estate firm in which the applicant is sole proprietor, partner, member, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Association establishes that its interests and the interests of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Board of Director and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing Member initiates bankruptcy proceedings, the Member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the Member is discharged from bankruptcy.

For purposes of Section 6.2.1(e), "Official Sanctions Involving Unprofessional Conduct" means that application has no record of any judgments within the past three (3) years of violations of (i) civil rights laws; (i) real estate license laws; or (iii) other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

6.2.2 Non-Principal. A Non-Principal REALTOR<sup>®</sup> Member applicant shall supply evidence satisfactory to the Board of Directors of the Association through its Membership Committee or otherwise that such applicant:

- (a) is actively engaged in the real estate profession;
- (b) is associated either as an employee or as an independent contractor with a Designated REALTOR<sup>®</sup> Member of the Association (if a Primary REALTOR<sup>®</sup> Member) or a Designated REALTOR<sup>®</sup> Member of another association (if a Secondary REALTOR<sup>®</sup> Member);
- (c) maintains a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property;
- (d) has completed a course of instruction covering the Bylaws, the State Bylaws, the NAR Bylaws, the Constitution, the Rules and Regulations, and the Code of Ethics and passed such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee; and
- (e) has agreed in writing that if elected as REALTOR<sup>®</sup> Member the applicant will abide by the Bylaws, the State Bylaws, the NAR Bylaws, the Constitution, the Rules and Regulations, and the Code of Ethics.

6.2.3 The Association will also consider the following in determining an applicant's qualifications as REALTOR<sup>®</sup> Member:

- (a) All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years;
- (b) Pending ethics complaints (or hearings);
- (c) Unsatisfied discipline pending;
- (d) Pending arbitration requests (or hearings);

(e) Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS; and

(f) Any misuse of the term REALTOR<sup>®</sup> or REALTORS<sup>®</sup> in the name of the applicant's firm.

“Provisional” membership may be granted in instances where ethics complaints, arbitration requests (or hearings) or unsatisfied discipline are pending in other associations (except for violations of the Code of Ethics) provided all other qualifications for membership have been satisfied. The Association may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved, within six months from the date that provisional membership is approved. Provisional members shall be considered REALTORS<sup>®</sup> and shall be subject to all of the same privileges and obligations of a REALTOR<sup>®</sup> Member. If a member resigns from another association with an ethics complaint or arbitration request pending, the Association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

### **6.3 Election.**

6.3.1 The procedure for election to membership shall be as follows:

(a) A REALTOR<sup>®</sup> Member shall be granted Provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and application fees (“Provisional REALTOR<sup>®</sup> Member”). Provisional membership is granted subject to subsequent review of the application by the Board of Directors. Provisional Members shall be considered REALTORS<sup>®</sup> and shall be subject to all of the same privileges and obligations of a REALTOR<sup>®</sup> Member. If the Board of Directors determines that the individual does not meet all of the qualifications of a REALTOR<sup>®</sup> Member as established in these Bylaws, or if the individual does not satisfy all of the requirements of a REALTOR<sup>®</sup> Member within 180 days from the Association's receipt of their application, Provisional membership may, at the discretion of the Board of Directors, be terminated.

(b) Association dues shall be computed from the date of application and shall be non-refundable unless the Board of Directors terminates the individual's Provisional membership in accordance with Section 6.3.1(a). In such instances, Association dues shall be returned to the individual less any application fee and a prorated amount to cover the number of days that the individual received Association services.

(c) The Board of Directors may not terminate any Provisional membership without providing applicant with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

(d) If the Board of Directors determines that Provisional membership should be terminated, it shall record its reasons with the Secretary. If the Board of Directors believes that termination of Provisional membership may become the basis of litigation and a claim of damage by an applicant, it may specify that termination shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

#### **6.4 New Member Code of Ethics Orientation.**

6.4.1 A REALTOR<sup>®</sup> Member applicant and Provisional REALTOR<sup>®</sup> Member (if applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to REALTOR<sup>®</sup> Member applicants who have completed comparable orientation in another association, provided that the REALTOR<sup>®</sup> Member's membership has been continuous, or that any break in membership is for one year or less. Failure to satisfy this requirement within six (6) months of the date of application (or, alternatively, the date that Provisional membership was granted) will result in denial of the membership application or termination of Provisional membership.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

