

**BYLAWS OF  
THE FRESNO ASSOCIATION  
OF REALTORS®, INC.**

**February 2022**

TABLE OF CONTENTS

ARTICLE I – NAME

Section 1. Name..... 1  
Section 2. REALTOR® Membership Mark in Name of Association..... 1

ARTICLE II – OBJECTIVES

Section 1. Objectives..... 1

ARTICLE III – NATIONAL AND STATE MEMBERSHIPS

Section 1. Association Membership in N.A.R. and C.A.R ..... 1  
Section 2. Ownership and Use of Membership Marks..... 2  
Section 3. Adoption & Enforcement of N.A.R. Code of Ethics; Compliance with N.A.R.  
& C.A.R. Governing Documents & Policies ..... 2  
Section 4. Other Association Rules, Regulations & Policies ..... 2

ARTICLE IV – JURISDICTION

Section 1. Description of Jurisdiction ..... 2  
Section 2. Jurisdictional Rights..... 2

ARTICLE V – MEMBERSHIP, QUALIFICATION, APPLICATION AND ACCEPTANCE

Section 1. Classes of Membership ..... 2  
Section 2. Qualifications of REALTOR® Members ..... 3  
Section 3. Qualifications of Institute Affiliate Members ..... 4  
Section 4. Qualifications of Affiliate Members ..... 4  
Section 5. Qualifications of Honorary Members..... 4  
Section 6. Qualifications for Honorary Members for Life..... 4  
Section 7. Membership Application..... 5  
Section 8. Prior Membership Records ..... 5  
Section 9. Application Review and Acceptance ..... 6  
Section 10. New Member Code of Ethics Orientation..... 7  
Section 11. Continuing Member Code of Ethics Training..... 7  
Section 12. Status Changes ..... 7  
Section 13. Resignation ..... 8

ARTICLE VI – PRIVILEGES AND DUTIES OF MEMBERSHIP

Section 1. Member Compliance with Bylaws, Policies, Rules and Regulations ..... 8  
Section 2. Member Discipline..... 8  
Section 3. Resignation with Pending Arbitration or Disciplinary Hearing ..... 9  
Section 4. Voting Rights and Eligibility for Elective Office ..... 9  
Section 5. Privileges and Duties of REALTOR® Members..... 9  
Section 6. Privileges and Duties of Institute Affiliate Members..... 10  
Section 7. Privileges and Duties of Affiliate Members..... 10  
Section 8. Privileges and Duties of Honorary Members ..... 10  
Section 9. Certification by “Designated” REALTOR®..... 10

ARTICLE VII – PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. Professional Standards and Arbitration..... 10  
Section 2. Member Compliance..... 11

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

Section 1. Use and Control of REALTOR® Membership Marks..... 11

Section 2. Jurisdictional Limits on Use of REALTOR® Membership Marks..... 11

Section 3. Use of REALTOR® Membership Marks Dependent on Status of Firm Principals..... 11

Section 4. Institute Affiliate Members Ineligible to Use REALTOR® Membership Marks ..... 11

ARTICLE IX – DUES AND ASSESSMENTS

Section 1. Application Fee ..... 12

Section 2. Dues and Assessments ..... 12

Section 3. Dues and Assessments Payable ..... 14

Section 4. Nonpayment of Financial Obligations ..... 14

Section 5. Reinstatement After Termination for Nonpayment of Financial Obligations ..... 15

Section 6. Deposit ..... 15

Section 7. Notice of Delinquent Dues Fees Fines, Assessments and Other Financial Obligations of Members..... 15

ARTICLE X – OFFICERS AND DIRECTORS

Section 1. Officers..... 15

Section 2. Powers and Duties of Officers ..... 16

Section 3. Board of Directors..... 16

Section 4. Powers and Duties of the Board of Directors ..... 16

Section 5. Election of Officers and Directors ..... 16

Section 6. Vacancies ..... 17

Section 7. Removal of Officers and Directors ..... 17

Section 8. Expenditures..... 18

ARTICLE XI – MEETINGS

Section 1. Annual Meeting..... 18

Section 2. Meetings of Directors..... 18

Section 3. Special Meetings ..... 18

Section 4. Other Meetings..... 18

Section 5. Quorum ..... 18

ARTICLE XII – COMMITTEES

Section 1. Standing Committees ..... 18

Section 2. Special Committees..... 19

Section 3. Term of Committee Appointments ..... 19

Section 4. Organization..... 19

Section 5. Executive Committee ..... 19

Section 6. Budget & Finance Committee..... 19

Section 7. President..... 19

Section 8. Removal ..... 19

ARTICLE XIII – FISCAL YEAR

Section 1. Fiscal Year ..... 19

ARTICLE XIV – RULES OF ORDER

Section 1. Robert’s Rules of Order ..... 19

ARTICLE XV – AMENDMENTS	
Section 1.	Amendment Upon Majority Vote of Membership ..... 19
Section 2.	Approval of Amendments by N.A.R..... 19
ARTICLE XVI – PLACE OF OFFICE	
Section 1	Place of Office ..... 20
ARTICLE XVII – DISSOLUTION	
Section 1.	Dissolution ..... 20
ARTICLE XVIII – MULTIPLE LISTING SERVICE	
Section 1.	Authority and Governing Rules ..... 20
Section 2.	Purpose.....20
Section 3.	MLS Committee.....20
Section 4.	Access to Comparable and Statistical Information ..... 20

## BYLAWS OF THE

Fresno Association of REALTORS®, Incorporated

### ARTICLE I – NAME

Section 1. Name. The name of this organization shall be the Fresno Association of REALTORS®, Incorporated (hereinafter referred to as the “A.O.R.” or “Association”).

Section 2. REALTOR® Membership Mark in Name of Association. Inclusion and retention of the registered collective membership mark “REALTORS®” in the name of the A.O.R. shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® (hereinafter “N.A.R.”) as from time to time amended.

### ARTICLE II – OBJECTIVES

The MISSION of the FRESNO ASSOCIATION OF REALTORS® is to promote the Professionalism, Integrity and Competence of REALTORS®.

