Bylaws of the

Greater Metropolitan Association of REALTORS®



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Introduction¹

¹ The pages entitled 'Introduction', 'Table of Contents' and 'Index' are provided for the ease of use by the reader, but are not a part of the Bylaws of the Greater Metropolitan Association of REALTORS[®].

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Article I: Name

Section 1: Name. The name of this organization shall be the Greater Metropolitan 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.

<u>Section 5:</u> To unite those engaged in the real estate profession in this community with the Michigan 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.

<u>Section 6:</u> 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® shall begin at the Northwest corner of Highland Township, then South to the Southwest corner of Lyon Township, then East to the Southeast corner of Lyon Township, then South to the Southwest corner of Sumpter Township, then East to the Southeast corner of Sumpter Township, then North to the Northeast corner of Van Buren Township, then East along Van Born Road to Inkster Road, then North on Inkster Road to Joy Road, then East on Joy Road to Telegraph Road, then North to the Northeast corner of Redford Township, then East on 8 Mile Road along the southern boundaries of Southfield, Ferndale and Hazel Park Townships, then North along Dequindre Road to the Northeast corner of Addison Township, then West to the Northwest corner of Addison Township, then South along the Western boundaries of Addison, Oakland and Rochester Hills Townships to the intersection of Square Lake Road and Adams Road, then West along Long Lake Road to Drake Road, then North on Drake Road to Long Lake Road, then East to the Southeast corner of White Lake Township, then West along the Northern boundaries of White Lake and Highland Townships to the point of beginning; and the entire County of Macomb.

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 Michigan 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 an Association of REALTORS® within the state or a state contiguous thereto, unless otherwise qualified for Institute section 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 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 1(b) of Article IV. (Amended 1/05)

NOTE: REALTOR® members may obtain membership in a "secondary" Association in another state.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications set out in Article V.

(3) Franchise REALTOR® Membership. 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 the 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 Association, state Association, and National Association. (Adopted 1/96)

(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 Association. 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.

(5) Designated REALTOR® Members. 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 (or to mediate if required by the

Association) 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. (Amended 11/11)

(b) Institute Affiliate Members. Institute Affiliate members shall be individuals who hold a professional designation awarded 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® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership. (Amended 1/02)

(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 paragraphs (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 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.

Article V: Qualification and Election

Section 1: Application. 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 thoroughly familiarize himself/herself with the Code of Ethics of the National Association of REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and if elected a member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and 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(or to mediate if required by the Association) controversies arising out of real estate transactions as specified by Article I7 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. (Amended 11/11)

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 Association, through its membership committee or otherwise, that he/she is actively engaged in the real estate profession, and 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, 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 and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and 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 committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. (Amended 1/05)

* 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, 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 those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association 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 has been discharged from bankruptcy.

**No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider:

1. Judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

2. Criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® membership, shall at the time of application be associated either as an employee or as an independent contractor with a designated REALTOR® member of the Association or a designated REALTOR® member of another Association (if a secondary member) and must maintain 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, has no record of official sanctions involving unprofessional conduct*, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the 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 he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics. (Amended 5/07)

(c) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

- 1. All final findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® Association within the past three (3) years
- 2. Pending ethics complaints (or hearings)
- 3. Unsatisfied discipline pending
- 4. Pending arbitration requests (or hearings)
- 5. Unpaid arbitration awards or unpaid financial obligations to any other Association or Association MLS
- 6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other 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), provided all other qualifications for membership have been satisfied. Associations 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 members shall be considered REALTORS® and shall be subject to all the same privileges and obligations of REALTOR® membership. 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.

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

The procedure for election to membership shall be as follows.

- a) The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the board of directors.
- b) If the board of directors determines that the individual does not meet all of the qualifications for membership as established in the association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 90 days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee. The board of directors shall vote on the applicant's

eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

- c) The board of directors may not reject an application without providing the applicant with advance notice of the findings, 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 the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). 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. (Adopted 1/98, Amended 1/05, Amended 1/17)

Section 4: 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 (2) hours and thirty (30) 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 (1) 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®. (Adopted 1/01)

Section 5: Continuing Member Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021 and for successive three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) 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 REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, 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 three year cycle shall not be required to complete additional ethics training until a new three year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three 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, Amended 11/08, Amended 11/2014)

Section 6: Status Changes

(a) A REALTOR® 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 REALTOR® (non-principal) 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® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members 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 REALTOR® (principal). If the REALTOR® (non-principal) 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 so directed by the Board of Directors.

A REALTOR® (or REALTOR-ASSOCIATE®, where applicable) who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® 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 so directed by the Board of Directors.