#### **6.5 Continuing Member Code of Ethics Training.**

6.5.1 Effective January 1, 2005, through December 31, 2009, and for successive four year periods thereafter, each REALTOR<sup>®</sup> Member shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the REALTOR<sup>®</sup> Member has completed a course of instruction conducted by this Association, the WASHINGTON REALTORS<sup>®</sup>, the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> from time to time. REALTOR<sup>®</sup> Members who have completed training as a requirement of membership in another association and REALTOR<sup>®</sup> Members who have completed the New Member Code of Ethics Orientation (pursuant to Section 6.4) during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

6.5.2 Failure to complete ethics training as required by Section 6.5.1 shall be considered a violation of a membership duty for which a REALTOR<sup>®</sup> Member shall be suspended until: (a) such time as the training is completed or (b) the end of the second month following the four (4) year cycle (i.e., end of February 2010). Failure to complete the ethics training required by Section 5.1 above before the end of the second month following the four (4) year cycle will cause a REALTOR<sup>®</sup> Member's membership to be automatically terminated.

#### **6.6 Status Changes.**

6.6.1 A REALTOR<sup>®</sup> Member who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within thirty (30) days. A non-principal REALTOR<sup>®</sup> Member (qualified under Section 6.2.2) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR<sup>®</sup> principals may be required to satisfy any previously unsatisfied membership requirements applicable to principal REALTOR<sup>®</sup> Members (pursuant to Section 6.2.1) but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a principal REALTOR<sup>®</sup> Member under Section 6.2.1. If a non-principal REALTOR<sup>®</sup> Member does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise directed by the Board of Directors. The Board of Directors, at its discretion, may waive any qualification, which the applicant has already fulfilled in accordance with the Bylaws.

6.6.2 A REALTOR<sup>®</sup> Member who is transferring their license from one firm comprised of REALTOR<sup>®</sup> principals to another firm comprised of REALTOR<sup>®</sup> principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within thirty (30) days of the date the Association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise directed by the Board of Directors. The Board of Directors, at its

discretion, may waive any qualification, which the applicant has already fulfilled in accordance with the Bylaws.

6.6.3 Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant. Dues shall be prorated from the first day of the quarter in which the REALTOR<sup>®</sup> Member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year.

## **Article VII - Privileges and Obligations**

**7.1** The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws shall be specified in this Article VII.

**7.2** Any Member of the Association may be reprimanded, fined, suspended, or expelled by the Board of Directors for a violation of these Bylaws or the Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual. Although Members other than REALTORS<sup>®</sup> Members are not subject to the Code of Ethics or its enforcement by the Association, such Members are encouraged to abide by the principles established in the Code of Ethics and conduct their business and professional practices accordingly. Further, Members other than REALTOR<sup>®</sup> Members may, upon recommendation of the Membership Committee or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct that (a) in the opinion of the Board of Directors applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR<sup>®</sup> or REALTORS<sup>®</sup> and the real estate industry or (b) is inconsistent with or adverse to the objectives and purposes of the Association, the WASHINGTON REALTORS<sup>®</sup> and the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**7.3** Any REALTOR<sup>®</sup> Member of the Association may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee as set forth in the Code of Ethics and Arbitration Manual.

**7.4** Resignation of a Member shall become effective when received in writing by the Board of Directors; provided, however, that if any Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

**7.5** If a Member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the Member was a REALTOR<sup>®</sup>. If a Member resigns or otherwise causes membership to terminate with an ethics complaint or arbitration request pending, the Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding and will abide by the decision of the hearing panel. If a Member resigns without having complied with an award in arbitration, the Board of Directors may condition any reapplication of the former Member upon his/her promise to pay the award, plus any costs that have previously been established as due and payable by the former Member, provided that the award has not in the meanwhile, been otherwise satisfied.

**7.6** REALTOR<sup>®</sup> Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote, to hold elective office in the Association, and to use the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup>, which use shall be subject to the provisions of Article IX. Further, such REALTOR<sup>®</sup> Members have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

7.6.1 If a REALTOR<sup>®</sup> Member is a sole proprietor in a firm, a partner in a partnership, a member in a limited liability company or an officer in a corporation (i.e., a principal REALTOR<sup>®</sup> Member), and is suspended or expelled, the firm, partnership, limited liability company or corporation shall not use the terms REALTOR<sup>®</sup> or REALTORS<sup>®</sup> in connection with its business during the period of suspension, or until readmission as a REALTOR<sup>®</sup> Member, or unless connection with the firm, partnership, limited liability company or corporation is severed or management control is relinquished, whichever may apply. The membership of all other principals, partners, members or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member unless connection of the disciplined Member with the firm, partnership, limited liability company or corporation is severed, or the REALTOR<sup>®</sup> Member who is suspended or expelled removes him/herself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. Upon such certification, the membership of other partners, members, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership, limited liability company or corporation may continue to use the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup> in connection with its business during the period of suspension or until the former Member is admitted to membership in the Association. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of non-principal REALTORS<sup>®</sup> Members who are employed or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member unless connection of the disciplined Member with the firm, partnership, limited liability company or corporation is severed or management control is relinquished, whichever may apply.

