

Bylaws of the
REALTOR® Association of Sarasota and Manatee, Inc.

(Effective date March 1, 2017)
(Adopted January 1, 2015; Latest Revision March 1, 2017)

Article I – Name

Section 1. Name. The name of this organization shall be the REALTOR® Association of Sarasota and Manatee, Incorporated, hereinafter referred to as the "association".

Section 2. REALTORS®. Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the association shall be governed by the *Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®* as from time to time amended.

Article II – Objectives

The objectives of the association are:

Section 1. To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

Section 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

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

Section 5. To unite those engaged in the real estate profession in this community with the Florida Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

Section 6. To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® and REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

Article III – Jurisdiction

Section 1. The territorial jurisdiction of the association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is: Manatee County, Florida and that portion of Sarasota County, Florida starting at a point where the Sarasota-Manatee County line meets the Gulf of Mexico, running E, S and E along the Sarasota-Manatee County line; thence S along the Sarasota-Desoto County line; thence W and S along the Sarasota-Charlotte County line to the Myakka River; thence northerly with the Myakka River to the S line of Section 13, Township 38S, Range 19E; thence W along the section lines to the Gulf of Mexico; thence northerly to the point of beginning; except that portion of Sarasota County known as North Port Charlotte and Warm Mineral Springs, relinquished to the Punta Gorda-Port Charlotte Association, described as beginning at a point where the Myakka River crosses the Sarasota-Charlotte County line; thence northward with the Myakka River to the S line of Section 35, Township 39S, Range 20E; thence E to the SE corner of Section 35, Township 39S, Range 20E; thence N along the E line of Sections 35 and 26, Township 39S, Range 20E, to the NW corner of Section 25, Township 39S, Range 20E; thence E along the N line of Section 25, Township 39S, Range 20E to the NE corner of Section 25, Township 39S, Range 20E; thence N along the E line of Sections 24, 13, 12, and 1, Township 39S, Range 20E; thence E along the S line of Sections 31, 32, 33, 34, 35 and 36, Township 38S, Range 21E, to the SE corner of Section 36, Township 38S, Range 21E; thence S along the W line of Sections 6, 7 and 18, Township 39S, Range 22E, to the SW corner of Section 18, Townships 39S, Range 22E: thence E along the S line of Sections 18, 17, 16, 15, 14 and 13, Township 39S, Range 22E, to the SE corner of Section 13, Township 39S, Range 22E; thence S along the Sarasota-Desoto County line to the Charlotte County line; thence W and S along the Charlotte-Sarasota County line to the point of beginning.

Section 2. Territorial jurisdiction is defined to mean:

(a) The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the association agrees to protect and safeguard the property rights of the National Association in the terms.

Article IV – Membership

Section 1. There shall be five 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 Florida 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 Affiliate membership, as described in Section 1(b) of this Article.

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 this Article.

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.

(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 pursuant to Article 17 of the Code of Ethics and the payment of association dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s), and must meet all other qualifications for REALTOR® membership established in Article V, Section 2 of the Bylaws.

(b) Institute Affiliate Members. Institute Affiliate members shall be individuals who hold a professional designation 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® membership, subject to payment of applicable dues for such membership.

(c) Business Partner. Business Partner 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.

(d) 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.

(e) Administrative Members. Members shall be an employee of a REALTOR® at a real estate brokerage. Active licensed salespeople may not be Administrative Members. Administrative Members must make application for membership and be approved by the Board of Directors. Upon application for Member status, the applicant's Designated REALTOR® must certify the applicant's eligibility.

Article V – Qualification and Election

Section 1. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the board of directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to 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 controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the association may invite and receive information and comment about applicant from any member or other persons, and that applicant agrees that any information and comment furnished to the association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification

(a) An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the association, through its membership committee or otherwise, that he/she is actively engaged in the real estate profession, and maintains a current, valid Florida real estate broker's or salesperson's license or is licensed, registered, 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 association, and shall agree that if elected to membership, he/she will abide by such *Constitution*, Bylaws, rules and regulations, and Code of Ethics***.