Section 1. Objectives. The objectives of the A.O.R. are:

- (a) 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. The “recognized branches of the real estate profession” include buying, selling, exchanging, renting or leasing, managing, counseling, appraising for others for compensation, building, developing or subdividing real estate.
- (b) To promote a unified medium for real estate owners and those engaged in the real estate profession as expressed in the Code of Ethics of N.A.R. (hereinafter “Code of Ethics”).
- (c) 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.
- (d) To further the interest of home and other real property ownership.
- (e) To unite those engaged in the real estate profession in this community with the CALIFORNIA ASSOCIATION OF REALTORS® (hereinafter “C.A.R.”) and N.A.R. thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.
- (f) To designate, for the benefit of the public, those individuals within the state of California authorized to use the terms REALTOR® and REALTORS® as licensed, prescribed, and controlled by N.A.R.

### ARTICLE III – NATIONAL AND STATE MEMBERSHIPS

Section 1. Association Membership in N.A.R. and C.A.R. The A.O.R shall be a member of N.A.R. and C.A.R. as defined in the governing documents of N.A.R and C.A.R. By reason of the A.O.R.’s membership in N.A.R. and C.A.R., each REALTOR® member of the A.O.R. shall be entitled to membership in N.A.R. and C.A.R. without further payment of dues. The A.O.R. shall continue as a member of N.A.R. and C.A.R.,

unless by a majority vote of all of its REALTOR® members the decision is made to withdraw, in which case N.A.R. and C.A.R. shall be notified in writing at least one month in advance of the date designated for the termination of the A.O.R.'s membership.

Section 2. Ownership and Use of REALTOR® Membership Marks. The A.O.R. recognizes the exclusive property rights of N.A.R. in the terms REALTOR® and REALTORS®. The A.O.R. may use the terms while it is a member in good standing of N.A.R. The A.O.R. shall discontinue use of the terms in any form in its name, upon ceasing to be a member of N.A.R., or upon a determination by the Board of Directors of N.A.R. that it has violated the conditions imposed upon use of the terms.

Section 3. Adoption & Enforcement of N.A.R. Code of Ethics; Compliance with N.A.R. & C.A.R. Governing Documents & Policies. The A.O.R. adopts the N.A.R. Code of Ethics and agrees to enforce the code of Ethics among its REALTOR® members. The A.O.R. and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, Code of Ethics, and policies of N.A.R. and C.A.R.

Section 4. Other Association Rules, Regulations & Policies. The A.O.R. may adopt any Rules and Regulations or policies not inconsistent with the Constitution, Bylaws, Rules and Regulations, Code of Ethics, and policies of N.A.R. and C.A.R. and these Bylaws. Any inconsistencies between the A.O.R.'s Rules and Regulations or policies and the Bylaws of the A.O.R. (hereinafter "Bylaws") shall be controlled by the Bylaws.

#### **ARTICLE IV – JURISDICTION**

Section 1. Description of Jurisdiction. The territorial jurisdiction of the A.O.R. as a member of N.A.R. is: Fresno County which includes the cities of Coalinga, Huron, Laton, Auberry, Big Creek, Biola, Burrel, Cantua Creek, Caruthers, Clovis, Del Rey, Dunlap, Firebaugh, Five Points, Fowler, Fresno, Friant, Helm, Hume, Huntington Lake, Kerman, Kingsburg, Mendota, Miramonte, Orange Cove, Parlier, Peoria, Prather, Raisin City, Reedley, Riverdale, Sanger, Selma, Shaver Lake, Tollhouse, Tranquility, Squaw Valley. Additionally metes and bounds consisting of Western boundary beginning at T6S R20E and the intersection of County Madera line (SW corner Sec 31 T6S R20E), thence South along the Range line for ranges common to 19E and 18 miles more or less to the Township and Range intersection line common to T9S R20E, T10S R20E, T9S R19E. Southern Boundary; thence East along the Township line common to Township 9S and 10S for 17 miles more or less to the intersection with the San Joaquin River, which is the approximate corner of S-1/4 Sec 35 T9S R21E and the Madera County line. Eastern boundary; thence in a Northeasterly direction along the County line common to Madera and Fresno Counties to the intersection of the line of Mono County line. Northern boundary; thence North along the line common to the Counties of Madera and Mono to the intersection of the Tuolumne County line; thence along the line common to the Counties of Madera and Mariposa back to the point of beginning, all in the County of Madera, California.

Section 2. Jurisdictional Rights. Territorial jurisdiction is defined to mean the right and duty to control the use of the terms REALTOR® and REALTORS® subject to the conditions set forth in the Bylaws and those of N.A.R., and to protect and safeguard the property rights of N.A.R. in those terms.

#### **ARTICLE V – MEMBERSHIP, QUALIFICATION, APPLICATION AND ACCEPTANCE**

Section 1. Classes of Membership. There shall be six classes of membership: (a) REALTOR® members; (b) Institute Affiliate Members; (c) Affiliate Members; (d) Honorary Members; (e) Honorary Member for Life; and (f) Franchise Corporate Officers.

Section 2. Qualifications of REALTOR® Members.

- 2.1 REALTOR® members, whether primary or secondary, who are principals, (“principals” are defined, herein and throughout these bylaws when this terminology is used, as sole proprietors, partners, corporate officers or branch office managers of real estate firms) shall:
- (a) Maintain a current, valid California real estate broker or salesperson license or California real estate appraisal certification or license; and
  - (b) Act as a sole proprietor, partner, corporate officer of a real estate firm or office manager of a real estate firm acting on behalf of the firm’s principal(s); and
  - (c) Remain actively engaged in the real estate profession; and
  - (d) Maintain or be associated with a real estate office located within the state of California or a state contiguous thereto; and
  - (e) Have no record of official sanctions rendered by the courts or other lawful authorities for
    - (i) violations of civil rights laws or real estate license laws within the past three years or
    - (ii) criminal convictions within the past ten years where crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted (ten years is measured from the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date).
- 2.2 REALTOR® members, whether primary or secondary, other than principals, shall:
- (a) Maintain a current, valid California real estate broker or salesperson license or California real estate appraisal certification or license: and
  - (b) Remain actively engaged in the real estate profession;  
Remain employed by or affiliated as an independent contractor with a REALTOR® member who meets the requirements in Section 2.1 of this Article V for any A.O.R. in California or a state contiguous thereto.
  - (d) Have no record of official sanctions rendered by the courts or other lawful authorities for
    - (i) violations of civil rights laws or real estate license laws within the past three years or
    - (ii) criminal convictions within the past ten years where the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted (ten years is measured from the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date).
- 2.3 REALTOR® members may be franchise corporate officers as described below in Article V, Section 2.8.
- 2.4 Each firm shall designate in writing one Designated REALTOR® member who shall be responsible for the conduct of individuals affiliated with the firm and accountable to the A.O.R. for all duties and obligations of A.O.R. membership, including, but not limited to, certification as set forth in Article VI, Section 11. The “Designated REALTOR®” must be the sole proprietor, partner, corporate officer or an office manager acting on behalf of the firm’s principal(s) and must have the authority to bind the firm in arbitrations and must meet all the other qualifications for REALTOR® membership set forth in Article V, Section 2.1 of the Bylaws.
- 2.5 Association of Choice
- (a) Primary Membership. Licensees affiliated with a REALTOR® firm may choose as their “primary” Association any Association within California where the firm maintains a “Designated REALTOR®.” If a REALTOR® is a primary member of the A.O.R., the A.O.R. pays C.A.R. and N.A.R. dues for that individual.