7.6.2 If a REALTOR<sup>®</sup> Member other than a sole proprietor in a firm, partner in a partnership, member in a limited liability company or an officer of a corporation (i.e., a non-principal REALTOR<sup>®</sup> Member) is suspended or expelled, the use of the terms REALTOR<sup>®</sup> or REALTORS<sup>®</sup> by the firm, partnership, limited liability company or corporation shall not be affected.

7.6.3 In any action taken against a REALTOR<sup>®</sup> Member for suspension or expulsion under this Section 7.6, notice of such action shall be given to all REALTORS<sup>®</sup> employed by or affiliated as independent contractors with such REALTOR<sup>®</sup> Member and they shall be advised that the provisions in Section 7.6 shall apply.

**7.7 Institute Affiliate Members.** Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and the NAR Bylaws. Provided, however, no Institute Affiliate Member may be granted the right to: (a) use the term REALTOR<sup>®</sup> or the REALTOR<sup>®</sup> logo; (b) serve as President of the Association; or (c) be a participant in the Association's Multiple Listing Service.

**7.8 Affiliate Members.** Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

**7.9 Certification by REALTOR<sup>®</sup>.** Designated REALTOR<sup>®</sup> Members of the Association shall provide to the Association one month prior to dues billing on a form provided by the Board of Directors, (upon request of the Board of Directors) a complete listing of all individuals licensed with the REALTORS<sup>®</sup> firms within the jurisdiction of the Association including the designation of a primary association for each individual who holds membership. Such list shall also identify any non-member licensees in the Designated REALTORS<sup>®</sup> Member's office(s) and if dues have been paid to another association based on said non-member licensees, such list shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Section 11.2.1. Designated REALTOR<sup>®</sup> Members shall also notify the Association of

any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

**7.10 Legal Liability Training.** Within two years of the date of election to membership, and every two years thereafter, each REALTOR<sup>®</sup> Member of the Board of Directors shall be required to demonstrate that they have completed a course of instruction on anti-trust laws, agency laws, civil rights laws or the REALTOR<sup>®</sup> Code of Ethics including its interpretation and meaning and/or the procedures related to its enforcement. This requirement will be considered satisfied upon presentation of evidence that the REALTOR<sup>®</sup> Member has completed an educational program conducted by another board of directors, the WASHINGTON REALTORS<sup>®</sup>, the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> or any of its affiliated institutes, societies or councils, or any other recognized educational institution which, in the opinion of the Board of Directors, is an adequate substitute for the training programs conducted by the Board of Directors. Failure to satisfy this requirement biennially will result in membership being suspended from the date it otherwise would be renewed until such time that the Member provides evidence of completion of the aforementioned educational requirements.

**NOTE:** Any education requirement must comply with Interpretation No. 37 of Article I, Section 2, Bylaws of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**7.14 Harassment.** Any Member of the Association may be reprimanded, placed on probation, suspended or expelled for Harassment of an Association or MLS employee or Association officer or director after a hearing in accordance with the established procedures of the Association. Disciplinary action may also consist of any sanction authorized in the Code of Ethics and Arbitration Manual. As used in this Section 7.14, “Harassment” means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual’s work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and the President-elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the Association. If the complaint names the President, President-Elect or Vice President or a member of the Board of Director, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

## **Article VIII - Professional Standards and Arbitration**

**8.1** The responsibility of the Association and Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes including the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual, as amended, and be consistent with the Cooperative Professional Standards Enforcement Agreement entered into by the Association, both of which is by these references are incorporated into these Bylaws; provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

**8.2** It shall be the duty and responsibility of every REALTOR<sup>®</sup> Member of this Association to abide by the Bylaws, the State Bylaws, the NAR Bylaws, the Constitution the Rules and Regulations and the Code of Ethics, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual, as amended.