*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:

- A. 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
- B. 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.

***Any applicant who has an unfulfilled sanction pending which was imposed by another board or association of REALTORS® for violation of the Code of Ethics shall not be granted membership.

(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 Florida real estate broker's or salesperson's license or be licensed, registered, 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**.

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

- A. 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
- B. 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 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.

**Any applicant who has an unfulfilled sanction pending which was imposed by another board or association of REALTORS® for violation of the Code of Ethics shall not be granted membership.

(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 this or any other REALTOR® association or REALTOR® 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, 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 of 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.

(a) Applicants for REALTOR® membership shall 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 subsequent review of the application by the Executive Committee. If the Executive Committee 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 three months from the association's receipt of their application,

membership may, at the discretion of the board of directors, be terminated.

(b) Dues shall be computed from the date of application and shall be non-refundable unless the association's board of directors terminates the individual's membership in accordance with Subsection (a) above. 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. Application fees are not refundable.

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

(d) If the board of directors determines that provisional membership should be terminated, it shall record its reasons with the chief staff executive. If the board of directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

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 three months of the date that provisional membership was granted, will result in denial of the membership application or termination of provisional membership.

NOTE: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.

Section 5. REALTOR® Code of Ethics Training

Effective January 1, 2017, through December 31, 2018, and for successive two 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 association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any two (2) -year cycle shall not be required to complete additional ethics training until a new two (2) -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 two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) 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 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 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 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.

(The board of directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance

with the association's Bylaws.)

(b) Dues shall be prorated from the first day of the month in which the member is notified of election by the board of directors and shall be based on the new membership status for the remainder of the year.

Article VI – Privileges and Obligations

Section 1. 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 Executive 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®.

Section 3. Any REALTOR® member of the association may be disciplined by the board of directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the *Code of Ethics and Arbitration Manual* of the association, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.

Section 4. Resignations of Members shall become effective when received in writing by the Board of Directors. A member who resigns membership may apply for reinstatement of membership within one year from the time of termination or resignation, provided that if the member is indebted to the Association for dues, fees, fines or other assessments of the Association or of any of its services, the former member shall make payment in full of all accounts due prior to reinstatement to membership. The former member who applies for reinstatement shall complete a new application form, pay any reinstatement fee established by the Board of Directors, and pay the dues payable at the time of application. If the lapse in membership exceeds one (1) year, or the member was terminated or expelled for any cause, the former member may apply for reinstatement in the manner prescribed for new applicants for membership after making payment in full of all accounts due as of the date of termination or expulsion.

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 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 an association of REALTORS®.

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

Section 6. REALTOR® Members. REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the association are paid in full shall be entitled to vote and to hold elective office in the association; may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the association and the real estate profession.

(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.

Section 7. Institute Affiliate Members. Institute Affiliate members shall have rights and privileges and be subject to obligations prescribed by the board of directors consistent with the *Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®*.

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

Section 8. Business Partner Members. Business Partner members shall have rights and privileges and be subject to obligations prescribed by the board of directors.

Section 9. Student Members. Student members shall have rights and privileges and be subject to obligations prescribed by the board of directors.

Section 10. Administrative Members. Administrative members shall have the rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 11. The Association may require Designated REALTOR® members of the Association to certify to the Association a complete listing of all individuals licensed, registered or certified in the REALTOR®'s office(s) and 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 the 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, registered or certified with the firm(s) within five (5) working days of the date of affiliation or severance of the individual.

Section 12. Harassment. Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or association officer or director after an investigation in accordance with the procedures of the association. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work

environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the president, and president-elect and one member of the board of directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the president or president-elect, they may not participate in the proceedings and shall be replaced by the immediate past president or, alternatively, by another member of the board of directors selected by the highest ranking officer not named in the complaint.