(b) Secondary Membership. Licensees affiliated with a REALTOR® firm may join this A.O.R. as a secondary member. There need not be a Designated REALTOR® member of this A.O.R. for licensees to select this A.O.R. as their secondary Association. The conditions for secondary membership shall be no more stringent than for primary membership, and the privileges of membership shall be the same including the right to vote and hold office.

2.6 Each principal of the real estate firm who is actively engaged in the real estate profession within the state of California or within a state contiguous thereto shall be required to become a REALTOR® member if any other principal of such firm, partnership or corporation is a REALTOR® member within those states. Each is required to hold REALTOR® membership individually in a local Association in California if they meet all the other qualifications set forth in Article V, Sections 2.1, 2.2, or 2.3 of the Bylaws (except as provided in Section 2.7). Each principal of the real estate firm or franchise corporate officers shall be ineligible for any class of membership other than REALTOR® membership unless they otherwise qualify for Institute Affiliate membership as described in Article V, Section 3.

2.7 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 profession in connection with the same office, or any other offices within the jurisdiction of the A.O.R. 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 Article V, Section 3.

Section 3. Qualifications of Institute Affiliate Members. Institute affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the N.A.R. 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 vote or hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership subject to payment of applicable dues for such membership.

Section 4. Qualifications of Affiliate Members. Affiliate members shall be real estate owners, and other individuals or firms engaged in activities related to the real estate profession, who do not qualify for REALTOR® membership. Affiliate members have interests requiring information concerning real estate and sympathy with the objectives of the A.O.R.

Section 5. Qualifications of Honorary Members. Honorary members shall be those persons recognized by the Board of Directors as persons who have performed notable service for the real estate profession, for the A.O.R., or for the public though not engaged in the real estate profession.

Section 6. Qualifications for Honorary Members for life. Honorary Members for life shall be past or present REALTOR® members who have performed significant service to the A.O.R., the real estate profession or the community. This class of membership may be conferred upon a REALTOR® member in addition to his REALTOR® membership or a past REALTOR® member who no longer qualifies for REALTOR® membership as provided in Article V, Section 2 or 3.



## Section 7. Membership Application.

- (a) Each applicant for membership shall submit an application in such manner and form as may be prescribed by the A.O.R. Board of Directors (hereinafter "Board of Directors") and give his or her consent that the Board of Directors, through the A.O.R. Membership Committee (hereinafter "Membership Committee") or otherwise, may obtain information about the applicant from any member, other persons and that any information furnished to the Board of Directors by any person shall not form the basis of any action for slander, libel or defamation of character. The Board of Directors, through its Membership Committee or otherwise, may consider the following in determining an applicant's qualifications for membership:
  - (1) all final findings of N.A.R. Code of Ethics violations and violations of other membership duties in any other 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 board or association or board or association Multiple Listing Service ("MLS").
- (b) Applicants for membership shall be familiar with and agree to abide by the Bylaws and Rules and Regulations of the A.O.R., the Bylaws of C.A.R. and the N.A.R. Constitution, Bylaws and Code of Ethics, to the extent they are applicable. Each applicant must also attend an orientation program as may be required by the Board of Directors, its Membership Committee, or otherwise. This Orientation may be attended in person or remotely when applicable.
- (c) Applicants for REALTOR® membership shall certify: (1) that they have no record of official sanctions rendered by the courts or other lawful authorities for violations of civil rights laws or real estate license laws within the past three years; (2) that they have no criminal convictions within the past ten years where the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted (ten years is measured from the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date); and (3) that they have not been suspended or expelled from an Association the past three years for violations of the N.A.R. Code of Ethics.

Section 8. Prior Membership Records. The A.O.R. may consider information received from other Associations in determining whether an applicant satisfies the A.O.R.'s membership requirements. The A.O.R. may request from any Association where the applicant held prior membership, minimum "core" information including:

- (a) All final findings of Code of Ethics violations and violations of other membership duties within the past three (3) years;
- (b) Pending complaints alleging violations of the Code of Ethics or alleging violations of other membership duties;
- (c) Incomplete or (pending) disciplinary measures; Pending arbitration requests (or hearings);
- (d) Unpaid arbitration awards or unpaid financial obligations to the Association or its MLS; and
- (e) *Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.*

The A.O.R. will also consider all final findings of Code of Ethics violations and violations of other membership duties in this A.O.R. within the past three (3) years.

**NOTE:** Article IV, Section 2, of the NAR Bylaws prohibits a Member A.O.R. from knowingly granting REALTOR® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Association for violation of the Code of Ethics, whether learned through C.A.R. Ethics Check or otherwise.

Section 9. Application Review and Acceptance. The procedure for acceptance to membership shall be as follows:

- (a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. If the A.O.R. does not have a standing Membership Committee, the A.O.R.'s Executive Officer/staff may act in this capacity. The Membership Committee or A.O.R. staff may request "core" information as defined in Article V, Section 9, from any Association of which the applicant was previously a member. The Membership Committee or A.O.R. staff shall thereafter provide a written list for approval or recommend rejection of the applicant. If they recommend rejection, the Membership Committee or A.O.R. staff shall consider the information permitted under Sections 8 and 9 of this Article in its review of an applicant and conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws.
- (b) Within twenty (20) days, the Membership Committee shall report its recommendation to the applicant and Board of Directors in writing. If the recommendation is to reject the application, the reasons shall be specifically stated. If any member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the applicant and Board of Directors. The applicant shall also be notified of his or her right to appear before the Board of Directors.
- (c) The Board of Directors shall review the qualifications of the applicant and the recommendations of the Membership Committee and then vote on the applicant's eligibility for membership. If the applicant appears, he or she may be represented by counsel, call witnesses on his or her behalf and make such statements as he or she deems relevant. The Board of Directors may also have counsel present. If the applicant receives a majority vote of the Board of Directors, he or she shall be declared accepted as a member and shall be advised by written notice. An application for Institute Affiliate Membership shall be acted upon by the Board of Directors within forty-five (45) days from the date of application for membership.
- (d) If the Board of Directors determines that the application shall be rejected, it shall record its reasons. 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 A.O.R. for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.
- (e) The Board of Directors, through its Membership Committee or otherwise, may grant "provisional" membership to an applicant in instances where the applicant for membership has unsatisfied discipline pending in another association, (except for violations of the Code of Ethics), provided all other qualifications for membership have been satisfied. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. The Board of Directors may

reconsider the membership status of provisional members when all unsatisfied discipline has been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. At the time of reconsideration, if the Board of Directors determines that the individual has not satisfactorily resolved the unsatisfied discipline, at the discretion of the Board of Directors, membership may be terminated.