## **Article IX - Use of the Terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup>**

**9.1** Use of the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup> by Members shall, at all times, be subject to the provisions of the Constitution, the NAR Bylaws and the Rules and Regulations. The Association shall have the

authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, use of the terms within its Territorial Jurisdiction. Any misuse of the terms by a Member is a violation of a membership duties and may subject the Member to disciplinary action by the Board of Directors after a hearing as provided for in the Code of Ethics and Arbitration Manual.

**9.2** REALTOR<sup>®</sup> Members of the Association shall have the privilege of using the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup> in connection with their places of business within the State of Washington or a state contiguous thereto so long as they remain REALTOR<sup>®</sup> Members in good standing. No other class of Members shall have this privilege.

**9.3** A REALTOR<sup>®</sup> Member who is a principal of a real estate firm, partnership, limited liability company or corporation may use the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup> only if all the principals of such firm, partnership, limited liability company or corporation who are actively engaged in the real estate profession within the State of Washington or a state contiguous thereto are REALTOR<sup>®</sup> Members of the Association or Institute Affiliate Members. In the case of a Principal REALTOR<sup>®</sup> Member whose business activity is substantially all commercial, the right to use the term REALTOR<sup>®</sup> or REALTORS<sup>®</sup> shall be limited to office locations in which a principal, partner, member, corporate officer, or branch office manager of the firm, partnership, limited liability company or corporation holds REALTOR<sup>®</sup> membership. If a firm, partnership, limited liability company or corporation operates additional places of business in which no principal, partner, member, corporate officer, or branch office manager holds REALTOR<sup>®</sup> membership, the term REALTOR<sup>®</sup> or REALTORS<sup>®</sup> may not be used in any reference to those additional places of business.

**9.4** Institute Affiliate Members shall not use the terms REALTOR<sup>®</sup> or REALTORS<sup>®</sup>, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

## **Article X - State and National Memberships**

**10.1** The Association shall be a member of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> and WASHINGTON REALTORS<sup>®</sup>. By reason of the Association's membership, each REALTOR<sup>®</sup> Member of the Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> and WASHINGTON REALTORS<sup>®</sup> without further payment of dues. The Association shall continue as a member of the WASHINGTON REALTORS<sup>®</sup> and NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, unless by a majority vote of all of its REALTOR<sup>®</sup> Members, the decision is made to withdraw, in which case the WASHINGTON REALTORS<sup>®</sup> and NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> shall be notified at least one (1) month in advance of the date designated for the termination of such membership.

**10.2** The Association recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> in the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup>. The Association shall discontinue use of the terms in any form in its name, upon ceasing to be a member of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, or upon a determination by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> that the Association has violated the conditions imposed upon the terms.

**10.3** The Association adopts the Code of Ethics and agrees to enforce the Code of Ethics among its REALTOR<sup>®</sup> Members. The Association and all of its Members agree to abide by the Constitution, NAR Bylaws and Rules and Regulations.

## **Article XI - Dues and Assessments**

**11.1** **Application Fee.** The Board of Directors may adopt an application fee for REALTOR<sup>®</sup> Members in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR<sup>®</sup> Members, which shall be required to accompany each application for REALTOR<sup>®</sup> Members and which shall become the property of the Association upon final approval of the application.

**11.2 Dues.** The annual dues of Members shall be as follows:

11.2.1 Designated REALTOR® Members. The annual dues for each Designated REALTOR® Member shall be \$174.00 local dues plus an amount equal to \$206.00 (the amount which is billed to the Association by the NATIONAL ASSOCIATION OF REALTORS® and WASHINGTON REALTORS®) times the number of real estate salespersons and licensed or certified appraisers who (a) are employed by or affiliated as an independent contractor with, or who are otherwise directly or indirectly licensed with such Designated REALTOR® Member, and (b) are not REALTOR® Members of any association in the State of Washington or a state contiguous thereto or Institute Affiliate Members. In calculating the dues payable to the Association by Designated REALTOR® Members, non-member licensees as defined in Section 11.2.1(a) and (b) shall not be included in the computation of dues if the Designated REALTOR® Member has paid dues based on said non-member licensees in another association in the State of Washington or a state contiguous thereto, provided the Designated REALTOR® Member notifies the Association in writing of the identity of the association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, limited liability company or corporation whose business activity is substantially all commercial, any assessments for non-member licensees (as defined in this Section 11.2.1(a) and (b)) shall be limited to licensees affiliated with the Designated REALTOR® Member in the office where the Designated REALTOR® Member holds membership, and any other offices of the firm located within the Territorial Jurisdiction of this Association.