Article VII – Professional Standards and Arbitration

Section 1. The responsibility of the association and 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 abide by the Constitution and Bylaws and the rules and regulations of the association, the Constitution and Bylaws of the State Association, the *Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®*, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this association, as from time to time amended.

Section 3. 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.

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.

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

Section 4. 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 Florida 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 Florida 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 Florida Association of REALTORS®.

Article X – Dues and Assessments

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

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

(a) Designated 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, registered, 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 association to which dues have been remitted. In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this association.

(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 REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2(a)(1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch 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®.

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, leasing, 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® membership in the association. However, membership dues shall not be

prorated if the licensee held REALTOR® membership during the preceding calendar year.

(b) REALTOR® Members. The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the board of directors.

(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®.

(d) Business Partner Members. The annual dues of each Business Partner member shall be as established annually by the board of directors.

(e) Student Members. Dues payable, if any, shall be at the discretion of the board of directors.

(f) Administrative Members. The annual dues of each Administrative Member shall be as established annually by the Board of Directors.

(g) Life Members. Local association dues of Life Members previously recognized for their notable service and/or length of membership will continue to be waived.

Section 3. Dues Payable. Dues for all members shall be payable annually in advance on the 15th day of December, and are non-refundable past December 31st. 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, registered 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 [a]) 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.

Section 4. 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 and assessment of a late fee in an amount established by the Board of Directors. Two (2) months after the due date, membership of the nonpaying member shall automatically terminate unless within that time the amount due is paid. 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.

Section 5. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the board of directors.

Section 6. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the association or association multiple listing service shall be noticed to the delinquent association member in writing setting forth the amount owed and due date.

Article XI – Officers and Directors

Section 1. Officers. The elected officers of the association shall be: a president, a president-elect, a secretary, and a treasurer. They shall be elected for terms of one year or until their successors are elected. The President-Elect shall automatically assume the office of President in the year following election. No more than two (2) REALTORS® from any one firm, partnership, or corporation shall serve as an officer at any one period of time, except that if a licensee transfer or merger of two or more firms increases the number of Officers from the same firm, those Officers shall be allowed to serve the remainder of their term.

Section 2. Duties of Officers. The duties of the elected 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 particular duty of the chief staff executive to keep the records of the association and to carry on all necessary correspondence with the NATIONAL

ASSOCIATION OF REALTORS® and the Florida Association of REALTORS®.

(a) Qualifications of the Secretary and Treasurer. The Secretary and Treasurer must have been a REALTOR® member of the Association for at least two years immediately prior to election and have served as a Director or a committee chairman at least one year in the last five years.

(b) Qualifications of the President-Elect. The President-Elect must have been a REALTOR® member of the Association for at least two years immediately prior to election and have served as a Director or Officer of the Association in the last five years.

Section 3. Appointed Officers. There shall be a chief staff executive, appointed by the Board of Directors and known as the Chief Executive Officer. The Chief Executive Officer shall serve as the Corporate Secretary and shall serve on the Board of Directors as an ex-officio member without vote. The Chief Executive Officer shall be the chief administrative officer of the association, with the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors.

Section 4. Board of Directors. The governing body of the association shall be a board of directors consisting of the elected officers, the immediate past president of the association, twelve (12) elected REALTOR® members of the association, one REALTOR® member of the Commercial Investment Division (CID) of the Association, and any local board-allocated directors of the National Association of REALTORS® to which the association is entitled. Directors shall be elected to serve for terms of three (3) years, except that at organization, one-third of the elected directors shall be elected for terms of one (1), two (2), and three (3) years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. In the initial year of organization, the immediate past president of both the Manatee Association of Realtors and the Sarasota Association of Realtors shall serve on the Board of Directors. Thereafter, as many directors shall be elected each year as are required to fill vacancies.

(a) Qualifications of elected directors. A director shall have been a REALTOR® member of the association for at least two years immediately prior to election and shall have served on a committee of the association in the last five years.