Section 7: Continuing Fair Housing Training

Effective January 1, 2025, through December 31, 2027 and for successive three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, er the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed Fair Housing training as a requirement of membership in another association shall not be required to complete additional Fair Housing training until a new three year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three 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.

Section 8: New Member Fair Housing Orientation

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, er the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to gain or maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® the learning objectives and minimum criteria established by the State licensing authority for an existing Fair Housing requirement to gain or maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to 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 (1) year or less.

Failure to satisfy this requirement within 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. (approved 6/2023)

Article VI: Privileges and Obligations

<u>Section 1:</u> The privileges and obligations of members, in addition to those otherwise provided in these Bylaws, shall be specified in this Article.

Section 2: Any member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations consistent 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, nor 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 objectives and purposes of the local Association, the State Association, and the National Association of REALTORS®.

<u>Section 3:</u> 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 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.

Section 5: If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold its membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins and association of REALTOR®. (Amended 5/16)

(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (Amended 1/00 and 11/11)

Section 6: **REALTOR® Members.** REALTOR® members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the Association and may use the terms REALTOR®. For purposes of this section, the term "good standing" means the member satisfies the "Obligations of REALTOR® Members", is current with all financial and disciplinary obligations to the association and MLS, and has completed any new member requirements, and complies with NAR's trademark rules. (added 11/20/21)

(a) If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms 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. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member or unless connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself/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. 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® and REALTORS® 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 REALTORS® other than principals 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, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® member (non-principal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the Association, whichever may apply.

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.

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

<u>Section 7</u>: 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®.

NAR 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. (Amended 1/02)

<u>Section 8</u>: Affiliate Members. Affiliate members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

<u>Section 9</u>: Public Service Members. Public Service members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

<u>Section 10</u>: Honorary Members. Honorary membership shall confer only the right to attend meetings and participate in discussions.

<u>Section 11:</u> Student Members. Student members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 13: Certification by REALTOR®. "Designated" REALTOR® members of the Association shall certify to the Association during the month of June, or as otherwise designated by the Board of Directors, on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if designated REALTOR® dues have been paid to another Association based on said non-member licensees, the designated REALTOR® shall identify the 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.

Article VII: Professional Standards and Arbitration

Section 1: The responsibility of the Association and of Association members relating to the enforcement of the Code of Ethics, the disciplining of members, and the arbitration of 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 amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law 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 safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by governing documents and policies of the association, the State Association, and the National Association of Realtors® as well as the Code of Ethics of the National Association of Realtors, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual. (added 11/2021)

Every REALTOR® member shall maintain a high level of integrity and adhere to the association's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership. (added 11/2021)

<u>Section 3:</u> The responsibility of the Association and Association members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Association, which by this reference is made a part of these Bylaws.

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 Association shall have the 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 5/06)

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 a state contiguous thereto so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege. (Amended 1/96)

Section 3: A REALTOR® member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members, as described in Section 1(b) of Article IV.

(a) 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 REALTOR® may not be used in any reference to those additional places of business. (Amended 1/01)

<u>Section 4:</u> Institute Affiliate members shall not use the terms REALTOR® or REALTORS®, nor 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 Michigan Association of REALTORS®. By reason of the Association's membership, each REALTOR® member of the Member Board shall be entitled to membership in the National Association of REALTORS® and the Michigan Association of REALTORS® without further payment of dues. The Association shall continue as a member of the State and National Associations, unless by a majority vote of all of its REALTOR® members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2: The Association recognizes 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 a 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 Michigan Association of REALTORS®.

Article X: Dues and Assessments

<u>Section 1:</u> 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. (Amended 1/02)

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 Association in the state or a state contiguous thereto or Institute Affiliate members of the Association. In calculating the dues payable to the Association 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 Association in the state or a state contiguous thereto, provided the designated REALTOR® notifies the Association in writing of the identity of the 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 Association to which dues have been remitted. In the case of a designated REALTOR® member in a offices of the firm located within the jurisdiction of this Association. (Amended 1/05)

(1) For the purpose 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 REALTOR®. 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 office 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, renting, 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®. <u>Designated REALTORS® shall</u> notify the association within three (3) days of any change in status of licensees in a referral firm.