(a) For the purpose of this Section 11.2.1, a REALTOR® Member of a Member Association shall be held to be any Member who has a place or places of business within the State of Washington or a state contiguous thereto and who, as a principal, partner, member, corporate officer, or branch office manager of a real estate firm, partnership, limited liability company or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 11.2.1(b)) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, member or corporate officer of the entity.

(b) A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the Association on a form approved by the Association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of the Sections 11.2.1 and shall not be included in calculating the annual dues of the Designated REALTOR® Member.

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® or Associate REALTOR® membership in the Association. However, membership dues shall not be prorated if the licensee held REALTOR® or Associate REALTOR® membership during the preceding calendar year.

11.2.2 REALTOR® Member. The annual dues for each REALTOR® Members other than a Designated REALTOR® Member shall be \$174.00 local dues plus an amount equal to the amount which is billed to the Association by the NATIONAL ASSOCIATION OF REALTORS® and WASHINGTON REALTORS®, as may be amended from time to time.

11.2.3 Effective January 1, 1980, \$25.00 per year of the dues provided for in Section 11.2.1 and Section 11.2.2 shall be held in a special account for the following uses: (a) those matters concerning the property rights and the free enterprise system which the Board of Directors deems important to the protection of these

rights and objectives; (b) these expenditures may include, but are not limited to, the following: (1) consultant fees for studies and advocacy (including media and educational campaigns) relating to major issues; (2) attorney fees for protection of these rights and objectives; (3) salary for a Government Affairs Director directly employed by the Association, and (4) these funds should be directed primarily to local issues, but are not limited to such. No more than 20% of the annual income of the property rights fund shall be expended for general administrative expenses of the Association without authorization by a majority of REALTOR® Members qualified to vote at a specially called meeting for that purpose pursuant to the notice, quorum and other provisions in ARTICLE XIV.

11.2.4 Institute Affiliate Members:. The annual dues of each Institute Affiliate Member shall be established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®. The institutes, societies and councils of the NATIONAL ASSOCIATION OF REALTORS® shall be responsible for collecting and remitting dues to the NATIONAL ASSOCIATION OF REALTORS® for Institute Affiliate Members (\$75.00). The NATIONAL ASSOCIATION OF REALTORS® shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of the association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the association. The NATIONAL ASSOCIATION OF REALTORS® shall also credit \$25.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.

11.2.5 Affiliate Members: The annual dues of each Affiliate Member shall be \$264.00 plus the annual dues for membership in WASHINGTON REALTORS®; provided however, if the Affiliate Member falls into the public service categories, the annual dues shall be \$75.00 plus the annual dues for membership in WASHINGTON REALTORS® and if the Affiliate Member falls into the honorary member or student member categories, dues payable, if any, shall be at the discretion of the Board of Directors.

**11.3 Dues Payable.** Dues for all Members shall be payable annually **in advance** on the first day of January. Dues shall be computed from the date of application and granting of provisional membership.

11.3.1 In the event a sales licensee or licensed or certified appraiser who is a REALTOR® Member is terminated for nonpayment of Association dues, and the individual remains with the Designated REALTOR® Member's firm, the dues obligation of the Designated REALTOR® Member (as set forth in Section 11.2.1) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days of the notice of termination. For Members joining the Association after January 1, annual dues for the NATIONAL ASSOCIATION OF REALTORS® and WASHINGTON REALTORS® shall be prorated, if at all, as directed by those entities, and dues to the Association shall be prorated, if at all, as directed by the Board of Directors.

**11.4 Nonpayment of Financial Obligations.** If dues, fees, fines, or other assessments are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. If dues, fees, fines, or other assessments are not paid within Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. If dues, fees, fines, or other assessments are not paid within Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate. However, no action shall be taken to suspend or terminate a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

**11.5. Deposit.** All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

**11.6. Expenditures.** The Board of Directors shall adopt an annual budget for the Association based on projected revenues and expenses, and shall generally oversee the finances of the Association, but shall not incur any obligation over the available cash on hand without authorization by a majority of the REALTOR® Members qualified to vote at a specially called meeting for that purpose pursuant to the notice, quorum and other provisions in ARTICLE XIV. Expenditures shall be within the projected budget of the current year, as amended or revised based on experience, and the day-to-day administration of the budget may be delegated to the Association Executive, who in turn may employ staff and outside accounting/auditing professionals to verify and reconcile accounts, and to assure tax compliance by the Association.