Section 10. 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, meeting the minimum criteria established by N.A.R. for new member ethics training. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another Association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less. Failure to satisfy this requirement within 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.

Section 11. Continuing Member Code of Ethics Training. Every three-year period, starting with the period from January 1, 2019 through December 31, 2021 and for successive three-year periods thereafter, each REALTOR® member of the A.O.R. (with the exception of the 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 (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed such course of instruction conducted by this or another REALTOR® Association, the California Association of REALTORS® or the National Association of REALTORS®, which meets the learning objectives and minimum criteria established by the National Association of REALTORS®. 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 period 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 2/2020, revised 11/19)

Section 12. Status Changes.

- (a) REALTORS® who change the conditions under which they hold membership shall be required to provide written notification to the A.O.R. within thirty (30) days. A non-principal REALTOR® who becomes a principal in the firm with which he or she has been licensed or, 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 principal REALTOR® members. During the period of transition from one status of membership to another, such members shall be subject to all of the privileges and obligations of a principal REALTOR® member. The Board of Directors, at its discretion, may waive any qualification which the member has already fulfilled in accordance with the Bylaws. If the REALTOR® does not satisfy the requirements established in the Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the A.O.R. of their change in status, their application for change of status will terminate automatically unless otherwise so directed by the Board of Directors.
- (b) If the licensed status of any member is terminated, his or her membership in the A.O.R. shall terminate automatically. If any member ceases to meet any other ongoing

qualification of membership, his or her membership may be terminated by the Board of Directors. Each member shall have the affirmative duty to notify the A.O.R. of any changes in their licensee status.

- (c) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant. Dues shall be prorated from the first day of the quarter in which the member is notified of acceptance by the Board of Directors of his or her change in status and shall be based on the new membership status for the remainder of the year.

Section 13. Resignation. 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 A.O.R. for dues, fees, fines or other assessments of the A.O.R. or any of its services, departments, divisions or subsidiaries, the A.O.R. may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed.

## **ARTICLE VI – PRIVILEGES AND DUTIES OF MEMBERSHIP**

Section 1. Member Compliance with Bylaws, Policies, Rules and Regulations. It shall be the duty of every member of the A.O.R. to safeguard and promote the standards, interests, and welfare of the A.O.R. and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or REALTORS®. REALTOR® members also must abide by the governing documents and policies of the A.O.R., C.A.R., and N.A.R., as well as the Code of Ethics of N.A.R., including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics. Any member of the A.O.R. may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of the governing documents and policies of the A.O.R. If a hearing is required it shall be held in accordance with the *California Code of Ethics and Arbitration Manual*.

Every REALTOR® member shall maintain a high level of integrity and adhere to the A.O.R.’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.

Although only REALTOR® members are subject to the Code of Ethics and enforcement by the A.O.R., all members are encouraged to abide by the principles established in the Code of Ethics and conduct their business and professional practices accordingly. Further, any non-REALTOR® member may, upon recommendation of 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, reflects adversely on the real estate industry or the terms REALTOR® or REALTORS® and for conduct that is inconsistent with or adverse to the objectives and purposes of this A.O.R., C.A.R. or N.A.R.

### Section 2. Member Discipline

- (a) Any REALTOR® member of the A.O.R. 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 *California Code of Ethics and Arbitration Manual*, provided that the discipline imposed is consistent with N.A.R. policy as set forth in the *California Code of Ethics and Arbitration Manual*.
- (b) Any member of the A.O.R. may be reprimanded, placed on probation, suspended or expelled or removed from any office or committee for violation of the A.O.R.’s Anti-Harassment Policy following an investigation and decision process as set forth in said Anti-

Harassment Policy. The A.O.R.'s Anti-Harassment Policy may be amended at any time by majority vote of the Board of Directors, with such amendment effective for any conduct the last instance of which occurred after the date the amendment to the Anti-Harassment Policy was adopted.

Section 3. Resignation with Pending Arbitration or Disciplinary Hearing. If a member resigns from the A.O.R. or otherwise causes membership to terminate with a disciplinary complaint pending, the complaint shall be processed until the decision of the A.O.R. with respect to disposition of the complaint is final by this A.O.R. (if respondent does not hold membership in any other Association) or by any other Association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Associations 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 ethic 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 an Association of REALTORS®.

If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated provided that the dispute arose while the former member was a member.

Section 4. Voting Rights and Eligibility for Elective Office. Only REALTOR® members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the A.O.R. There shall be no write-in candidates and each REALTOR® may cast one vote. Proxy voting is not allowed. For the purposes of these bylaws, the term "good standing" means the member satisfies the obligations of REALTOR® members set forth in Article VI, Section 1, is current with all financial and disciplinary obligations to the A.O.R. and MLS, has completed any new members requirements, and complies with N.A.R.'s trademark rules.

Section 5. Privileges and Duties of REALTOR® Members.

