

**BYLAWS OF THE  
HOWARD COUNTY ASSOCIATION OF REALTORS® INC.**

**Adopted October 16, 1984**

**(Amended October 15, 1985; October 7, 1987; October 20, 1989; July 23, 1991;  
October 25, 1991; October 21, 1992; October 27, 1993; January 7, 1994;  
April 20, 1994; October 28, 1994; October 18, 1996; April 10, 1997;  
October 22, 1999; June 18, 2001; March 01, 2002; October 23, 2004, September 15,  
2008, JULY 2009)**

ARTICLE I – NAME

Section 1. Name. The name of this organization shall be the Howard County Association of REALTORS®, Incorporated, hereinafter referred to as the “Association.”

Section 2. REALTORS®.

Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the Association shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® as from-time-to time amended.

ARTICLE II – OBJECTIVES

The objectives of the Association are:

Section 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.

Section 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®.

Section 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.

Section 4. To further the interests of home and other real property ownership.

Section 5. To unite those engaged in the real estate profession in this community with the Maryland Association of 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.

Section 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 III – JURISDICTION

Section 1. The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is Howard County, Maryland.

Section 2. Territorial jurisdiction is defined to mean:

(a) 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 in the terms.

## ARTICLE IV – MEMBERSHIP

Section 1. There shall be six classes of members as follows:

(a) REALTOR® Members. REALTOR® Members, whether primary or secondary, shall be:

(1) Individuals who, as sole proprietors, partners, 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 who maintain or are associated with an established real estate office in the State of Maryland or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation, who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.

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 jurisdiction of the board 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 1(b) of Article IV. (Amended 1/01)

NOTE: REALTOR® Members may obtain membership in a "secondary" Board in another state.

(2) Individuals who maintain a current, valid real estate license, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and who are actively engaged in the real estate profession other than as sole proprietor, partners, corporate officers, or branch managers and are associated with a REALTOR® Member and meet the qualifications set out in Article V.

(3) Franchise REALTOR® Members. 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, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® Membership (including compliance with Code of Ethics) except; obligations related to Association mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local board, State Association and National Association.

(4) Primary and Secondary REALTOR® Members. An individual is a Primary Member if the Association pays State and National dues based on such member. An individual is a Secondary Member if State and National dues are remitted through another Board/Association. One of the principals in the real estate firm must be a Designated REALTOR® Member in order for licensees affiliated with the firm to select the Association as their Primary Association/Board.

(5) Designated REALTOR® Member. Each firm (or office in the case of firms with multiple office locations) shall designate, in writing, one REALTOR® Member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® membership established in Article V, Section 2, of the Bylaws.

(b) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation by an Institute, Society, or Council affiliated with the National Association of REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise 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 hold REALTOR® membership, subject to payment of applicable dues for such membership.

(c) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraph (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association.

Affiliate membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

(d) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with 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.

(e) Honorary Members. Honorary Members shall be 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.

(f) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with 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 are not associated with an established real estate office.

## ARTICLE V – QUALIFICATION AND ELECTION

### Section 1. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant:

(1) That applicant agrees as a condition to membership to become thoroughly familiar with and, if elected as a member, will abide by the Constitutions, Bylaws, Rules, Regulations, Policies and Procedures of the Association, the State and the National Associations, and, if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate contractual disputes arising out of the real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS® as from time-to-time amended; and

(2) That applicant consents that the Association, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations and Code of Ethics referred to above.

### Section 2. Qualification.

(a) An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that applicant is actively engaged in the real estate profession, maintains a current valid real estate license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the State or a state contiguous thereto (unless a Secondary Member), has no record of recent or pending bankruptcy, has no record of official sanctions involving unprofessional conduct, agrees to complete a course of instruction covering the Bylaws, Rules, Regulations, Policies and Procedures of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and

the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Membership Committee, and shall agree that if elected to membership, applicant will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

Note 2. Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® or REALTOR®-ASSOCIATE membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics.