**11.7 Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members.** All dues, fees, fines, assessments, or other financial obligations to the Association shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

**11.8 Other.** The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the NATIONAL ASSOCIATION OF REALTORS®), Past Presidents of the NATIONAL ASSOCIATION OF REALTORS® or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

## **Article XII - Officers and Directors**

**12.1 Officers.** The elected officers of the Association shall be a President, a President-Elect, a Secretary, a Treasurer, and the Immediate Past President. Officers shall be elected for terms of one year and the aforementioned officers shall constitute the Executive Committee of the Board of Directors. Notwithstanding the foregoing, the office of Vice President shall continue in effect through December 31, 2008. No amendment under these Bylaws in the number or type of offices shall have the effect of shortening the term of any incumbent officer.

**12.2 Duties of Officers.** The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. Special assignments may be described in more detail in the Policy Manual of the Association. In addition to the qualifications outlined elsewhere in these Bylaws, officers and directors must be actively engaged in the real estate business, and hold a real estate license in good standing from the State of Washington, except for the affiliate directors. It shall be the particular duty of the Secretary to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and WASHINGTON REALTORS®, provided that, such duties of the Secretary as well as general administrative duties of the President and all officers may, with due supervision, be delegated to and routinely executed by the Association Executive, office staff and retained consultants as provided in Article XIII. In addition to the foregoing:

12.2.1 All officers and directors shall be required to attend a professional standards training program designated by the Board of Directors prior to, or within one year of election to office.

12.2.2 No person shall be eligible for the office of President of the Association who has not first held the office of President-Elect.

12.2.3 Upon completion of his or her term in office, the President-Elect shall succeed automatically to the office of President for the next Association year.

**12.3 Board of Directors.** The governing body of the Association shall be a Board of Directors consisting of not less than three (3) nor more than fifteen (15) directors. The current number of directors is fifteen (15) and include all the elected officers, seven (7) REALTOR® Directors, two (2) elected Affiliate Directors and one (1) Affiliate Director appointed and approved by the Board of Directors. REALTOR® Directors shall be elected to

serve for terms of three years in three staggered classes: two (2) each in classes I and II, and three (3) in class III. Affiliate Directors are elected or appointed for one-year terms. The Board of Directors shall have all powers contemplated by the Articles of Incorporation and conferred on the Association by the Revised Code of Washington, and all authority and duties vested in the governing body of a local association affiliated with the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> and WASHINGTON REALTORS<sup>®</sup>.

**12.4 Appointment.** The Board of Directors may appoint Members as required to fill additional positions on the Board of Directors which are created by amendments to Articles of Incorporation or the Bylaws of the Association. No amendment under these Bylaws in the number of members of the Board of Directors shall have the effect of shortening the term of any incumbent director.

**12.5 State and National Directors.** The President, in consultation with the Executive Committee, and with the approval of the Board of Directors, shall appoint directors from the Association to WASHINGTON REALTORS<sup>®</sup>, as allocated by the state formula and consistent with the State Bylaws, and for staggered terms. The President, with the approval of the Executive Committee, shall appoint Alternate Directors from the Association to WASHINGTON REALTORS<sup>®</sup>, as allocated by the state formula and consistent with the State Bylaws, for terms not to exceed the Association year in which they are appointed. In the event the Association is allocated a National Director(s), such shall be appointed by the President, in consultation with the Executive Committee, and with the approval of the Board of Directors, for a term of three Association years, or otherwise for such term(s) and by such appointment or election procedures as mandated by the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**12.6 RMLS<sup>™</sup> Directors.** The President, in consultation with the Executive Committee, and with the approval of the Board of Directors, shall appoint Directors from the Association to the Board of RMLS<sup>™</sup>, as allocated pursuant to Association stockholder rights and RMLS<sup>™</sup> bylaws, and for staggered terms.

**12.6 Election of Association Officers and Directors.**

12.6.1 On or before April 15 each year, the President, with the approval of the Board of Directors, shall appoint a special Nominating Committee of five (5) REALTOR<sup>®</sup> Members. No fewer than two (2) members of the Nominating Committee must be past Presidents of the Association (if there be any willing to serve) and two (2) members of the Nominating Committee must be current Directors. No more than two (2) members of the Nominating Committee may be affiliated with the same brokerage company.