- (a) It shall be the duty and responsibility of every REALTOR® member of this A.O.R. to abide by the Constitution and Bylaws of C.A.R., the Constitution and Bylaws of N.A.R. and to abide by the Code of Ethics as set forth in Article VI, Section 1 of these Bylaws.
- (b) REALTOR® members have the primary responsibility to safeguard and promote the standards, interests and welfare of the A.O.R. and the real estate profession.
- (c) REALTOR® members in good standing may use the term REALTOR® and REALTORS® subject to the provisions of Article VIII.
- (d) If a REALTOR® member who is sole proprietor, principal in a firm, partner in a partnership, officer of a corporation, or branch office manager is suspended or expelled, his or her firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension or expulsion and the membership of all other principals, partners or corporate officers shall suspend or terminate during the period of suspension or expulsion, unless:
  - (1) the disciplined member severs his or her connection with the firm, partnership or corporation; or
  - (2) the disciplined member relinquishes management control of the firm.the membership of REALTORS® who are employed or affiliated as independent contractors with the disciplined member shall suspend or terminate during the period of suspension or expulsion unless:
  - (1) the disciplined member severs his or her connection with the firm, partnership or

- corporation;
- (2) the disciplined member relinquishes management control of the firm; or
  - (3) the non-principal REALTOR® member elects to sever his or her connection with the disciplined member and affiliates with another REALTOR® member in good standing in the Association. If a REALTOR® member other than a sole proprietor in a firm, partner in a partnership, officer of a corporation or branch office manager is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected. Removal of an individual from any form or degree of management control must be certified to the A.O.R. by the disciplined member and by the individual who is assuming management control.

The signatures on such certification must be notarized. The foregoing is not intended to preclude a suspended or expelled member from functioning as an employee or independent contractor, provided no management control is exercised.

- (e) In any action taken against a principal REALTOR® member for suspension or expulsion, 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 this Article VI, Section 5 shall apply.

Section 6. Privileges and Duties of Institute Affiliate Members. Institute Affiliate members shall have the rights and privileges and be subject to the obligations prescribed by the Board of Directors consistent with the N.A.R. Constitution and Bylaws.

*Note: Local associations establish the right and privileges to be conferred on I.A. Members except that no I.A. may be granted the right to use the term REALTOR®, REALTOR®-Associate, or the REALTOR® logo; to serve as President the local association; or to be a participant in the local associations Multiple Listing Service (Amended 1/02)*

Section 7. Privileges and Duties of Affiliate Members. Affiliate members shall have the rights and privileges and be subject to the obligations prescribed by the Board of Directors.

Section 8. Privileges and Duties of Honorary Members. Honorary membership shall confer only the right to attend meetings and participate in discussions.

Section 9. Certification by “Designated” REALTOR®. “Designated” REALTORS® shall certify to the A.O.R. during the first month of the fiscal year on a form provided by the A.O.R., a complete listing of all individuals licensed or certified under California law with the REALTOR® firm(s) and shall designate the primary Association, if any, for each individual. These declarations shall be used for purposes of calculating dues under Article IX, Section 2 of the Bylaws. “Designated” REALTOR® members shall also notify the A.O.R. of any additional individual(s) licensed or certified with the firm(s) and of any individual whose affiliation with the firm was severed within thirty days of the date of affiliation or severance of the individual(s).

## **ARTICLE VII – PROFESSIONAL STANDARDS AND ARBITRATION**

Section 1. Professional Standards and Arbitration. The responsibility of the A.O.R. and its members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident there to shall be governed by the *California Code of Ethics and Arbitration Manual*, as published and from time to time amended by C.A.R., which by this reference is made a part of the Bylaws.

Section 2. Member Compliance with N.A.R. and C.A.R. Constitution, Bylaws, Policies, Rules, Regulations and Code of Ethics. It shall be the duty and responsibility of every REALTOR® member of this A.O.R. to abide by the governing documents and policies of this A.O.R., C.A.R., and N.A.R. and the Code of Ethics including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the N.A.R. Code of Ethics, and as further defined and in accordance with the procedures set forth in the *California Code of Ethics and Arbitration Manual* as from time to time amended by C.A.R. By becoming and remaining a member, every REALTOR® member agrees that he or she and the corporation or firm for which he or she acts as a partner, officer, principal, or branch office manager, will submit to arbitration through the A.O.R. all disputes with any other member or member of the public subject to the conditions set forth in the *California Code of Ethics and Arbitration Manual*.

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

Section 1. Use and Control of REALTOR® Membership Marks. Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the Constitution and Bylaws of N.A.R. and to the Rules and Regulations prescribed by its Board of Directors. The A.O.R. shall have the authority to control, jointly and in full cooperation with N.A.R., 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 C.A.R. Code of Ethics and Arbitration Manual.

Section 2. Jurisdictional Limits on Use of REALTOR® Membership Marks. REALTOR® members of the A.O.R shall have the privileges of using the terms REALTOR® and REALTORS® in connection with their places of business within California, or a state contiguous thereto, so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

Section 3. Use of REALTOR® Membership Marks Dependent on Status of Firm Principals. 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 California, or a state contiguous thereto, are REALTOR® members.

- (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 REALTORS® may not be used in any reference to those additional places of business.

Section 4. Institute Affiliate Members Ineligible to Use REALTOR® Membership Marks. Institute Affiliate members shall not use the terms REALTOR® or REALTORS® nor the imprint of the emblem seal of N.A.R.

## ARTICLE IX – DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt a reasonable application fee for membership in the A.O.R. The application fee for REALTOR® membership shall not exceed three (3) times the amount of the annual dues for REALTOR® membership. The application fee shall be required to accompany each application for membership in the A.O.R. and shall become the property of the A.O.R. upon final approval of the application. The A.O.R. shall collect all C.A.R. and N.A.R. new member and application fees, if any.

### Section 2. Dues and Assessments.

- (a) The Board of Directors shall determine annually the amount of annual dues and assessments, if any, to be paid by each class of membership.
- (b) The dues and assessments of each Designated REALTOR® member shall be a base amount plus an amount multiplied by the number of real estate licensees and licensed or certified appraisers under California law to which he or she certified under Article VI, Section 9, and who:
  - (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed or certified with such REALTOR® member, and
  - (2) are not REALTOR® members of any Association within California or a state contiguous thereto or Institute Affiliate members of this A.O.R.

In calculating the dues payable to the A.O.R. by a Designated REALTOR® member, non-member licensees as defined in (1) and (2) of this sub-paragraph shall not be included in the computation of dues and assessments if the Designated REALTOR® has paid dues and assessments based on non-member licensees to another Association within the state of California or a state contiguous thereto, provided the Designated REALTOR® notifies the A.O.R. in writing of the identity of the Association to which dues and assessments have been remitted.