The exemption for any licensee included on the certification form shall automatically be revoked upon the individual being engaged in real estate licensed activities (listing, selling, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

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. (Amended 11/09 and 11/14)

(b) REALTOR® Members. The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the Board of Directors. (Amended 1/05)

(c) Institute Affiliate Members. The annual dues of each Institute Affiliate member 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 (\$105). The National Association shall credit \$35 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 \$35 amount will be credited to the COB, unless the Institute Affiliate member directs that the dues be distributed to the other association. The National Association shall also credit \$35 to the account of state associations for each Institute Affiliate member whose office address is located within the territorial jurisdiction shall also credit \$35 to the account of state associations for each Institute Affiliate member whose office address is located within the territorial jurisdiction shall also credit \$35 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. (Amended 11/2013)

(d) Affiliate Members. The annual dues of each Affiliate member shall be as established annually by the Board of Directors. (Amended 1/05)

(e) Public Service Members. The annual dues of each Public Service member shall be as established annually by the Board of Directors. (Amended 1/05)

(f) Honorary Members. Dues payment, if any, shall be at the discretion of the Board of Directors. (Amended 1/05)

(g) Student Members. Dues payment, if any, shall be at the discretion of the Board of Directors. (Amended 1/05)

<u>Section 3 :</u> Dues. Dues for all members shall be payable annually in advance on the first day of the dues cycle, or as otherwise approved by the GMAR Board of Directors. Dues for new members shall be computed from the date of application and granting of provisional membership.

(a) In the event a 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®'s firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2 (b) 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.

<u>Section 4:</u> Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Association or 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 may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. 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 provisions of other Rules and Regulations of the Association or any of its services, departments, divisions, or subsidiaries 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.

<u>Section 5:</u> Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors. (Amended 1/05)

<u>Section 6:</u> 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.

<u>Section 7:</u> The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association or recipients of the Distinguished Service Award shall be as determined by the board of directors. (Amended 11/2013)

NOTE: A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® members of the association. The dues obligation of such individuals to the local association should be reduced to reflect the reduction in the association's dues obligation to the National Association. The association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the association's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the local association. (Amended 11/2013)

Article XI: Officers and Directors

Section 1: Definition of Elected Leadership

GMAR leadership, for the purposes of this Article, shall be defined as: Directors (Section 2) Elective Officers (Section 3) Executive Committee (Section 4) Managers of MichRIC (Section 5) Chief Executive Officer (Section 6)

Section 2: Directors

(a) Definition: The governing body of the Association shall be a Board of Directors consisting of the Past President and twelve (12) REALTOR® Members elected by the Membership as herein provided, and one (1) Affiliate Director elected as herein provided.

(b) Qualifications:

(1) No person shall be elected to the Board of Directors unless, at the time of their election, they are a REALTOR® Member (primary or secondary Member) in good standing of the Association.

(2) No REALTOR® Member shall be nominated, elected or appointed to the Board of Directors, the result of which would be more than two (2) Members of the Board of Directors from the same company. "Same company" shall be defined as company offices owned by common ownership.

(3) A change in company affiliation by a Director/Officer in such a way that there would be more than two (2) representatives from any one (1) company on the Board of Directors shall constitute the resignation of that Director /Officer. The Board of Directors may, at their sole discretion, accept the resignation of another Director who is a member of the firm so that the rule of no more than two Directors may serve from the same office is upheld.

(4) If a District Director moves that Director's principal office from the District from which that Director was elected, that Director shall serve only through the end of the calendar year. At the next scheduled election, a Director shall be elected to serve the unexpired term from that District.

(5) If a member of the Board of Directors is no longer a REALTOR® Member of the Greater Metropolitan Association of REALTORS®, that Director shall be deemed to have resigned as a Director.

(6) A member of the Executive Committee of GMAR cannot serve on an Executive Committee of any other real estate Association and/or MLS unless said position is serving a wholly owned and operated company or subsidiary of GMAR.

(7) In the event a Chapter is formed within GMAR's membership, additional Directors may be appointed to represent that Chapter, per Article XIX: Chapters Section 5. Nominees for these Director positions would be subject to the existing criteria as provided otherwise in these bylaws. (adopted 3/24)

(c) Terms of Office: District Directors and Directors at Large shall be limited to two (2) consecutive three year terms of office and the Affiliate Director shall be limited to two (2) consecutive one year terms of office.

(d) Duties: The Board of Directors shall manage and have full charge of the general conduct of the affairs and finances of the Association. The Board of Directors shall adopt such policies and Rules and Regulations for its governance and the governance of the Association as expedient and necessary, and consistent with the Bylaws of the Association.

(e) Quorum: Eight (8) Directors shall constitute a quorum for the transaction of business.