(1) No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, or 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 interest and those of its members and the public could not be adequately protected by requiring the bankruptcy applicant pay cash in advance for Association and Multiple Listing Service (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 initiated bankruptcy proceedings, the member may be placed on an all cash basis from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

(2) No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

(b) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, in order to qualify for REALTOR® membership shall, at the time of application, be associated either as an employee or an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another board/association (if a Secondary Member) and must maintain a current, valid Maryland real estate license, or be licensed or certified by an appropriate regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws, Rules, Regulations, Policies and Procedures of the Association, the Bylaws of the State Association, and Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership, applicant will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, Rules and Regulations of the Local Association, State Association and National Association.

(c) The Association will also consider the following in determining an applicant's qualification for REALTOR® membership: 1. All final findings of Code of Ethics violations and violations of other membership duties in any other Board/Association within the past three (3) years; 2. Pending ethics complaints (or hearings); 3. Unsatisfied discipline pending; 4. Pending arbitration request (or hearings); 5. Unpaid arbitration

awards or unpaid financial obligations to any other board/association or multiple listing service board/association .

Provisional membership may be granted in instances where ethics complaints or arbitration requests (or hearing) are pending in other boards/associations or where the applicant for membership has unsatisfied discipline pending in another association, except for violations of the Code of Ethics: See Article V, Section 2(a), Note 2.) (providing all other qualifications for membership has 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 (6) months from the date that provisional membership is approved. Provisional membership shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership.

If a member resigns from another board/association with an ethics complaint or arbitration request pending, the Association may condition membership on the applicant's certification that the applicant 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.

Section 3. Election. The procedure for election to membership shall be as follows:

(a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership and meets the qualifications as set forth in these Bylaws. If all of the conditions for election have been met, the applicant shall be automatically elected to the category of membership for which applied.

(b) If the Membership Committee determines that the applicant does not meet the conditions for election to membership based on failure to meet the qualifications as set forth in these Bylaws, the Membership Committee shall submit its objections, in writing, to the Board of Directors for consideration.

The Board of Directors shall invite the Chairperson of the Membership Committee to appear and to substantiate the Membership Committee's objections. Any objections which are not substantiated shall be totally disregarded. The Board of Directors may not find objections substantiated without:

(1) Informing the applicant in advance, in writing, of the objections and identifying that the objections were made by the Membership Committee; and

(2) Giving the applicant a full opportunity to appear before the Board of Directors to establish the applicant's qualifications.

The Board of Directors shall thereafter make a written report of its findings. All proceedings will be conducted with strict attention to the principles of due process and compliance with the Bylaws of the Association.

The applicant shall be provided with advance notice of the findings and recommendation of the Membership Committee; be provided with the opportunity to appear before the Board of Directors; to call witnesses on applicant's behalf; to be represented by Counsel;

and to make such statements as the applicant deems relevant. The Board of Directors shall 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.

If the Board of Directors determines that the applicant meets the qualifications set forth in the Bylaws for the category of membership for which applied, the applicant shall be declared elected to the category of membership for which applied.

If the Board of Directors determines that the applicant does not meet the qualifications set forth in these Bylaws, the application for membership shall be rejected. The Board of Directors shall record its reasons for such rejection with the Association Secretary. If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial 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 rejection violates no rights of the applicant.

#### Section 4. Change of Status.

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Association within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members and shall during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these bylaws or the category of membership to which they have transferred within sixty (60) days of the date they advised the Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the Board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so 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 of the Association.

(b) 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.

(c) Dues shall be prorated from the first day of the quarter in which the 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.

(d) 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.

(e) Dues shall be prorated from the first day of the quarter in which the member is elected and shall be based on the new membership status for the remainder of the year.

Section 5. New Member Code of Ethics Orientation. Applicants for REALTOR® Membership and provisional REALTOR® Members (where 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 applicants for REALTOR® Membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® Membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within ninety (90) days 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®.

Section 6. Continuing Member Code of Ethics Training. Effective January 1, 2001, through December 31, 2004, and for successive four-year periods thereafter, each REALTOR® Member of the Association 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 member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS® or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time-to-time. REALTOR® Members who have completed training as a requirement of membership in another association and REALTOR® Members who have completed the New Member Code of Ethics Orientation during any four-year cycle shall not be required to complete additional ethics training until a new four-year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed.