- (c) In Accordance with Article VI, Section 9, the Designated REALTOR® has an affirmative and ongoing duty to keep dues and assessment formulations current and accurate and shall notify the A.O.R. within 30 days of any changes, additions or deletions of any real estate licensees and licensed or certified appraisers employed by or affiliated as independent contractors or who are otherwise directly or indirectly licensed are certified with such Designated REALTOR®.
- (d) 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 (“LFRO”) 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 the real estate profession as defined in Article V, Section 2 (c) (buying, selling, exchanging, renting or leasing, managing, counseling, appraising for others for compensation, building, developing or subdividing real estate) and are not participants or subscribers in a Multiple Listing Service (“MLS”). The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Article IX, Section 2 (b) and shall not be included in calculating the annual dues of the Designated REALTOR®. It shall be considered a violation of a membership duty for a REALTOR® to falsely certify LFRO status. Moreover, the exemption for any licensee included on the certification form for a LRFO shall automatically be revoked upon the individual being engaged in the real estate



profession as defined in Article V, Section 2 (c) other than for referrals, or for being a participant or subscriber of any MLS, and dues and assessments for the entire current fiscal year shall be immediately due and payable in full. Licensee may not reapply for a LFRO exemption until the following fiscal year.

- (e) A REALTOR® with a direct or indirect ownership interest in an entity engaged in the real estate business which provides services for which a Mortgage Loan Originators (“MLO”) license endorsement is required may annually file with the association, on a form approved by the association, a list of the MLO licensees and certify that the listed licensees (1) have a MLO license or endorsement, (2) are not engaged in real estate profession as defined in Article V, Section 2 (c) (buying, selling, exchanging, renting or leasing, managing, counseling, appraising for others for compensation, building, developing or subdividing real estate) except for licensed activities for which an MLO is required, and (3) are not participants or subscribers in any MLS. The individuals disclosed on such forms shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Article IX, Section 2(b) and shall not be included in calculating the annual dues and assessments of the Designated REALTOR®. It shall be considered a violation of a membership duty for a REALTOR® to falsely certify MLO status. Moreover, the exemption for any licensee included on the certification form for an MLO exemption, shall automatically be revoked upon the individual being engaged in the real estate profession as defined in Article V, Section 2(c) other than in those activities for which an MLO license or endorsement is required or upon their joining an MLS, and dues and assessments for the entire current fiscal year shall be immediately due and payable in full. Licensee may not reapply for a MLO exemption until the following fiscal year.
- (f) Membership dues and assessments shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® membership in the association. However, membership dues and assessments shall not be prorated if the licensee held REALTOR® membership during the preceding calendar year.
- (g) The annual dues and assessments of REALTOR® members shall not include any allocation for C.A.R., if the member is a member of an Association of C.A.R. and that Association has paid C.A.R. dues and assessments for the member.
- (h) The annual dues and assessments of REALTOR® members shall not include any allocation for N.A.R., if the member is a member of an Association of N.A.R. and that Association has paid N.A.R. dues and assessments for the member.
- (i) In the case of a Designated REALTOR® member in a firm, partnership or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in sub-paragraph (b) of this Section) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.
- (j) The annual dues and assessments 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 (\$75.00). The National Association shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$25.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe. (Amended 1/02)*

**Section 3. Dues and Assessments Payable.** Dues and assessments for all members shall be payable annually in advance on the first day of January. Dues and assessments shall be computed from the first day of the month in which a new member is notified of acceptance and shall be prorated for the remainder of the year. Any member who initiates bankruptcy proceedings may be placed on a “cash basis” from the date the bankruptcy petition is filed until one year from the date that member has been discharged from bankruptcy. All dues, assessments or fees paid to the A.O.R. are nonrefundable, except for those dues and assessments returned to a terminated provisional member as provided in Article V Section 10.

After the initial annual billing, in the event additional real estate licensees or licensed or certified appraisers become affiliated with the Designated REALTOR®, the dues and assessments of the Designated REALTOR® shall be adjusted for each real estate licensee or licensed or certified appraiser employed by or affiliated as independent contractors or otherwise directly or indirectly licensed or certified with such Designated REALTOR® and added to their firm as shown on the DRE or BREA database. Any additional amount owing shall become immediately due and payable upon the date of affiliation even if no invoice is generated (i.e. the date of affiliation the “due date”).

**Section 4. Nonpayment of Financial Obligations.**

- (a) If dues, fees, fines, or other assessments including amounts owed to the A.O.R., or its Multiple Listing Service are not paid within one (1) month after the due date, the nonpaying member is subject to suspension. Two (2) 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, expel or otherwise terminate a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. Furthermore, no member shall be suspended, expelled or otherwise terminated until twenty (20) days after notice of a proposed suspension, expulsion or termination and the reason therefore has been mailed by regular first class mail or electronic submission to him or her, which notice may be given before or after the expiration of the one-month limit or two-month limit.
- (b) If within ten (10) days after the sending of a notice the member requests a hearing, the effective date of the suspension, expulsion or termination shall be deferred until after such hearing. The Board of directors shall send by regular first-class mail or by electronic submission to the member at least (5) days prior to the hearing a notice of the time and place of the hearing. At the hearing the Board of Directors shall receive evidence from the member and may receive evidence from any other person on the issue of whether the member

was delinquent in the payment of dues, fees, fines or other assessments and on the issue of whether it would be in the best interest of the A.O.R. to suspend, expel or otherwise terminate the member immediately.

- (c) If the Board of Directors determines that the member was delinquent, the Board of Directors may decide, as it deems in the best interest of the A.O.R., to suspend, expel or otherwise terminate the member immediately, or to decline to suspend, expel or terminate the member on condition that the member pay the delinquency on or before a specified date or pay the delinquency in specified installments on or before specified dates. The member shall be automatically suspended, expelled or otherwise terminated without further hearing if the member fails to perform such condition.
- (d) Any suspension or expulsion occurring after a hearing shall be effective five (5) days after notice thereof is mailed or electronically sent to the member, subject to the right of the Board of Directors to specify that the suspension, expulsion or termination shall become effective upon the entry, in a suit by the A.O.R. for declaratory relief, of final judgment of a Court of competent jurisdiction declaring that the suspension, expulsion or termination violates no rights of the member.
- (e) In the event the membership of a real estate licensee or certified or licensed appraiser who holds REALTOR® membership is terminated for nonpayment of A.O.R. dues, fees, fines or other assessments and the licensee or appraiser remains affiliated with the same firm, the dues obligation of the Designated REALTOR®, as set forth in this Article IX, Section 2(b), will be increased to reflect the addition of a non-member licensee or appraiser. Dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days of the notice of termination.

Section 5. Reinstatement After Termination for Nonpayment of Financial Obligations. A former member who has had his or 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 A.O.R. or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, only after making payment in full of all past due accounts, together with interest at the rate of ten (10%) percent per annum on each item comprising the accounts, from its due date until paid, and after complying with all sanctions imposed by a disciplinary panel together with the payment of the application fee required of new applicants.