12.6.2 The Nominating Committee shall call for officer and director nominations via the newsletter, facsimile, email, Association meetings and events prior to the regular monthly (program) meeting in May. At the May meeting, the Nominating Committee shall announce the nominee(s) it has selected for each position, and shall open the floor of the meeting to further nominations. Any person nominated for a position from the floor must have a REALTOR<sup>®</sup> Member nominator and four (4) seconding REALTOR<sup>®</sup> Members in order to be added to the list of nominees, it being further provided, that the Nominating Committee shall, at its sole discretion, determine the eligibility of all nominees according to the Bylaws before the official ballot is prepared.

12.6.3 On or before May 15 each year, the President, with the approval of the Board of Directors, shall appoint a special Election Committee of (5) REALTOR<sup>®</sup> Members to conduct the election. The Election Committee shall oversee the election procedures from the close of nominations.

12.6.4 The election of officers and directors shall take place at the Annual Meeting of the Association in June as designated in Section 14.1. The election shall be conducted by secret official ballot which may be cast in person at the Annual Meeting or by mail received at the Association office no later than 5:00 PM on the day preceding the Annual Meeting. The ballot shall contain the names of all candidates and the offices for which they are nominated. An official ballot shall be deposited in the US Mail no later than 15 days prior to the

Annual Meeting, addressed to each member qualified to vote at his or her preferred address as recorded in the Association Member records. The Committee shall tabulate the mail-in ballots and the ballots cast in person at the Annual Meeting, and shall announce the results at the Annual Meeting. In case of a tie vote, lot shall determine the issue.

**12.7 Vacancies.** Vacancies among the officers and directors shall be filled on nomination by the President and approval by a majority vote of the Board of Directors. Affiliate Directors so appointed shall serve the balance of the unexpired term. Officers and REALTOR<sup>®</sup> Directors so appointed shall serve until a replacement is elected at the next annual election, or until the end of the unexpired term, whichever occurs first. The terms of REALTOR<sup>®</sup> Directors elected to fill unexpired terms begin on the first day of the month following election and run to the end of the unexpired term.

**12.8 Removal of Officers and Directors.** Except as provided in Section 14.2, in the event that an officer or director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the officer or director may be removed from office under the following procedure:

12.8.1 A petition requiring the removal of an officer or director and signed by not less than one-third of the REALTOR<sup>®</sup> Members of the Association qualified to vote or a majority of the Board of Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

12.8.2 Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the officer or director, and to render a decision on such petition.

12.8.3 The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

## **Article XIII - Administration**

**13.1 Association Operations.** The Association may employ an Executive Officer and staff to operate the Association office, to support the work of the officers, directors and committees and, with the review and approval of the President and Board of Directors, to conduct or facilitate the educational programs, professional standards administration, governmental affairs (including legislative and administrative issues and the defense of property rights), special events, member services, public relations and communications, receivables and payables, legal matters, and miscellaneous Association business.

**13.2 Association Executive.** The Association Executive is the Chief Executive Officer of the Association. The Association Executive is appointed by and serves at the pleasure the Board of Directors and reports to the President. The Association Executive employs and supervises a staff to operate the Association office and to manage Association business activities. In consultation with the President, Board of Directors and Committee chairs, the Association Executive supports REALTOR<sup>®</sup> Members and Affiliate Member in a wide range of programs to elevate the profession, benefit the membership and defend the rights of property owners. The Association Executive also serves as a resource on Association rules and procedures and as a liaison with other local associations, WASHINGTON REALTORS<sup>®</sup> and the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, as well as other professional and trade associations and government offices..

## Article XIV - Meetings and Voting

**14.1 Annual Meeting.** The annual meeting of the Association shall be held during June of each year at a date, place, and hour to be designated by the Board of Directors. All Realtor® Members eligible to vote shall be given written notice of the annual meeting or any special meeting by US Mail, personal delivery, electronic mail, or facsimile at the member's preferred address or number, as recorded in the Association records, not less than 15 days prior to such meeting. The election of officers and directors for the ensuing Association year shall be held at the annual meeting, pursuant to Section 12.6, together with other business specified in the notice.

**14.2 Meetings of Directors.** The Board of Directors shall meet monthly at a regular time and place determined by the Board. Absence by an officer or director from three regular meetings without an excuse deemed valid by a majority of the Board of Directors shall constitute a resignation. Special meetings of the Board of Directors may be called by the President or by any five (5) of members of the Board of Directors. All members of the Board of Directors shall be given written notice of any special meeting, accompanied by a statement of the purpose of the meeting, by US Mail, personal delivery, electronic mail, or facsimile at the member's preferred address or number, as recorded in the Association records, not less than 15 days prior to such meeting.

