



BYLAWS OF THE GREATER CHAPEL HILL ASSOCIATION OF REALTORS®
APPROVED BY THE MEMBERSHIP FEBRUARY 2010

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**BYLAWS OF THE
GREATER CHAPEL HILL ASSOCIATION OF REALTORS®**

ARTICLE I – NAME

- Section 1. Name. The name of this organization shall be the GREATER CHAPEL HILL ASSOCIATION OF REALTORS®, Inc. hereafter 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 NORTH CAROLINA 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 all of Orange County and Chatham County in the state of North Carolina as allocated by the NATIONAL ASSOCIATION OF REALTORS®.
- Section 2. Territorial jurisdiction is defined to mean: The right and duty to control the use of the term 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 several classes of Members as follows:
- (a) REALTOR® MEMBERS. REALTOR® Members, whether primary or secondary shall be:

- (1) Individuals who, as sole proprietors, partners, or corporate officers, or branch officers 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 North Carolina or state contiguous there to. 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 state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a 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 Article IV.
In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the Association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership
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 manager, and are associated with a REALTOR® Member and meet the qualifications set out in Article V.
- (3) 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.
- (4) 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.
- (5) 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

- (6) Institute Affiliate Members. Institute Affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR®-ASSOCIATE membership, subject to payment of applicable dues for such membership.
- (7) Life Members. Regular Life Members shall be individuals who have been active members of the Association for a minimum of twenty-five (25) years and to whom such membership has been awarded by the Board of Directors. The Board of Directors shall have the authority to establish any additional criteria for the award of Life Membership and an application process for members to be considered for Life Membership.
- (8) Associate Partner Members. Associate/Partner Membership shall be individuals or entities (which shall be represented by a designated individual) who are not active licensees of the North Carolina Real Estate Commission and are not engaged in the real estate profession as defined in paragraph (a) or (b) of this Section, who are in agreement with the purposes of the Association and require information concerning real estate, but who do not desire any membership in the NORTH CAROLINA ASSOCIATION OF REALTORS® or the NATIONAL ASSOCIATION OF REALTORS®. Generally, Associate/Partner Members will be involved in businesses or professions that are ancillary to the real estate profession and desire to coordinate with and support the activities of the REALTOR® Members.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application. An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicants agree as a condition to membership to thoroughly familiarize themselves 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®, 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, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other

persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2.

Qualification.

- (a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through its Membership Committee or otherwise that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous there to (unless 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 agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.
- (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 secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, 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 agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.
- (c) An applicant for Associate Partner Membership shall complete, sign and submit to the Association the Application for Associate Partner Membership.

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 approval of the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's bylaws, or, if the individual does not satisfy all of the requirements of membership, which includes a mandatory orientation program, within the calendar quarter they join the Association, membership may, at the discretion of the Board of Directors, be terminated.
- (b) Applicants for Secondary REALTOR® membership shall be granted provisional membership upon receipt of a letter in good standing from their primary

Association and upon submission of a completed application form and remittance of applicable Association dues and any application fee. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's bylaws, or, if the individual does not satisfy all of the requirements of membership, membership may, at the discretion of the Board of Directors, be terminated.

- (c) New REALTOR® members (except transfer and secondary members) shall attend the Association's new member orientation program in the time frame assigned during the application process. Membership may be terminated if the orientation program is not completed in the time frame allotted by the Association and reinstatement will not be allowed until orientation is complete. A fee may be charged to any members requiring reinstatement.
- (d) Dues shall be computed from the date of application based on a pro-rated monthly fee 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 and any application fee.
- (e) 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 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 written minutes be made of any hearing to appeal membership status or may electronically or mechanically record the proceedings.
- (f) If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the Secretary. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by 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.
- (g) Associate Partners Membership applications will be presented to the Board of Directors for a vote of approval.

Section 4. New Member Code of Ethics Orientation. Applicants for REALTOR® membership and provisional REALTOR® members shall complete an orientation program hosted by GCHAR which includes the mandatory NAR Code of Ethics training. Failure to satisfy this requirement will result in denial of the membership application or termination of provisional membership. 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.

Failure to satisfy this requirement within six (6) months of the date of application will result in automatic termination.