Members suspended for failing to meet the requirement for the first four (4)-years cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second cycle (2005 through 2008) and subsequent four (4)-years cycle will result in suspension of membership for the first two (2) months (January and February) of the year following the end of any four (4)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, revised 5/05.)

## ARTICLE VI – PRIVILEGES AND OBLIGATIONS

Section 1. The privileges and obligations of members, in addition to those otherwise provided in these Bylaws, shall be as specified in this Article.

Section 2. Any member of the Association may be reprimanded, fined, placed on probation, suspended or expelled by the Association Board of Directors for a violation of these Bylaws and Association Rules, Regulations, Policies and Procedures not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Association. Although members other than REALTORS® 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 of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly.

Further, members other than REALTORS® 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 which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the local association, the State Association, and the National Association.

Section 3. Any REALTOR® 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 of the Association, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

Section 4. Resignations of members shall become effective when received, in writing, by the Board of Directors, provided, however, that if the member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or of 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.

Section 5. (a) If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint, the Board of Directors may condition the right of the resigning/terminated member to reapply for membership upon the applicant's certification that applicant will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

(b) 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 former member was a REALTOR®.

Section 6. REALTOR® Members.

(a) REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association.

(b) REALTOR® Members may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII of these By-Laws.

(c) REALTOR® Members have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

(d) A REALTOR® Member who is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled from membership in the Association, the firm, partnership, or corporation shall not use the term REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership, or corporation is severed, or management control is relinquished, whichever may apply. Further, the membership of REALTOR® other than principals who are employed by 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 or until connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principal) elects to sever his connection with REALTOR® and affiliate with another REALTOR® Member in good standing in the Board, 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.

In the event the suspended or expelled member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension or until the former member is readmitted 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.

If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms, REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

(e) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(d) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with the REALTOR® Member and they shall be advised that the provisions in Article VI, Section 6(d) shall apply.

Section 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 Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR®-ASSOCIATE, or the REALTOR® logo; to serve as President of the local association; or to be a participant in the local association's multiple listing service .

Section 8. Affiliate Members. Affiliate Members shall have (1) the right to vote to the same extent as REALTOR® members; (2) the right to serve on Committees(s), Task Force(s) and Ad Hoc Committee(s) as appointed by the President and with the consent of the Board of Directors; and (3) to serve as a Director of the Association and shall have such other rights and privileges and be subject to obligations as prescribed by the Board of Directors, from time to time. However, Affiliate Members shall not be entitled to hold office as an officer of the Association as defined in Article XI, Section 1 of these Bylaws unless the Affiliate Member shall first obtain and hold REALTOR® membership in the Association.

Section 9. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors.

Section 10. Honorary Members. Honorary membership shall confer only the right to attend meetings and participate in discussions.

Section 11. Student Members. Student Members shall have rights and privileges and shall be subject to obligations prescribed by the Board of Directors.

Section 12. Certification by REALTOR®. "Designated" REALTOR® Members of the Association shall certify to the Association during the month of August on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTORS® office(s) and shall designate a primary board/association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTORS® office(s) and if Designated REALTOR® dues have been paid to another board/association based on said non-member licensees, the Designated REALTOR® shall identify the board/association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. Designated REALTOR® 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 and pay dues as set forth in Article X Section 2(a).

Section 13. 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 an investigation in accordance with the procedures of the association. As used in this Section, 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 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. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, 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 VII – PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The responsibility of the Association and the Association Members relating to the enforcement of the Code of Ethics, the disciplining of members, and the arbitration of contractual disputes, and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time-to-time amended, which by this reference is made part of these Bylaws provided, however, that any provision deemed inconsistent with State laws shall be deleted or amended to comply with State law.

Section 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate disputes arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined in and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of the Association as from time-to-time amended.

## ARTICLE VIII – USE OF THE TERMS REALTOR® AND REALTORS®

Section 1. Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 6/2006).

Section 2. REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the State or state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of members shall have this privilege.