(b) Term Limits. No director shall serve for more than two (2) consecutive three (3)-year terms or no more than six consecutive years.

(c) No more than three elected directors from any one firm, partnership, or corporation may simultaneously serve on the Board of Directors, except that if a licensee transfer or a merger of two or more firms increases the number of directors from the same firm, partnership, or corporation, those directors shall be allowed to serve the remainder of the year, and any remaining term shall be filled at the next election.

(d) No less than one-third (1/3) of the twelve (12) elected directors shall be residents of Manatee County and no less than one-third (1/3) of the twelve (12) elected directors shall be residents of Sarasota County, based on their residence at time of election.

(e) The director selected to serve as the Commercial Investment Division's director shall serve as an ex-officio director for a term of three (3) years. Such director shall have the right to vote and is subject to all privileges and obligations of elected directors except he/she may serve without regard to the limitation of the number of directors from any one firm, partnership or corporation. Selection of the director to represent the CID and the qualifications to serve shall be in accordance with the policy established by the association from time to time. Removal shall be pursuant to Section 9(e) of this Article. A vacancy shall be filled in accordance with the procedures established in the Policy Manual for selection of the CID representative.

(f) The local board-allocated directors of the National Association of REALTORS® shall serve as ex-officio directors for a term concurrent with their term on the NAR Board of Directors. Such directors shall have the right to vote and are subject to all privileges and obligations of elected directors, except their term(s) shall not be subject to the limitation of six concurrent years, and they may serve without regard to the limitation of the number of directors from a firm. Selection of the local board-allocated directors and the qualifications to serve shall be in accordance with the policy established by the association from time to time. Removal of the local board-allocated director(s) shall be pursuant to Section 9(f) of this Article. A vacancy in any local board-allocated director position shall be filled in accordance with the procedures established in the Policy Manual for selection of local board-allocated directors.

Section 5. Election of Officers and Directors. With the exception of the officers and directors who are designated to serve their term beginning January 1, 2015 pursuant to that certain Plan and Agreement of Merger dated August 27, 2014, by and between the Corporation and MANATEE ASSOCIATION of REALTORS®, Inc., subsequent elections will be

conducted as follows:

(a) A nominating committee of three immediate past presidents available and five REALTOR® members shall be appointed by the president with the approval of the board of directors no later than March 1 each year, which committee shall be referred to as the Nominating Committee. Only one member of the same firm, partnership, or corporation shall serve simultaneously, and at least one-quarter (1/4) of the members of the nominating committee shall consist of residents of Manatee County and one-quarter (1/4) of the members of the nominating committee shall consist of residents of Sarasota County. Pursuant to Article XIII, Section 4, the nominating committee shall select one candidate for each office and one candidate for each place to be filled on the board of directors. The report of the nominating committee, which is not subject to approval by the Board of Directors, will be provided to each member eligible to vote as set forth in the election rules. Additional candidates for the offices to be filled may be placed in nomination by petition as set forth in the election rules. The petition shall be filed pursuant to election rules. Notice of such additional nominations shall be provided by the chief staff executive to all members eligible to vote as set forth in the election rules. All election rules shall be promulgated and approved by the Board of Directors, and no such rule may conflict with any right given or any obligation required or any other express provision as set forth in these Bylaws.

(b) No election is required unless a petition(s) is filed. If no petition(s) has been filed by the deadline for submission, those officers and directors selected by the Nominating Committee shall be deemed elected and will be announced at the Annual Meeting. An election will only be required if there is more than one candidate for any given officer or director position. Any election required shall be by electronic ballot as set forth in the election rules.

(c) At the conclusion of electronic balloting, the candidates receiving the most votes shall be elected. Any vote which results in a tie will be determined by lot, as set forth in the election rules.

Section 6. Nomination and Election of Local Board-Allocated Director(s) of the National Association of Realtors®.