Section 5. Continuing Member Code of Ethics Training. Each REALTOR® member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational

institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences. Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® members shall be suspended until such time as the training is completed. Suspension of membership may result in a fine at the discretion of the Board of Directors. Failure to meet the quadrennial requirement will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

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. Failure to notify the Association of a status change may result in a fine as established in the Policies and Procedures Manual of the Greater Chapel Hill Association of REALTORS. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members, but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.
- (b) Any application fee related to a change in membership status shall be reduced by the amount equal to any application fee previously paid the applicant.
- (c) 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.
- (d) In order for a member's membership to be reinstated after it was suspended for any reason established by these Bylaws or by the established Policies and Procedures of the Greater Chapel Hill Association of REALTORS®, the member to be reinstated shall pay a reinstatement fee. Such reinstatement fee shall be in addition to and not in lieu of any and all other requirements to be met and amounts due by the member to be reinstated. The amount of such reinstatement fee shall be set annually by the Board of Directors as part of the budget approval process, but shall not exceed forty-five percent (45%) of the annual regular membership dues for that same budget 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, terminated or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Association. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Association, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, members other than REALTORS® may, upon recommendation of the Membership Committee or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS® and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.
- Section 3. Any REALTOR® Member of the Association may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Association, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.
- Section 4. Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if any Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.
- Section 5. If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel. If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration and abide by any arbitration award 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, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to hold elective office in the Association, to vote on Bylaw revisions, annual budget and election of officers and directors; use the term 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 principal in a firm, partnership, or 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, 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,

whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the Association, whichever may apply. If a REALTOR® Member who is other than a principal in a firm, partnership, or 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®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local association; or to be a participant in the local association's Multiple Listing Service.

Section 8. Life Members. Regular Life Members shall have all the rights, privileges and obligations of REALTOR® members except as provided in Article X, Section 2(e).

Section 9. Associate Partner Members shall not be eligible to vote or hold office in the Greater Chapel Hill Association of REALTORS®. Associate Partner Members shall be entitled to attend and participate in the general meetings and business of the Greater Chapel Hill Association of REALTORS® in such manner as may be prescribed by the Board of Directors from time to time.

Section 10. Certification by REALTORS®. Designated REALTOR® members of the Association shall certify to the Association on a form provided by the Association a complete listing of all individuals licensed or certified in REALTOR® office(s) and shall designate a primary Association for each individual who holds membership during the month established in the Dues Billing Policy of the Greater Chapel Hill Association of REALTORS®. Designated REALTORS® shall also identify any non-member licensees in the REALTOR® office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the Association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. Designated REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual. There shall be imposed upon the "Designated" REALTOR® a fine established annually by the Board of Directors for each failure to comply with any of the requirements of ~~Section 13 of~~ this Article. Said fine shall be paid within ten (10) days of written notification by the Association to the "Designated" REALTOR® identifying the basis for the imposition of the aforesaid fine.

Section 11. Member Harassment. The members of the Association and the Association's affiliated entities are to abide by a high standard of ethics. No type of harassment shall be tolerated between members and staff. Harassment shall include sexual harassment, violent

harassment (actual or implied threat of disruptive physical behavior or verbal intimidation), obscene language and harassment on any other basis. As used in this Section, harassment also includes any conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating and/or offensive work environment. Actions, words, jokes or comments based on the individual's sex, race, color, national origin, age, religion, disability, citizenship, sexual orientation or any other characteristic will not be tolerated. Therefore, any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an employee. The appropriate disciplinary action to be taken shall be made by a committee comprised of the President, the 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. If the complaint names the President or President-Elect, they shall 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. The decision of the committee shall be final.

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 from time to time amended, which by this reference is made part of these Bylaws, inclusive of any optional provisions as detailed in the Manual and as adopted by the Board of Directors, 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® and 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 of 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 any 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 state contiguous there to of the Association 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 state contiguous thereto of the Association are REALTOR® Members of the Association or Institute Affiliate Members as described in Article IV, Section 1(b).

(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 NORTH CAROLINA ASSOCIATION OF REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the NORTH CAROLINA 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® and Affiliate 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 NORTH CAROLINA ASSOCIATION OF REALTORS®.

ARTICLE X - DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee per agency or branch office and for REALTOR® Membership in a reasonable amount, not exceeding

three 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 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 Association of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers (1) employed by or affiliated as independent contractors or who are otherwise directly or indirectly licensed with such Designated REALTOR® member and (2) are not REALTOR® Members of any Association in the state or 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 Article 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 there to, 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 Association 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, or corporate officer of a real estate firm, partnership, or corporation, branch office manager 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 soliciting and/or referring clients or customers to the REALTOR® or his firm on a substantially exclusive basis or which is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, or corporate officer of the entity.