Section 3. A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® or REALTORS® only if all of the principals of such firm, partnership, or corporation who are actively engaged in the real estate

profession within the State or state contiguous thereto are REALTOR® Members of the Association or Institute Affiliated Members as described in Section 1(b) of Article IV.

In the case of a REALTOR® Member who is a principal of a real estate firm, partnership or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

Section 4. Institute Affiliate Members shall not use the term REALTOR® or REALTORS® or the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

#### ARTICLE IX – STATE AND NATIONAL MEMBERSHIPS

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

Section 2. The Association recognized the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The Association shall discontinue use of the terms in any form in its name, upon ceasing to be a member of the National Association, or upon its determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

Section 3. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Association and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the Maryland State Association.

#### ARTICLE X – DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTOR® membership in a reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the Property of the Association upon final approval of the application.

Section 2. Dues. The annual dues of members shall be as follows:

(a) REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers, who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member and (2) are not REALTOR® Members of any Board in the State or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another board in the State or a state contiguous thereto, provided that the Designated REALTOR® notifies the Board, in writing, of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board. (Amended 1/01).

(1) For the purposes of this Section, a REALTOR® Member of a Member Board shall be held to be any member who has a place or places of business within the State or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. 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 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch manager of the entity.

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 this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

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 REALTOR®-ASSOCIATE membership in the Association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR®-ASSOCIATE membership during the preceding calendar year.

(b) The annual dues of each REALTOR® Member other than a Designated REALTOR® MEMBER shall be in such amount as shall from time to-time be established by the Board of Directors.

(c) Institute Affiliate Members. The annual dues of Institute Affiliate Members shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$75.00). The National Association 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 that 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 other board. The National Association 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.

(d) Affiliate Members. The annual dues of each Affiliate Member shall be in such amount as shall from time-to-time be established by the Board of Directors.

(e) Public Service Members. The annual dues of Public Service Members shall be in such amount as shall from time-to-time be established by the Board of Directors.

Section 3. Dues Payable. Dues for all members shall be payable annually, in advance, on the first day of November. Dues shall begin on the first day of the quarter in which a member shall be elected and shall be prorated for the remainder of the year.

(a) In the event sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the Designated REALTOR® firm, the dues obligation of the "Designated REALTOR®" (as set forth in Article X, Section 2(a)) will be increased to reflect the addition of a nonmember 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.

#### Section 4. Nonpayment of Financial Obligations.

(a) If dues, fees, fines or other assessments, including amounts owed to the Association or alternatively to the Association's multiple listing service, 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. Two (2) months after the due date, membership of the nonpaying member shall automatically terminate unless within that time the amount due is paid or unless waived upon recommendation of the Board of Directors. However, no action shall be taken to suspend or expel 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 duly levied in accordance with the provisions of these Bylaws or the provision of the other Rules and Regulations of the Association or any of its service, departments, division, or subsidiaries may apply for reinstatement during the same fiscal year his/her membership is terminated in a manner prescribed for new applicants for membership by the Board of Directors after making payment in full of all accounts due as of the date of termination and the payment of a reinstatement fee in such amount as established annually by the Board of Directors. A former member who has had his/her membership terminated for nonpayment may apply for reinstatement following the fiscal year his/her membership was terminated in a manner prescribed for new applicants for membership. A fee to be established by the Board of Directors will be assessed against any member whose check made payable to the Association is returned for insufficient funds. A fee for late payment of dues, fees, fines or other assessments will be assessed against any member whose payment exceeds thirty (30) days past due date as shown on invoice.

Section 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.

Section 6. Expenditures. The Board of Directors shall administer the day-to-day finances of the Association.

(a) Capital expenditures may not exceed \$25,000 annually over the available cash on hand, including any reserves or operating accounts of the Association. Capital expenditures over \$25,000 shall not be made or incurred unless first authorized by vote of a majority of the Association Members present and eligible to vote.

Section 7. Notice of Dues, Fees, Fines, Assessments, or 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.