Section 6. Deposit. All monies received by the A.O.R. for any purpose shall be deposited to the credit of the A.O.R. in a financial institution or institutions selected by resolution of the Board of Directors.

Section 7. Notice of Delinquent Dues, Fees, Fines, Assessments and Other Financial Obligations of Members. All delinquent dues, fees, fines, assessments or other financial obligations to the A.O.R. or its Multiple Listing Service shall be noticed to the delinquent member in writing, including by electronic means, setting forth the amount owed and due date.

## **ARTICLE X – OFFICERS AND DIRECTORS**

Section 1. Officers. The elected officers of the A.O.R. shall be: a President, a President-Elect, a Secretary and a Treasurer. The offices of Secretary and Treasurer may be held by the same person, otherwise, no person may hold more than one office at the same time. The President-Elect shall automatically ascend to the presidency at the end of his or her term as President-Elect unless for some reason he or she were stripped of office while President-Elect. The Executive Vice President is the chief staff person of the A.O.R. but is not an officer or member of the Board of Directors.

The Officers shall be elected by the Board of Directors and serve for terms of one (1) year beginning on the first day of January or until their successors are elected, whichever shall last occur. The term of the Immediate Past President serving by designation is one year. The Treasurer will serve a two (2) year term.

Officers except the Executive Vice President shall be REALTOR® members and shall have been REALTOR® Members in good standing for at least two (2) years prior to serving.

The President Elect shall have served on the Board of Directors for at least one (1) year within the previous three (3) years prior to assuming office and shall be an elected member of the Board of Directors during their term of office.

Section 2. Powers and Duties of Officers. The powers and duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the duty of the Secretary to keep the records of the Board of Directors and to carry on all necessary correspondence with N.A.R. and C.A.R.

Section 3. Board of Directors. The governing body of the A.O.R. shall be a Board of Directors consisting of the elected officers and nine (9) REALTOR® members of the A.O.R. All directors, including elected officers and the Immediate Past President have one vote. Elected Directors shall be elected to serve for terms of three years, except that at organization, one-third of the elected Directors shall be elected for terms of one, two and three years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many Directors shall be elected each year as required to fill vacancies. The ex-officio members shall be the President, Immediate Past President and Chairperson of the Multiple Listing Service. The Executive Officer shall serve, without the right to vote. If the Immediate Past President is unable or unwilling to serve in this capacity as a Director, the Board of Directors, in accordance with the procedures for filling vacancies, may, but is not required to, fill the open seat with another Director to serve the remainder of the term otherwise reserved for the Immediate Past President. The term of Immediate Past President serving by designation is one year.

Section 4. Powers and Duties of the Board of Directors. Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation or Bylaws relating to action required to be approved by the members or a majority of all the members, the activities and affairs of the A.O.R. shall be conducted by and all management powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the activities of the A.O.R. to any committee so long as the ultimate direction is provided by the Board of Directors. The Board of Directors shall conduct business of the A.O.R. and make rules and regulations consistent with these Bylaws, Constitution, and Bylaws of the California Association of REALTORS®, Code of Ethics and Constitution and Bylaws of the National Association of REALTORS® and the laws of the State of California.

A Director will cease to be a member of the Board of Directors if they cease to be a REALTOR® member in good standing. After 3 absences of the regularly scheduled F.A.R. Director meetings, the individual would cease to be a member of the Board of Directors. Any extraordinary absence is to be cleared through the Executive Committee.

Section 5. Election of Officers and Directors.

- (a) Nomination by the Nominating Committee. The Immediate Past President, at least ninety (90) days prior to the Annual Meeting, shall appoint a nominating committee of five (5) REALTOR® Members including himself/herself as Chairperson and shall immediately notify the Membership of this Committee. The Nominating Committee shall nominate a

slate of REALTOR® members at least equal to the number of vacancies that will occur in the next year. The names of the nominees shall be reported to all REALTOR® Members at least sixty (60) days prior to the annual meeting.

- (b) Nomination by Petition. In addition to the slate nominated by the Committee, any other qualified REALTOR® member may be nominated by the Membership by submitting a petition to the Executive Vice President signed by ten (10) REALTOR® members.

The nominees shall be authenticated and the nominations declared closed by the Board of Directors at its regular meeting in the month preceding the Annual Meeting and notice of the list of nominees shall be sent to all REALTOR® members.

- (c) Elections. Elections shall be by ballot delivered to the members. The ballot shall contain the names of all candidates and specify the office for which each is nominated. There shall be no proxy votes. No person may be a candidate for more than one position whether nominated by the Nominating Committee or by petition. No More than a single vote may be cast for any given candidate; cumulative voting is prohibited. In case of a tie vote, the issue shall be determined by lot. The candidates receiving the highest number of votes are elected.

\*All notices, reports and ballots in connection with the election or removal of Officers and Directors may be accomplished by personal delivery, first class mail, facsimile, electronic mail or other electronic means.

The current Board of Directors during their June meeting shall elect a President Elect and Treasurer. The incoming Board of Directors shall hold a meeting one week following the Annual Meeting for the purpose of ratifying the appointments of the current President-Elect and Treasurer for the following year. Proxy votes are allowed at this meeting.

Depending on the number of C.A.R. directorships available, the incoming Board of Directors shall appoint the incoming President-Elect, Multiple Listing Service chairperson and the Professional Standards chairman as Directors of the California Association of REALTORS® in that order.

The remaining Director appointments shall be made by the current President-Elect subject to the approval of the incoming Board of Directors.

Section 6. Vacancies. Vacancies among the officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors. The term of said appointed board member shall coincide with the term of the vacant seat being filled. If an officer or director is unable to assume office after being elected, his or her seat becomes vacant and shall be filled by the Board of Directors.

Section 7. Removal of Officers and Directors. In the event that an officer or director is deemed to be incapable for any reason of fulfilling the duties for which he or she is elected, but will not resign from office voluntarily, the officer or director may be removed from office under the following procedure:

- (a) A petition requiring the removal of an officer or director and signed by not less than a majority of all directors shall be filed with the President, or if the President is the subject of the petition, with the next ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty days or more than forty-five days

thereafter, a special meeting of the Board of Directors of the A.O.R. shall be held. The sole business of the meeting shall be to consider the charge against the officer or director, and to render a decision on such petition.