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

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

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

- (b) REALTOR® Members. The annual dues of each REALTOR® Member other than a Designated REALTOR® shall be in such amount 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 ASSOCIATIONS 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 Association (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 Association. The National Association shall also credit \$25.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.
- (d) Associate Partner Members. The annual dues of each Associate Partner Member shall be an amount as established annually by the Board of Directors.
- (e) Life Members. The annual dues of each Regular Life Member shall be only that amount due from the Association to the NORTH CAROLINA ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS® for such Regular Life Member. There shall be no local dues, and meals served at luncheon meetings shall be without charge.
- (f) The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be determined by the Board of Directors. In case of conflict between Life Membership and REALTOR® Emeriti, Life Membership dues shall prevail.

Section 3. Dues Payable. Dues for all Existing Members shall be payable annually by the 5th day of January for the calendar year. Dues shall be computed and prorated on a monthly basis from the date of application and granting of provisional membership for new members.

- (a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the Designated REALTOR®'s firm, the dues obligation of the Designated REALTOR® (as set forth in Article X, Section 2 (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 30 days of the notice of termination.

- Section 4. Nonpayment of Financial Obligation. If dues, fees, fines, or other assessments including amounts owed to the Association are not paid by the established due date for existing members, the nonpaying Member is subject to termination at the discretion of the Board of Directors. 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 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. Deposit. All money received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.
- Section 6. Expenditures. The Board of Directors shall administer the finances of the Association. The current Treasurer and Finance Committee shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the Association for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the Board of Directors for vote, and then presented to the Membership on or before the annual meeting with electronic voting for at least seven (7) days beginning no less than five (5) days but no greater than ten (10) days after notification to the membership. Budget approval is obtained by a simple majority of votes of at least 10% eligible members. The Finance Committee may revise the budget throughout the year with approval of the Board of Directors to reflect charges that were not projected when the budget was approved by the membership up to \$10,000 per expenditure. The cumulative amount of all revised expenditures approved by the Board of Directors during the year cannot exceed 10% of the total original budget without membership approval.
- Section 7. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the Association shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

ARTICLE XI - OFFICERS AND DIRECTORS

- Section 1. Officers. The elected officers of the Association shall be: President, Vice President who shall serve as President-Elect, Immediate Past President, Treasurer, and Assistant Treasurer. They shall be elected for terms of one year.
- Section 2. Duties and Qualifications of Officers. The duties of 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 Treasurer or the Executive Director if so appointed by the Board of Directors to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the NORTH CAROLINA ASSOCIATION OF REALTORS®. Candidates for Treasurer, Assistant Treasurer or a multi-year term Director must have been an active REALTOR® for at least two years prior to taking office. Candidates for single year term Directors must have been an active REALTOR® for at least one year prior to taking office. Candidates for President or President-Elect must have been a REALTOR® for at least two years prior to taking office and must have served on the Board of Directors within the last five years.

Depending upon the number of positions made available by the NORTH CAROLINA ASSOCIATION OF REALTORS®, it shall be the particular duty of the President, President-Elect and another Officer or Officers of the Board of Directors, in that order of priority, to serve as NORTH CAROLINA ASSOCIATION OF REALTORS® Directors. The elected Officers and Directors have a fiscal and fiduciary responsibility for operations of the Association.

- Section 3. 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, and one director per 75 active REALTORS® members. The number of active REALTOR members will be calculated on May 31. One Director will serve a one-year term with remaining Directors serving staggered two-year terms. A minimum of three (3) directors and a maximum of eight (8) Directors should be elected regardless of membership size. The President may appoint one additional voting Association member to serve a one-year position on the Board of Directors during their term as President.
- Section 4: The Board of Directors may elect ex-officio Directors without membership approval.
- Section 5. Quorum: A majority of the current elected officers and directors of the Board of Directors shall constitute a quorum for the transaction of business.
- Section 6. Action Without Meeting. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action to take, shall be signed by all the officers and directors. The consent shall be evidence by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Executive Director to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.
- Section 7. Term Limits. No director shall serve for more than five (5) consecutive years.
- Section 8. Election of Officers and Directors.
- (a) Elected office in or representing the Greater Chapel Hill Association of REALTORS® can be held only by active REALTOR® members in good standing with the Greater Chapel Hill Association of REALTORS®.
 - (b) Elected officers and directors of the Board of Directors and members of the Professional Standards and Grievance Committee must take the all day Professional Standards Workshop training class offered by NCAR the first year they are elected to serve and every three years thereafter if they remain on the Board of Directors or Professional Standards and Grievance Committee. Failure to complete the training within 30 days of class offerings constitutes automatic dismissal from office or the committee.
 - (c) A Nominating Committee of at least five members, selected and chaired by the Immediate Past President, shall be convened no later than date established in the Nominating Policy.
 - (d) The election of Officers and Directors shall be conducted by electronic voting or at least seven days beginning no less than five (5) days but no greater than ten (10) days after notification to the membership. In case of emergency or electronic failure, the Board of Directors may extend the voting period. Election shall be by a simple majority vote of at least 10% of eligible members.
 - (e) The ballot shall contain the names of all candidates and the office for which they are nominated. Membership will be notified of nominees no later than one week after the Board of Directors approved said ballot.
 - (e) The Executive Director, with the approval of the Board of Directors, shall have responsibility for tallying the votes. The Chair of the Nominating Committee