Section 8. The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

## ARTICLE XI – OFFICERS AND DIRECTORS

Section 1. Officers. The President, President-elect, Secretary and Treasurer shall be the elected officers of the Association. They shall be elected for terms of one (1) year. The Treasurer shall serve for two (2) years.

Section 2. Duties of Officers. The duties of officers shall be:

2.1 The President shall be the chief elected officer of the Association and shall preside at its meetings and those of the Board of Directors and the Executive Committee, between the sessions of which the President shall represent the Association and act in its name, subject only to its declared policies. The President shall appoint all

committees unless otherwise directed by the Board of Directors, shall be an ex-officio member of all committees and shall perform all other duties usual to such office.

2.2 The President-elect shall perform the duties of the President in the event of the President's absence or disability and shall have such other powers and duties as may be prescribed by the Board of Directors, the Executive Committee or the President, from time-to-time. Absent, unusual or unforeseen circumstances, the President-elect shall succeed to the Office of the President. If the Office of the President should become vacant between elections, the President-elect shall fill the vacancy and complete the unexpired term. The President-elect who fills a vacancy in the Office of the President absent, unusual or unforeseen circumstances shall automatically become President for a full term after completion of the unexpired term subject to his or her election as provided in these Bylaws.

2.3 In the event of the death or disability of the President and the inability or incapacity of the President-elect to succeed to such office pursuant to this Section, The Office of the President shall be filled until the next election by a person appointed by the Board of Directors.

2.4 The Treasurer shall be the custodian of the funds and securities and the disbursing officer of the Association.

2.5 The duties of the Secretary shall be to keep the records and seal of the Association, and to perform such other duties as are customary to the office including as Secretary to the Board of Directors and the Executive Committee.

2.6 There shall be a General Counsel retained by the Board of Directors who shall perform the duties usual to such office under the direction of the Association Executive.

2.7 There shall be an Association Executive who shall be appointed by the Board of Directors. The Association Executive shall be the chief administrative officer of the Association, subject to the direction of the Board of Directors through the President. The Association Executive will serve as the head of the staff charged with its selection and supervision and shall have and perform such other duties as may be assigned, from time to time, by the President, by the Executive Committee or the Board of Directors. Among the particular duties of the Association Executive shall be to serve as Recording Secretary, to keep the records of the Association, and to carry on all necessary correspondence with the National Association and the Maryland Association. The Association Executive shall not be a member of the Association and shall not engage, either directly or indirectly, in the real estate business while serving as Association Executive of the Association. (The Association Executive shall provide a bond in a surety company qualified to do business in the State of Maryland and of such amount as may be determined by the Board of Directors. The cost of such bond shall be paid by the Association.)

Section 3. Board of Directors. Effective with the elective year commencing November 1, 2009 and thereafter, the governing body of the Association shall be a Board of Directors composed of:

- 1) The elective officers;

2) The Immediate Past President;

3) Two (2) Directors as appointed, one (1) each, by the President and President-elect following their respective election at the Annual Meeting. The two (2) Directors as appointed by the President and President-elect shall be subject to approval by the Board of Directors at its first meeting immediately following the Annual Meeting and shall be effective immediately upon approval by the Board of Directors. Such Directors shall be either REALTOR® or Affiliate members, in good standing, of the Association at the time of their appointment and during their term of office. Such Directors, as appointed, shall serve a one (1) year term of office concurrent with the term of office of the President and/or President-elect and shall be entitled to vote as a Director. In the event of a vacancy of a Director as appointed by the President or President-elect, as the case may be, the President or the President-elect shall appoint, subject to the approval of the Board of Directors, a substitute Director to complete the unexpired term of the Director position then vacant. In the event the office of the President or President-elect shall become vacant, the individual elected by the Board of Directors to complete the unexpired term of the office shall not be entitled to appoint a substitute Director.

4) Such additional Directors, as are required to bring the total number of Directors on the Board of Directors, including the elected officers; Immediate Past President; and the two (2) Directors as appointed by the President and President-elect, to fourteen (14). All Directors, other than those as provided for in 1); 2) and 3) above, shall be elected for a two (2) year term of office and shall not serve more than two (2) consecutive full terms in capacity as a Director unless so serving as Director under 1), 2) or 3) above.