(f) Vacancies: The Board of Directors shall have the power to fill vacancies on the Board of Directors provided, however, that the person elected to fill such vacancy shall be a REALTOR® Member in good standing of the Association and shall meet the qualifications stated herein for the position to be filled. If the vacancy to be filled is for more than one (1) year, the person chosen to fill the vacancy shall serve only through the end of the calendar year following the next annual election, and the remainder of the term shall be filled by a REALTOR® Member who shall be elected at the next annual election by the REALTOR® Members. The Board will make every effort to appoint a primary or secondary Realtor® from the area there is a vacancy, however this is not deemed required for an appointment.

(g) Removal of Director(s): In the event that a Director(s) is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Director(s) may be removed from office under the following procedure:

(1) A petition requesting the removal of a Director and signed by not less than one-third (1/3) of the voting membership of the District who elected said Director shall be filed with the Chief Executive Officer and shall specifically set forth the reasons the individual(s) is deemed to be disqualified from further service.

(2) Upon receipt of the petition, and not less than twenty (20) days nor more than forty-five (45) days thereafter, a special meeting of the voting membership of the District of the Association electing the

Director involved shall be held and the sole business of the meeting shall be to consider the charge against the Director(s), and to render a decision on such petition.

(3) The special meeting shall be noticed at least ten (10) days prior to the meeting to all voting Members of the District involved and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the meeting. A quorum shall be ten (10) percent of the members in the District involved. Provided a quorum is present, a three-fourths (3/4) vote of the Members present and voting shall be required for removal from office.

(h) Active Members of GMAR who hold a Director position with the Michigan Association of REALTORS® and/or the National Association of REALTORS® may elect to become ex-officio members of the GMAR Board of Directors for the term of their MAR and NAR Director position, providing they maintain active, membership with GMAR. Resignation or removal from either MAR or NAR Director position would also constitute removal as the ex-officio member of the GMAR Board of Directors.

Section 3: Elective Officers.

(a) Definitions: The elective officers of the Association shall be a President, a President Elect, and Treasurer.

(b) Qualifications: In order to qualify to run for an elected Officer position, one must be a member of the current Board of Directors and who have served for at least one (1) year of their elected term within the last five (5) years on the Board of Directors of the GREATER METROPOLITAN ASSOCIATION OF REALTORS[®]. Said Officers shall be elected at a meeting of the current Board of Directors.

(c) Terms of Office:

(1) The President and the President Elect shall serve for a period of one (1) year commencing on January 1 next following their election or until their successors are elected and assume office. The Treasurer shall serve for a period of one (1) year commencing on January 1 next following their election or until their successors are elected and assume office. In accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors and applicable state law.

(2) If the elective term of office of the President expires prior to completing the President's term of office, then the President shall continue to serve on the Board of Directors until his/her term as President and Past President expires.

(3) If the elective term of office of the President Elect expires prior to completing the President Elect's term of office, then the President Elect shall continue to serve on the Board of Directors until his/her term as President Elect, President and Past President expires.

(d) Election of Officers: At the next scheduled Board of Directors meeting immediately following the annual election, the Board of Directors shall meet and elect, from its own body, Officers for the ensuing year.

1) The President shall serve as Chair and shall preside under rules of procedure approved by a majority of the Directors. No Member of the Board of Directors may vote by proxy.

(e) Duties: The duties of the elective officers shall be such as their titles, by general usage would indicate, and such as may be assigned to them respectively by the Board of Directors from time to time, and such as are required by law.

(1) <u>President</u>. The President shall be the chief executive of the Association and shall preside over all meetings of the Board of Directors, the Executive Committee and the Membership. The President shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Directors and the membership are carried into effect. The President shall be an ex-officio member of all committees.

(2) <u>President Elect</u>. The President Elect shall have such duties as may be assigned by the Directors. The President Elect shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. Upon the completion of the term as President Elect, the President Elect shall automatically succeed to the office of President and shall assume all of the duties assigned to the President of the Association.

(3) <u>Treasurer</u>. The Treasurer shall have custody of all corporate funds and securities and shall keep, in books belonging to the Association, full and accurate accounts of all receipts and disbursements. The Treasurer shall be responsible for the deposit of all monies, securities and other valuable effects in the name of the Association in such depositories as may be designated for that purpose by the Directors. The Treasurer shall disburse the funds of the Association as may be instructed by the Directors, taking proper vouchers for such disbursement, and shall render to the President and Directors, at the regular meetings of the Directors, a statement of all transactions and the financial condition of the Association. The Treasurer shall serve as Chairperson of the Finance Committee. The Treasurer shall cause an annual audit and or review of the accounts of the Association to be made as authorized by the Board of Directors who shall employ a competent person, persons, or firm to make such audit or audits and to establish the compensation thereof. At the conclusion of the Treasurer's term of office, the Treasurer shall transfer to their successor all funds, records, papers, and other property of the Association in their possession.