shall notify all candidates on the ballot of the results within 48 hours after the voting process ends and/or before announcing results to the general membership. In case of a tie vote, there shall be a run off vote for that position. Run off elections are to be held within two weeks after initial results.

- (f) Vacancies: Any vacancy on the Board of Directors created during a term, whether through death, resignation or removal shall be filled by a qualified member elected by a majority vote of the Board of Directors, and such individual shall serve for the remainder of the term of the vacated position.

Section 9. Disqualification and Removal. 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 requesting 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.

Section 10: Executive Director. There shall be an Executive Director, appointed by the Board of Directors, who shall be the chief administrative officer of the Association. The Executive Director shall have 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.

ARTICLE XII – MEETINGS

Section 1. Annual Meeting. The date, place and hour of the annual meeting of the Association shall be designated by the Board of Directors.

Section 2. Meeting of Directors. The Board of Directors shall designate a regular time and place of meeting. Absence from four (4) Board of Directors meetings in a calendar year constitutes automatic dismissal from office

Section 3: Meeting of Executive Committee: The Executive Committee shall meet on an as needed basis and at the request of any Executive Committee member. Section 4. Other Meetings. Meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten percent of members eligible to vote.

Section 5. Notice of Meetings. Written notice transmitted electronically shall be given to every member entitled to participate in the meetings at least one week preceding all meetings unless otherwise provided. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 6. Quorum and Transaction of Business. A quorum for the transaction of any business not requiring a vote via electronic means conducted at any meeting of the members shall

consist of the REALTOR® Members in good standing and present at such meeting, with a simple majority vote being necessary to determine all issues, except as may be otherwise specified in these Bylaws. Proxy voting shall not be permitted.

ARTICLE XIII – COMMITTEES

- Section 1. Standing Committees. The newly elected President shall appoint chairs to the following standing committees before the first day in December prior to the elective year, subject to confirmation by the Board of Directors. The chairs of these committees, in turn, will select committee members. Other committees may be formed at the discretion of the President, but are not required to be listed in the Bylaws.
Professional Standards Grievance
Finance Nominating
- Section 2. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, such special committees as he/she may deem necessary.
- Section 3. Organization. All committees shall be of such size and shall have such duties, functions, and powers as assigned by the President or the Board of Directors, except as otherwise provided in these Bylaws.
- Section 4. President. The President shall be an ex officio member of all standing committees, and shall be notified of their meetings.
- Section 5. Executive Committee: The Executive Committee shall be comprised of the President, President-Elect, Past-President, Treasurer, Assistant Treasurer, and a current active Director with at least one year of REALTOR® membership in GCHAR appointed by the Board of Directors. The President shall serve as Chair of the Executive Committee. The Executive Committee shall act for and on behalf of the Board of Directors when the Association is not in session, but shall be accountable to the Board of Directors for its actions. The Executive Committee meets monthly and makes recommendations to the Board of Directors. It exercises powers, including the expenditure of monies, only as (and to the extent) authorized by the Board of Directors.
- Section 6. Action Without Meeting. Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee.
- 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 and elective year of the Association shall be the calendar year.
- Section 2. The elective year of the Association shall be January 1 to December 31.

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 – GENERAL PROVISIONS

Section 1. Electronic Transmission of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

ARTICLE XVII – AMENDMENTS

Section 1. Amendments to these Bylaws will be presented to membership at a regularly scheduled member meeting. Electronic voting on amendments shall begin no later than five (5) days after the amended bylaws notification and require at least 10% of REALTOR® votes to pass, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

Section 2. Notice by mail or electronic transmission of all meetings at which such amendments are to be considered shall be given to every REALTOR® Member at least one week prior to the time of the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® Members and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Board shall become effective upon their approval by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVIII – DISSOLUTION

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

ARTICLE XIX – MULTIPLE LISTING

Section 1. Authority. The Greater Chapel Hill Association of REALTORS® may provide access to a Multiple Listing Service for the use of its members.

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

Section 3. Participation. Any REALTOR® Member of this or any other Board who is a principal, partner or corporate officer, or branch manager acting on behalf of the principal, without further qualification, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto, however under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation"

unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.