3.5 Executive Committee. There shall be an Executive Committee consisting of the President, the President-elect, the Treasurer the Secretary and up to two directors as appointed by the Board of Directors. It shall be the particular duty of the Executive Committee to recommend the proposed budget. The Executive Committee is empowered to take such actions as are necessary to carry on the ordinary business of the Association between regularly scheduled Board of Director meetings.

#### Section 4. Election of Officers and Directors.

(a) At least two (2) months before the annual election, a Nominating Committee of five (5) REALTOR® Members shall be appointed by the President with approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed to each REALTOR® Member eligible to vote at least thirty (30) days preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least eighty (80%) percent of the REALTOR® Members eligible to vote. The petition shall be filed with the Secretary at least thirty (30) days before the election. The Secretary shall send notice of such additional nominations to all members eligible to vote before the election.

(b) The election of officers and directors shall take place at the annual meeting. All votes shall be cast in person or by electronic transmission as provided in Section 4(d) of this Article XI. Except for voting by electronic transmission as provided herein, absentee ballots shall not be cast. Proxy votes shall not be cast either in person or by

electronic transmission. The ballot, whether in person or by electronic transmission, shall contain the names of all candidates as stated in the report of the Nominating Committee and the office(s) for which each candidate is nominated.

(c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of three (3) REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

(d) As used in this Section 4 of this Article XI, the term “electronic transmission” shall mean a vote by a member, in good standing of the Association, by electronic mail to the internet web site of the Association on the internet web page or internet link designated for such purpose by the Association. Voting for officers and directors by electronic transmission shall be limited, solely and exclusively, to a period of time commencing at 12:00 a.m. midnight, seven (7) calendar days prior to the scheduled annual meeting and ending at 6:00 a.m. on the date of the annual meeting (“the electronic election period”). The Board of Directors of the Association shall establish, from time-to-time, safeguards to ensure that no more than one (1) vote for each candidate for officer or director may be cast by any member by electronic transmission during the electronic election period. A member may cast only one (1) ballot by electronic transmission during the electronic period for each and every candidate for each and every nominated officer and director. Only the first ballot by electronic transmission by each member during the electronic election period shall be counted and subsequent ballots by electronic transmission by the same member shall be disqualified and shall not be counted.

Section 5. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

Section 6. Removal of Officers or Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, or fails to discharge the duties for which elected, including breach of such duties, but will not resign from office voluntarily, the Officer or Director may be removed from the office under the following procedure:

(a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all 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 disqualified from further service.

(b) 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.

(c) 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 two-thirds vote of REALTOR®, Secondary and Affiliate Members present and voting shall be required for removal from office.

## ARTICLE XII – MEETINGS

Section 1. Annual Meetings. The annual meeting of the Association shall be held during October of each year, the date, place and hour to be designated by the Board of Directors.

Section 2. Meeting of the Directors. The Board of Directors shall designate a regular time and place for meetings. Absence from two meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation therefrom.

Section 3. Other Meetings. Meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten (10%) percent of the members eligible to vote.

Section 4. Notice of Meetings. Written notice shall be given to every member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting, it shall be accompanied by a statement of the purpose of the meeting.

Section 5. Quorum. A quorum for the transaction of business at the annual meeting or any other meeting of the members shall consist of five (5%) percent of the members eligible to vote.

Section 6. Informal Action by Board of Directors. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee of the Association may be taken without a meeting pursuant to the provisions of Section 2-408 and Section 2-409, Corporations and Associations Article, Annotated Code of Maryland, 1993 edition, as amended from time-to-time.

To the fullest extent permitted by law, the Board of Directors or any committee of the Association may conduct business by electronic means provided each director and/or committee member shall cast their vote only in writing or by electronic transmission.

Section 7. Quorum and Voting on Board of Directors and Committees. At each meeting of the Board of Directors or committees, a majority of all members of the Board of Directors or committees entitled to vote shall constitute a quorum for the transaction of business, except as otherwise specifically provided by law, by the Charter of the Association, or by these Bylaws. The act of a majority of the Board of Directors or Committees who are entitled to vote and who are present at any meeting at which there is a quorum shall constitute the act of the Board of Directors or Committee.