(f) Vacancies

(1) In the event the President is unable to perform the Presidential duties because of absence or disability, the remaining Officers shall perform said duties in the following order of succession: (1) President Elect, (2) Treasurer.

(2) A vacancy in the office of the President shall be automatically filled by the President Elect for the un-expired term; provided, however, said President Elect shall retain the position as President Elect during said un-expired term of the President.

(3) A vacancy in the office of the President Elect or Treasurer shall be filled by a majority vote of the Board of Directors.

(g) Petition for the removal of Officers.

In the event that an Officer is deemed to be incapable of fulfilling the duties for which elected but will not resign from office voluntarily, the Officer may be removed from office under the following procedure:

(1) A petition for the removal of the Officer supported by a majority of the Directors shall be presented to the Chief Executive Officer, which request shall specifically set forth the reason(s) the individual is deemed to be disqualified from further service.

(2) Not less than ten (10) days and no more than thirty, (30) days after receipt of such request, a special meeting of the Board of Directors shall be held and the sole business of such meeting shall be to consider the charge(s) against the Officer, and to render a decision on the request for removal. The special meeting shall be noticed at least ten (10) days prior to the meeting. A three-fourths (3/4) vote of the Directors shall be required for removal of the Officer.

Section 4: Executive Committee

(a) Definition: The Executive Committee shall be comprised of the President (who shall be the Chair), President Elect (who shall be the Vice Chair), the Treasurer, the Past President and the Chief Executive Officer (who shall be a non-voting member).

(b) Qualification: The elected Directors shall have served at least one year on the Board of Directors prior to the election of Officers in order to qualify to sit on the Executive Committee.

(c) Term of Office on Executive Committee: The President and President Elect shall serve their terms of office on the Executive Committee concurrently with their terms of office for the Greater Metropolitan Association of REALTORS®. The Treasurer shall serve one year terms. Nothing in these Bylaws shall be construed as to limit the consecutive terms of office on the Executive Committee for the Treasurer subject to the term limits on Directors in Section 2 (C).

(d) Duties: The Executive Committee shall act on behalf of the Directors in matters referred to it, and for the Directors in the interim between Directors' meetings.

Sections 5: Managers of MichRIC

(a) Definition: The MichRIC Managers shall represent the interests of the Greater Metropolitan Association of REALTORS® membership while serving on the MichRIC Board of Managers as either Manager or alternate Manager.

(b) Qualifications: The Manager must be a primary REALTOR® member in good standing of the Association; have been a REALTOR® the three (3) years just prior to being elected or appointed; is a current "user" of GMAR MLS prior to being elected or appointed, and shall not be the Chief Executive Officer or a paid employee of the Association.

If an elected or appointed Manager is no longer a REALTOR® Member of the Greater Metropolitan Association of REALTORS® and current Participant in the GMAR MLS, that Manager shall be deemed to have resigned as a MichRIC Manager.

(c) Term of Office: A Manager shall be elected or appointed to a two-year term.

(d) Election to Office: The Board of Directors shall appoint the Manager by a simple majority of the Directors present at the meeting called for the selection/election of the Manager or at a regular meeting of the Directors where the selection/election of the Manager has been placed upon an agenda of the Board of Directors regular meeting published to the Directors. At a meeting called for the selection/election of a Manager by the Board of Directors, the Directors will vote on candidates as presented and, if on the first ballot, a simple majority of the votes is not cast for a single candidate, then another vote will be taken and the candidate with the lowest vote will be dropped from the ballot, etc., until a candidate receives a majority vote.

(e) Duties: It shall be the duty of the MichRIC Manager(s) to keep the Board of Directors apprised of major initiatives, policies and legal issues that arise during the Managers' terms of office, except those initiatives, issues or policies that, if revealed, would compromise the Manager(s) duty to confidentiality to MichRIC.

(f) Vacancies: Vacancies of Managers representing the Association caused by the resignation, removal (either by the Association or MichRIC pursuant to MichRIC Bylaws) or death of a Manager will be filled by the President of the Association within forty-eight (48) hours of the vacancy, and thereafter ratified by the Board of Directors within thirty (30) days. If the President is unavailable to make the appointment (the appointment can be made by telephone or electronic means), then the appointment will be made by the President Elect, and if neither the President nor the President Elect is available, then by the Treasurer. If a Manager is not ratified by a simple majority of the Directors called for the purpose of ratifying an appointment of a Manager, said Manager shall be replaced by a Manager selected by a simple majority vote of the Board of Directors present at the meeting. If a majority vote cannot be reached for the selection of Manager to replace the Manager appointed by the President, then the appointed Manager

shall remain a Manager until the successor is elected. A Manager selected or appointed to fill a vacancy shall complete the term of the Manager for whom they were elected or appointed to replace.