The Nominating Committee shall review applications to ensure that candidates meet the qualifications in Section 4(a) of this Article and the minimum qualifications determined by the board of directors from time to time as established in the Policy Manual. The Committee will schedule personal interviews with qualified candidates and select the number of nominees to fill available positions and report their recommendations to the board of directors for approval.

Section 7. Nomination and Election of the Commercial Investment Division's Director. The Nominating Committee shall review all applications to ensure that candidates meet the qualifications set forth in Section 4(a) of this Article and the minimum qualifications determined by the board of directors from time to time as established in the Policy Manual. The Nominating Committee will select the nominee and report their recommendation to the Association's board of directors for approval.

Section 8. Vacancies. Should the office of the President become vacant, the President-Elect shall automatically assume the office of President, serving the remainder of the unexpired term and the term for which the President-Elect was originally elected. Should the office of President-Elect become vacant, the nominating procedure specified in Section 5 of this Article shall begin within thirty (30) days and a special election shall be held. Replacements for any other vacancies among the officers and Directors shall be recommended by the Nominating Committee and approved by the Board of Directors to serve until the next annual election.

Section 9. Removal of Officers and Directors. In the event that an officer or director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the officer or director may be removed from office under the following procedure.

(a) A petition requiring the removal of an officer or director and signed by not less than one-third of the voting membership or a majority of all directors shall be filed with the president, or if the president is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

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

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

(d) In the event that an officer or director discontinues membership in the association or upon their death during their term, the vacancy will be filled in accordance with Section 7 of this Article.

(e) A director representing the CID may be removed from office upon a three-fourths vote of those directors present at a meeting at which there is a quorum. Upon removal, or upon the death of a director representing the CID, the vacancy shall be filled in accordance with the procedure established in the Policy Manual for selection of the director representing the CID.

(f) A local board-allocated director may be removed from office upon a three-fourths vote of those directors present at a meeting at which there is a quorum. Upon removal, or upon the death of a local board-allocated director, the vacancy shall be filled in accordance with the procedure established in the Policy Manual for selection of the local board-allocated director(s).

Article XII – Meetings

Section 1. Meetings of Directors. The board of directors shall designate a regular time and place of meetings. Absence from three (3) regular meetings without an excuse deemed valid by the Executive Committee shall be construed as resignation. Special meetings of the board of directors may be held at such other times as the president or board of directors may determine.

(a) Notice shall be by electronic means at least one week prior to the directors' meeting.

(b) 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.

(c) A majority of directors voting in person shall be required for passage provided a quorum has been established.

(d) To the fullest extent permitted by law, at the discretion of the president, business may be transacted by electronic means, including but not limited to telephone, facsimile, e-mail, teleconference, and video conference. Two-thirds of directors voting shall be required for passage provided a quorum is achieved.

Section 2. Annual Meeting. The Annual Meeting of the association shall be held during September of each year, unless otherwise ordered by the board of directors: the date, place, and hour to be designated by the board of directors shall be as set forth in the election rules.

(a) Notice shall be by electronic means at least one week prior to the annual meeting date.

(b) A quorum for the transaction of business at the annual meeting shall be established by limited proxy and shall consist of 50 members eligible to vote.

(c) All voting except for the election of officers and directors as set forth in Article XI, Section 5 of these Bylaws, shall be by limited proxy.

(d) Limited proxies shall be distributed by electronic means to all members eligible to vote. Members may deliver their executed limited proxy to the association in person, by mail, by facsimile, or by e-mail.

(e) A majority of members voting shall be required for passage provided a quorum has been established.

Section 3. Other Meetings of the Members. 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 10% of the members eligible to vote.

(a) Notice shall be by electronic means at least one week prior to the meeting of the members.

(b) A quorum for the transaction of business shall be established by limited proxy and shall consist of 50 members eligible to vote.

(c) All voting except for the election of officers and directors as set forth in Article XI, Section 5 of these Bylaws, shall be by limited proxy.