Section 8. Meeting of Board of Directors or Committees by Telephone Conference. Members of the Board of Directors or Committees may participate in a meeting by means of a telephone conference or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting.

## ARTICLE XIII – COMMITTEES

Section 1. Within thirty (30) days after election, and from time-to-time thereafter, the President, with the approval of the Board of Directors, shall appoint from among the REALTOR® and Affiliate Membership, a Professional Standards Committee and other such committees and/or task force(s) as are required to carry out the assigned responsibilities of the Association. For the purpose of these Bylaws, committee(s) shall include and mean task force(s).

Section 2. Organization. All committees shall be of such size and shall have such duties, functions, and powers as may be assigned to them by the President or the Board of Directors, except as otherwise provided in these Bylaws.

Section 3. President. The President shall be an ex-officio member of all committees and shall be notified of their meetings.

Section 4. Vacancies. The President may fill any vacancies which may occur during the year on any committee within thirty (30) days after receipt of notice of such vacancy, subject to confirmation by the Board of Directors.

Section 5. Removal of Members. The President, with the majority vote of the Board of Directors, may remove any member of members of a committee of the Association from such committee service or activity, with or without cause and at any time. Absence from two (2) scheduled meetings of any committee without an excuse deemed valid by the committee shall be construed as resignation there from.

#### ARTICLE XIV – FISCAL AND ELECTIVE YEAR

Section 1. The fiscal and elective year of the Association shall be from November 1<sup>st</sup> through October 31<sup>st</sup>.

#### ARTICLE XV – RULES OF ORDER

Section 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.

#### ARTICLE XVI – AMENDMENTS

Section 1. These Bylaws may be amended by a majority vote of the members present and eligible 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, at any regular or special meeting of the Board of Directors at which a quorum is present, shall approve amendments to the Bylaws which are mandated by the NATIONAL ASSOCIATION OF REALTORS® or by law.

Section 2. Notice of all meetings at which amendments are to be considered shall be mailed to every member eligible to vote at least one (1) week prior to the meeting.

Section 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 XVII – POLICIES AND PROCEDURES

The policies and procedures manual of the Association, as from time-to-time amended by the Board of Directors of the Association, is hereby incorporated by reference and made a part of these Bylaws.

## ARTICLE XVIII – MULTIPLE LISTING

Section 1. Authority. The Association, in the absolute and sole discretion of the Board of Directors of the Association, from time-to-time, may subscribe to a multiple listing service existing or formed as a lawful corporation of the State of Maryland or any other state, all or part of the authorized stock of which shall be owned by the Association or other Boards and Associations of REALTORS® located in Maryland or in other states, including the District of Columbia.

Section 2. Purpose. A multiple listing service is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents or in other agency or nonagency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

Section 3. Participation. Any REALTOR® Member of this or any other Board who is a principal, partner, or corporate officer, or branch manager acting on behalf of the principal, without further qualification, except as otherwise stipulated in these Bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\* Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Section 4. Governing Documents. The Board of Directors shall cause any multiple listing service subscribed to in accordance with this Article XVIII to conform its corporate charter, constitution, bylaws, rules and regulations and policies, practices and procedures at all times to the Constitution, Bylaws, Rules, Regulations and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 5. Access to Comparable and Statistical Information. Board Members who are actively engaged in real estate brokerage, management, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Board Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in the MLS rules and regulations. Board Members who receive such information, either as a Board service or through the Board’s MLS, are subject to the applicable provisions of the MLS rules and regulations whether they participate in the MLS or not.

#### ARTICLE XIX – DISSOLUTION

Section 1. Upon the dissolution or winding up of affairs of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Maryland Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

\* NOTE: Generally, Boards of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS “Participant”. If each principal is defined as a “Participant,” then each shall have a separate vote on MLS matters. Brokers or salespersons other than principals are not considered “Participants” in the Service, but have access to and use of the Service through the principal(s) with whom they are affiliated.