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

Section 8. Expenditures. The Board of Directors shall administer the day-to-day finances of the A.O.R. Adopt and adhere to, when possible, an annual budget. However, the Board of Directors shall not authorize the expenditure of more than ten percent (10%) of the annual budget on any one capital purchase or indebt the Association without having obtained the approval of a majority of the voting Membership, a quorum having been obtained.

## **ARTICLE XI – MEETINGS**

Section 1. Annual Meetings. The Annual meeting of the A.O.R. shall be held during June of each year, the date, place and hour to be designated by the Board of Directors.

Section 2. Meetings of Directors. Regular meetings of the Board of Directors shall be held on the third (3rd) Thursday of each month or on such alternative date as may be approved by the Board of Directors. Notice of all regular meetings of the Board of Directors shall be given at least twenty-four (24) hours prior to the meeting.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or upon written request of at least two (2) other Directors. All Directors shall be given at least a twenty-four (24) hour notice of the time, date and location of the meeting. Said notice may be personally delivered or may be placed in the U.S. Mail and addressed to the Director at his place of business in sufficient time to be delivered twenty-four (24) hours prior to the meeting.

Section 4. Other Meetings. Special meetings of the Membership may be called at any time by the President, the Board of Directors or by written petition to the Secretary of at least ten percent (10%) of the REALTOR® members. The President shall choose the date, time and location of the special meeting. If called by the Board of Directors or by petition, the President shall choose a date for the meeting no less than ten (10) days and no more than thirty (30) days from the date of the request. Notice of any special meeting of the Membership shall be given to all of the members no less than ten (10) days prior to the meeting.

Section 5. Quorum. A quorum for the transaction of business by the general membership shall consist of ten percent (10%) of the REALTOR® members but no less than fifty (50) members. A quorum for the transaction of business by the Board of Directors shall consist of a majority of the Directors.

## **ARTICLE XII – COMMITTEES**

Section 1. Standing Committees. The President shall appoint from among the REALTOR® members, subject to confirmation by the Board of Directors, the following standing committee chairpersons:

Budget & Finance	Grievance	Multiple Listing Service
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Executive	Diversity	Professional Standards
Education	Membership	Strategic Planning

Section 2. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

Section 3. Term of Committee Appointments. Committee members shall be appointed to one (1) year terms except that the members of the Grievance, Strategic Planning and Professional Standards committees shall be appointed to staggered three (3) year terms.

Section 4. Organization. All committees shall be of such size and shall have duties, functions and powers as assigned by the Board of Directors except as otherwise provided in these Bylaws.

Section 5. Executive Committee. The Executive Committee shall consist of six (6) members plus the Executive Vice President who shall be non-voting. The members shall be the President who shall chair the committee, the President-Elect, Immediate Past President, Treasurer, Chair and Past Chair of the Fresno Multiple Listing Service.

Section 6. Budget & Finance Committee. The Budget & Finance Committee shall consist of the Executive Committee, chaired by the Treasurer. The Executive Vice President shall be a non-voting member.

Section 7. President. The President shall be an ex-officio non-voting member of all standing committees and shall be notified of their meetings.

Section 8. Removal. The President shall have the power, subject to confirmation by the Board of Directors, to remove any member from a committee.

**ARTICLE XIII – FISCAL YEAR**

Section 1. Fiscal Year. The fiscal year of the A.O.R. shall be the calendar year beginning January 1 and ending December 31.

**ARTICLE XIV – RULES OF ORDER**

Section 1. Robert’s Rules of Order. Robert’s Rules of Order, Latest edition, shall be recognized as the authority governing the meetings of the A.O.R., its Board of Directors, and committees, in all instances wherein its provisions do not conflict with the California Nonprofit Corporations Code or these Bylaws.

**ARTICLE XV – AMENDMENTS**

Section 1. Amendment Upon Majority Vote of Membership. The Board of Directors may amend these Bylaws. However, the Board of Directors shall first obtain a majority vote of a quorum of the REALTOR® members before any amendment may take effect. The membership must be given at least 10 days notice of the vote and the voting procedure shall be in the same manner as the election of Directors.

In addition, the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present approve amendments to the Bylaws which are mandated by the N.A.R. policy or set forth in the C.A.R. Model Bylaws, or as otherwise permitted in California Corporation Code, Section 7150.

Section 2. Approval of Amendments by N.A.R. Amendments to these Bylaws affecting the admission or qualification of REALTORS® and Institute Affiliate members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the A.O.R. shall become effective upon

their approval as authorized by the Board of Directors of N.A.R.

#### **ARTICLE XVI – PLACE OF OFFICE**

Section 1. Place of Office. The principal office of the Association shall be in Fresno County, California at a location chosen by the Board of Directors. The address shall be noticed to the Secretary of the State of California annually. Any notice, demand or other service on the Association, its Officers or Directors may be made at this address.

#### **ARTICLE XVII – DISSOLUTION**

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

#### **ARTICLE XVIII – MULTIPLE LISTING SERVICE**

Section 1. Authority and Governing MLS Rules. The A.O.R. may maintain for the use of licensed real estate brokers and salesperson, and licensed or certified appraisers, a Multiple Listing Service (“MLS”) which shall be subject to the Bylaws of the A.O.R. and the *California Model MLS Rules* as from time to time amended by C.A.R., which are hereby incorporated by reference and such additional local MLS Rules and Regulations as may be herein after adopted by the Board of Directors. In the event of a conflict between the *California Model MLS Rules* and the local MLS Rules and Regulations, the local MLS Rules and Regulations will control.

Section 2. Purpose. A Multiple Listing Service is a means by which authorized MLS broker participants establish legal relationships with other participants by making a blanket unilateral contractual offer of compensation and cooperation to other broker participants, by which information is accumulated and disseminated to enable authorized participants to prepare appraisals and other valuations of real property; 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 among the participants so that they may better serve their clients and the public.

Section 3. MLS Committee. The A.O.R. President shall appoint, subject to the confirmation of the Board of Directors, an MLS Committee of REALTOR® members. All members of the committee shall be MLS participants or subscribers. The President shall select the MLS Committee chair and vice chair from among the MLS Committee members. The actions of the MLS Committee are subject to the approval of the Board of Directors.

Section 4. Access to Comparable and Statistical Information. Providing the MLS generates such publications, A.O.R. members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information and statistical reports. This information is provided for the exclusive use of A.O.R. members and individuals affiliated with the A.O.R. members who are also engaged in the real estate business. Except as otherwise specified in the MLS Rules and Regulations, this information may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm. A.O.R. members who receive such information are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.