(g) Removal of MichRIC Managers: Petition for the removal of a MichRIC Managers(s): In the event that a Manager is deemed to be incapable of fulfilling the duties for which elected but will not resign from office voluntarily, the Manager may be removed from office under the following procedure:

- (1) A petition for the removal of the MichRIC Manager supported by a majority of the Directors shall be presented to the Chief Executive Officer, which request shall specifically set forth the reason(s) the individual is deemed to be disqualified from further service.
- (2) Not less than ten (10) days and no more than thirty, (30) days after receipt of such request, a special meeting of the Board of Directors shall be held and the sole business of such meeting shall be to consider the charge(s) against the Manager, and to render a decision on the request for removal. The special meeting shall be noticed at least ten (10) days prior to the meeting. A three-fourths (3/4) vote of the Directors shall be required for removal of the Manager. (adopted 3/24)

<u>Section 6:</u> Chief Executive Officer. The Board of Directors may employ a Chief Executive Officer, also known as the Executive Vice President, who shall serve at the discretion of and shall be responsible and shall perform such duties as designated by the Board of Directors.

The Chief Executive Officer may employ such other persons as may be necessary to conduct the activities of the Association within the budget as established by the Board of Directors. The Chief Executive Officer shall give all notices required by statute, Bylaws, or Resolution, and shall perform such other duties as may be delegated by the Board of Directors. It shall be the particular duty of the Chief Executive Officer/Corporate Secretary to keep the records of the Association and to carry on all necessary correspondence with the National Association of REALTORS® and the Michigan Association of REALTORS®.

Section 7: Indemnification

Any person made, or threatened to be made, a party to an action or proceeding by reason of the fact that the person was or is a Director or Officer or otherwise acting in an official capacity for the Greater Metropolitan Association of REALTORS® shall be indemnified by the Greater Metropolitan Association of REALTORS® for such expenses, costs, liabilities and damages incurred therein to the extent and in the manner permissible under the laws of the State of Michigan and within the sole discretion of the Board. A person seeking indemnification pursuant to this paragraph shall: (a) notify the Board in writing at the commencement of the action or proceeding; and (b) obtain Board approval of counsel. Use of the Association's counsel is encouraged.

Section 8: Election of Directors

(a) Qualification to Vote: Each REALTOR® Member of the Association shall be deemed a REALTOR® Member of the Association in the District where their principal office is located. Principal office shall mean the location of the office at which the REALTOR® Member's real estate license issued by the State of Michigan is located. If a Broker or Associate Broker shall have a license at more than one location, they shall designate which office is their principal office and this designation shall remain until they do not maintain a license at said office at which time a designation shall be made by said REALTOR® Member of such other office that their license is located.

(b) Each REALTOR® Member will be entitled to vote for District Directors in the District in which their principal office is located and no other District. Additionally, each REALTOR® member will be entitled to a number of votes for Directors at Large as there are positions to fill.

(c) The REALTOR® Members of each District shall elect one (1) Director who is a member of the respective District to serve as District Director for a three (3) year term. A total of nine (9) District Directors shall be so elected.

(d) There shall be a total of three (3) Directors at Large, each of whom shall be elected for a three (3) year term. Directors at Large shall be elected by the members of all Districts. Those receiving the highest number of votes will be elected.

(e) The election of all Directors shall be by ballot. The annual election of the Board of Directors shall be held each October at a date and time established by the Board of Directors. There shall be one (1) official ballot for each District, which will be sent only to REALTOR® members in good standing within their respective Districts, and (1) official ballot for the At Large Director, which will be sent only to REALTOR® members in good standing within all Districts. The official ballots shall list the names of the candidates in alphabetical order. The ballots, together with such uniform published instructions as to Members entitled to vote, the manner in which secrecy of the ballot shall be preserved, the manner of counting the ballot, and the final date and time upon which voted ballots must be received to be counted, will be provided to each member of the Association entitled to vote at least ten (10) days prior to the election. Notification and the dissemination of appropriate documentation and ballots may be done by electronic means.

(f) No candidates shall be present during the counting of the ballots. The President and President Elect may be present as observers during the counting of the ballots.

(g) All ballots must be received at the Association office on or before 5 p.m. of the election date. No proxies shall be allowed. The candidates receiving the highest number of votes shall be elected to office in the following order – 3-year terms; then vacancy terms according to length of time. The final vote count shall be available for any Member to review.