(d) Limited proxies shall be distributed by electronic means to all members eligible to vote. Members may deliver their executed limited proxy to the association in person, by mail, by facsimile, or by e-mail. A majority of members voting shall be required for passage provided a quorum has been established.

Article XIII – 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 committees:

- professional standards
- grievance
- finance

Section 2. Special Committees. The president shall appoint, subject to confirmation by the board of directors, special committees as deemed necessary.

Section 3. Executive Committee. An executive committee composed of the association president, president-elect, secretary, treasurer, and immediate past president, shall meet regularly with the chief staff executive to review financial statements, approve membership applications, make recommendations thereto as deemed appropriate, act on other routine matters, set the agenda for meetings of the board of directors, and perform such other duties as may be requested by the board of directors. Meetings may be held by electronic means, including but not limited to, telephone, facsimile, e-mail, teleconference, video conference, at the discretion of the president.

Section 4. Nominating Committee. The nominating committee described in Article XI, Section 5(a) shall be responsible for selecting the slate of nominees for officers and directors. If vacancies occur, the nominating committee shall recommend nominees for approval by the Board of Directors to fill such vacancies. The nominating committee shall recommend to the board of directors of the association, nominees to serve on the board of directors of the National Association of REALTORS® as local board-allocated directors from the association and the nominee for the Commercial Investment Division's Director.

Section 5. Organization. All committees shall be of such size, with a minimum of three members, and shall have duties, functions, and powers as assigned by the president or the board of directors except as otherwise provided in these Bylaws.

Section 6. President. The president shall be an *ex-officio* member of all committees except the nominating committee, and shall be notified of their meetings.

Section 7. Attendance by Telephone. 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.

Article XIV – Fiscal and Elective Year

Section 1. The fiscal year of the association shall be the calendar year.

Section 2. The elective year of the association shall be the calendar year.

Article XV – Rules of Order

Section 1. *Robert's Rules of Order*, latest edition, shall be recognized as the authority governing the meetings of the association, its board of directors, and committees, in all instances wherein its provisions do not conflict with these Bylaws.

Article XVI – Amendments

Section 1. These Bylaws may be amended at the Annual Meeting or Other Meetings of the Members pursuant to Article XII, Sections 2 and 3 of these Bylaws, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting.

(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.

Section 2. 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

Section 1. 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 Florida Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

Article XVIII – Indemnification

Each person who at any time shall serve, or shall have served, as a director, officer, employee or agent of the association and such other persons as specified from time to time by the board of directors, shall be entitled to indemnification as and to the fullest extent permitted by Chapter 617 of the Florida Corporations Not for Profit Act or any successor statutory provision, as from time to time amended. The foregoing right of indemnification shall be in addition to and not exclusive of any other rights to which those indemnified may be entitled.

Article XIX - Multiple Listing Service

Section 1. Authority. The Association shall provide for the use of its members a Multiple Listing Service. Members have the option of utilizing this service and paying the cost according to the Rules and Regulations of the Service. Participants and Users shall abide by the Bylaws and Rules and Regulations of the MLS.

Section 2. Shareholder. The Association shall be a Shareholder in the MLS, if applicable.

Section 3. Directors. The Association shall have Directors on the MLS Board of Directors. Such Directors shall be appointed by the Association's Board of Directors in accordance with the Bylaws of the MLS. All Directors shall hold primary Realtor membership in the Association and either be a Participant in the multiple listing service or a subscriber affiliated with a Participant. The MLS Directors shall report all MLS issues back to the Association Board of Directors.

Section 4. Service Center Fee. The Association shall set the local service center fee for Participants and Users of the MLS who are members of the Association, Such fee shall be assessed by the MLS and remitted to the Association in accordance with the Service Center Agreement between the Association and MLS.

Article XX - Divisions and Councils

Section 1. Commercial Investment Division. The association may have a commercial investment division provided that the board of directors approves its rules, regulations, and bylaws, and submits same to the NATIONAL ASSOCIATION OF REALTORS® for review and approval. The Division's activities are subject to review of the board of directors.