**14.3 Other Meetings.** Meetings of the Members, including regular (monthly) program meetings and specially called meetings, may be held at such place and at such times as the President or the Board of Directors may determine, or upon the written request of at least 10% of the Members eligible to vote.

**14.4 Notice of Other Meetings.** Written notice by newsletter, facsimile, courier, US Mail and/or email shall be given to every Member entitled to participate in the meeting at least one (1) week preceding all educational, program or social/networking meetings. If a special meeting is called to conduct business, it shall be accompanied by a statement of the purpose of the meeting and shall comply with the annual meeting notice requirements for those REALTOR® Members eligible to vote at such meeting.

**14.5 Quorum.** A quorum for the transaction of business at the annual meeting or special meeting shall consist of, not to be less than, 5% of the REALTOR® Members then eligible to vote. A quorum for the transaction of business at a Board of Directors meeting shall be 50% of eligible voting directors.

**14.6 Action of the Directors without Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing to such action is executed by all the Directors entitled to vote upon the matter. Such consent shall have the same effect and force as a unanimous vote of the directors.

## Article XV - Committees

**15.1 Standing Committees.** In addition to the Executive Committee created pursuant to Section 12.1, the President shall appoint annually from among the REALTOR® Members (except as noted), subject to confirmation by the Board of Directors, the following standing committees to serve for the Association year:

Programs Committee	Fair & Attainable Housing Committee*
Grievance Committee	Professional Standards Committee
Business Practices Committee*	Communications/Public Relations Committee*
Government Affairs Committee*	Membership Committee*
RPAC Committee*	Education Committee
Equal Opportunity Committee*	Budget/Finance Committee

Appointments to the Professional Standards Committee and Grievance Committee shall be consistent with the Cooperative Professional Standards Enforcement Agreement of the Association.

NOTE: The President may appoint Institute Affiliate Members to the committees marked above with an asterisk (\*) provided that a majority of the members of such committees shall be REALTORS®, respectively. With approval of or as directed by the President, standing committees may meet jointly to conduct business, and may delegate functions or projects to sub-committees (of no fewer than 3 members).

**15.2 Special Committees/Working Groups.** The President shall appoint, subject to approval by the Board of Directors, special committees as deemed necessary (including, but not limited to, the annual special committees for Awards, Nominating and Elections). The President may also appoint Working Groups to study issues or projects and make reports to the President and Board of Directors.

**15.3 Organization.** All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws.

**15.4 President.** The President shall be an ex-officio member of all committees and shall be notified of their meetings.

**15.5 Chairs.** The President shall designate the Chairs of all standing committees, special committees and working groups.

## **Article XVI - Fiscal and Elective Year**

The fiscal and elective year of the Association shall be on and from January 1 through December 31.

## **Article XVII - Rules of Order & Policies**

**17.1** Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors, and committees, in all instances wherein its provisions do not conflict with these Bylaws.

**17.2** The Board of Directors may create an Association Policy Manual to give additional guidance on duties, forms and procedures set forth herein, provided that such policies are subordinate to and do not conflict with the Articles of Incorporation or these Bylaws.

## **Article XVIII - Amendments**

**18.1** These Bylaws may be amended by the majority vote of the REALTOR® Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NATIONAL ASSOCIATION OF REALTORS® policy.

**18.2** Notice of all meetings at which amendments are to be considered shall be given to every member eligible to vote by the same form and time requirements as for annual meetings.

**18.3** Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the Territorial Jurisdiction of the Association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

## **Article IX - Dissolution**

**19.1** The Association shall be dissolved and its affairs wound up upon majority vote of directors of the Association then in office at any annual meeting of the Board of Directors or any special meeting of the Board of Directors called for such purpose or by unanimous written consent of the Directors.

**19.2** Upon the winding up and dissolution of the Corporation, all of the assets of the Corporation remaining after providing for the payment of all obligations shall be distributed to the WASHINGTON REALTORS® or, within the discretion of the Board of Directors, to any other non-profit tax-exempt organization. Any assets of the Corporation not so disposed of shall be disposed of by the Superior Court of Clark County, Washington, exclusively for tax exempt purposes within the meaning of Section 501(c)(6) of the Code.

*These Bylaws are effective September 18, 2008.*

ADOPTED by approval of the REALTOR® Members of the Corporation on June 26, 2008, with further technical corrections by approval of the REALTOR® Members of the Corporation on September 18, 2008.

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President

**ATTEST:**

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Secretary