(h) All ballots will be destroyed at the following Board of Directors meeting.

(i) Petitions:

(1) Candidates for positions to be filled by REALTORS® on the Board of Directors may be nominated by petition. Petitions for candidates running for a District Director position must bear the valid signatures of at least fifty (50) REALTOR® Members in good standing and eligible to vote at the time of the filing of the petition of the District from which the candidate will run for election, or in the case of a Director At Large, fifty (50) signatures of members in good standing, regardless of District. All petitions must be received at the office of the Association no later than 5 p.m. on the last business day in August of each year.

(2) A petition cannot be accepted where two (2) Directors are already serving a continuing term from the same company or where any combination of Directors serving and candidates nominated by the Nominating Committee would cause more than two (2) Directors from the same company.

(3) If petitions are received that would cause more than two (2) candidates from the same company, the petitioner with the greater number of signatures will become the nominee. However, any number of petitioners from the same company may run if said petitioners are all located within the same District.

(j) For the purposes of the Bylaws, the term 'ballot' shall be construed as either printed or electronic ballot.

(k) Tie Votes: In the event of a tie vote in a general election, the position will be filled by the candidate who prevails in a lottery. The lottery shall take place no later than two (2) weeks after the General Election by a Special Meeting of the Executive Committee called by the President.

(I) The Affiliate Director shall serve a one-year term and cannot be elected to more than two successive terms. An Affiliate Director must be an active Affiliate Member of GMAR and must remain a member throughout their term.

(1) Affiliate Directors are ineligible to hold elective office as defined by the Executive Committee description or to vote on ratification of Professional Standards decisions.

(2) Vacancies of a Strategic Partner Director position shall be filled by a majority vote of the Board of Directors. Removal of an Affiliate Director shall be by a ³/₄ vote of the Board of Directors.

(m) At least forty-five days prior to the annual election, a nominating committee of five (5) REALTOR® members, consisting of the current President as well as 4 years Past Presidents. The Nominating Committee shall identify and review potential candidates for current or upcoming vacancies on the Board of Directors.

Article XII: Meetings

Section 1: Meetings of the Members

(a) Annual Meetings. The annual meeting of the Association shall be held during the month of November of each year, the date, place, and hour to be designated by the Board of Directors. A quorum for the transaction of business shall consist of fifty (50) of the members eligible to vote.

(b) Other Meetings. Meetings of the members may be held at 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 as of August 1 in the previous calendar year.

(c) 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 is called, it shall be accompanied by a statement of the purpose of the meeting.

(d) Electronic Transaction of Business. To the fullest extent permitted by law, the membership may conduct business by electronic means.

Section 2: Meetings of the Directors

(a) Scheduled Meetings. The Board of Directors shall designate a regular time and place of Board of Directors meetings. Absence from three (3) regular meetings per calendar year shall be reviewed by the Executive Committee to determine the appropriate action, including resignation. A quorum for the transaction of business shall be a majority of the board of directors, except as may otherwise be required by state law.

(b) Other Meetings. Meetings of the Directors may be held at other times as the President may determine or upon the written request of three (3) members of the Board of Directors.

(c) Notice of Meetings. Written or electronic notice shall be given to every Director at least three (3) business days preceding all meetings and it shall be accompanied by a statement of the purpose of the meeting.

(d) Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors may conduct business by electronic means (Adopted 1/05).

(e) Action without Meeting. Unless specifically prohibited by the Articles of Incorporation, 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 or electronically setting forth the action so taken shall be signed by all of the Directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more Directors. All the approvals evidencing the consent shall be delivered to the chief staff executive to be filed in the corporate records. The action taken shall be effective when a majority of the Directors have approved the consent unless the consent specifies a different effective date. (Adopted 1/05)

Article XIII: Committees

Section 1: Standing Committees.

(a) The President shall appoint from among the REALTOR® members, subject to confirmation of the Board of Directors, such committees as the President may deem necessary.

- Professional Standards
- Grievance

(b) The President shall appoint from among the REALTOR® members, subject to confirmation by the Board of Directors, such Chairs and Vice Chairs as may be required to conduct the business and initiatives of the Association.

(c) The President, with advice and consent from the Executive Committee and the Board of Directors, shall appoint such committee or task force members as may be required to conduct the business and initiatives of the Association.

<u>Section 2:</u> Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, such special committees as the President may deem necessary.

Section 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.

<u>Section 4:</u> **President.** The president shall be an ex-officio member of all standing committees and shall be notified of their meetings.

<u>Section 5:</u> Action without Meeting. Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee. (Adopted 1/05)

<u>Section 6:</u> Attendance by Telephone or Other Electronic Communication(s). Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the president and shall constitute presence at the meeting. (Adopted 1/05)

Article XIV: Fiscal and Elective Year

Section 1: The fiscal year of the Association shall be January 1 to December 31.

Section 2: The elective year of the Association shall be January 1 to December 31.

Article XV: Rules of Order

<u>Section 1:</u> 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

<u>Section 1.</u> These Bylaws may be amended by a majority vote of the members present and qualified to vote at a meeting at which a quorum is present or by an electronic vote of at least 50 members, provided the substance of such a proposed amendment or amendments shall be plainly stated in the call for the meeting or the request for vote by electronic means.

(a) When Bylaws amendments are mandated by NAR policy, these Bylaws may be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by the National Association of REALTORS®. The Association shall provide notice of that change in a regular or special membership communication.

<u>Section 2.</u> 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. The term 'mail' shall be construed to mean both hard copy and/or electronic communications.

<u>Section 3.</u> 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: Dissolution

<u>Section 1</u>. Upon the dissolution of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Michigan REALTORS® or, within its discretion, to any other non-profit tax exempt organization. (Amended 1/05)

Article XVIII: Multiple Listing

Multiple Listing Service Operated as a Committee of the Association

Section 1. Authority. The association of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be subject to the Bylaws of the association of REALTORS® and such rules and regulations as may be hereinafter adopted. (Adopted 3/24)

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 databases; 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). (Amended 11/04)

Section 3. Participation. Any REALTOR® of this or any other association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a 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 offer or accept 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 an association 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 an association multiple listing service where access to such information is prohibited by law. (Adopted 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant and minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Section 4. Supervision. The activity shall be operated under the supervision of the multiple listing committee, in accordance with the rules and regulations, subject to approval of the Board of Directors of the association of REALTORS®.

Section 5. Appointment of Committee. The President shall appoint a Multiple Listing Committee of 12 REALTOR® members. All members of the committee shall be participants in multiple listing except, at the option of the local association, REALTORS® (or REALTOR-ASSOCIATE®s, where applicable) affiliated with participants may be appointed to serve in such numbers as determined by the local association. The committee members so named shall serve two-year, staggered terms, the original appointments being divided between one- and two-year terms. The chairperson may be designated by the President. Any single real estate firm may not have more than two (2) active members serving on the committee at the same time.

Section 6. Vacancies. Vacancies in unexpired terms shall be filled as in the case of original appointees.

Section 7. Attendance. Any committee member who fails to attend three (3) meetings during a calendar year shall be determined to have immediately resigned and the vacancy shall be filled herein as provided for original appointments.

Section 8. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS participant or the participant's licensed designee.

Section 9. Rules and Regulations. The Board of Directors may adopt such rules and regulations as may be required from time to time, which shall be subject to the Bylaws of the Association. (Adopted 3/24)

Article XIX: Chapters

Section 1. Authorization: The Board of Directors of the Greater Metropolitan Association of REALTORS® may authorize the establishment of chapters within geographical limits, such chapters to continue at the pleasure of the Board of Directors. In addition, chapters shall at all times be governed by and conduct their affairs in accordance with the bylaws of the Greater Metropolitan Association of REALTORS®. In the event a chapter is created as the result of a merger, the National Association of REALTORS® must first approve the merger before a chapter may be established.

Chapters may not speak on policy issues on behalf of the Greater Metropolitan Association of REALTORS® without specific authority from the Greater Metropolitan Association of REALTORS®.

<u>Section 2.</u> Geographic Chapters: The Board of Directors may define, redefine or divide the territorial jurisdiction of any chapter with the assistance of the National Association of REALTORS®.

<u>Section 3.</u> Chapter Name: The official name of a chapter will be identified by the geographical area of the chapter in addition to the primary association.

<u>Section 4.</u> Membership: An individual shall be required to be a member in good standing with the National Association of REALTORS®, the Michigan Association of REALTORS® and the Greater Metropolitan Association of REALTORS® as a prerequisite for active membership in a chapter of the Greater Metropolitan Association of REALTORS®.

<u>Section 5.</u> Board of Directors Involvement: The Board of Directors of the Greater Metropolitan Association of REALTORS® shall include Director positions for Chapter representation, based on the individual Chapters agreement, approved by the Board of Directors at the establishment of the Chapter. The Chapter Director positions will be nominated during the general election and voted on exclusively by Chapter members during the regular GMAR election. (Adopted 3/24)