



**Bylaws of the
Blue Ridge Association of REALTORS®**

(Amended with NAR Mandated Changes – February 23, 2022)

(Amended October 2020)

ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the Blue Ridge Association of REALTORS®, Incorporated, hereinafter referred to as the "Association."

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

ARTICLE II - OBJECTIVES

The objectives of the Association are:

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

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

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

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

Section 5. To unite those engaged in the real estate profession in this community with the VIRGINIA 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. (Amended 8/17)

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 the Counties of Frederick, Warren and Clarke and the independent localities of Winchester, Front Royal and Berryville in the State of Virginia.

Section 2. Territorial jurisdiction is defined to mean: (a) The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Association agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

Section 1. There shall be six (6) 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 Virginia 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 Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV. (Amended 1/01) (Amended 8/17)

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. (Amended 8/17)

(6) Life Member status may be granted to recognize and reward those members who have made significant long-term contributions to the REALTOR® organization at the local, state and/or national level. Candidates for Life Membership status must have been a continuous member of the Blue Ridge Association of REALTORS® for period of at least thirty (30) years. Any member may nominate someone for Life Member status. Election to Life Member status shall be at the sole discretion of the Board of Directors. Life Members will be excused from paying dues to the Blue Ridge Association of REALTORS®; however, they will have to pay Virginia REALTORS® and National Association of REALTORS® dues to maintain their REALTOR® status. (Amended 8/17)

(b) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR®-ASSOCIATE membership, subject to payment of applicable dues for such membership.

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

Licensed or certified appraisers who are licensed or certified by an appropriate regulatory agency and are engaged in the appraisal of real property and are interested in the comparable and statistical information of the Association and do not wish to hold REALTOR® membership.

(d) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

(e) Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.

(f) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two (2) years of college and at least one (1) college-level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application

(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 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 and mediate 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. (Amended 11/11)

Section 2. Qualification

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through its Membership Committee or staff that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon, as may be required by the Committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. (Amended 8/17)

* 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 Board 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 Board 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 Board may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities. The association may only consider criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, the applicant must provide and the association must consider mitigating factors relating to that criminal history.

NOTE 1: One or more of the requirements for REALTOR® Membership set forth above in Article V, Section 2(a) may be deleted at the Board's discretion. However, Boards may NOT adopt membership qualifications more rigorous than specified in the Membership Qualification Criteria for REALTOR® Membership approved by the Board of Directors of the National Association.

NOTE 2: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® or REALTOR®-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another association of REALTORS® for violation of the Code of Ethics. (Adopted 1/01) (Amended 8/17)

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct*, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics. (Amended 6/07) (Amended 8/17)

* The association may only consider: civil judgments imposed within the past seven (7) years involving judgements 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. The association may only consider criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, the applicant must provide and the association must consider mitigating factors relating to that criminal history.

(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 any other association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.
(Amended 6/06)

“Provisional” membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2 (a) NOTE 2) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all 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. (Amended 6/06)

Section 3. Election.

The procedure for election to membership shall be as follows.

(a) The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the board of directors.

(b) If the board of directors determines that the individual does not meet all of the qualifications for membership as established in the association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within

90 days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

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

(d) If the board of directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the board of directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant. (Adopted 1/98, Amended 1/05, Amended 1/17)

Section 4. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within ninety (90) days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

NOTE: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.
(Adopted 1/01)

Section 5. Realtor® Member Code of Ethics Training.

Effective Nov. 11, 2019 and for successive three-year periods starting Jan. 1, 2022, the Code of Ethics training will be required every three (3) years. 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 biannual 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 three(3) year cycle shall not be required to complete additional ethics training until a new three(3) year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty.

Failure to meet the requirement in any three(3) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three(3) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, Amended 11/08, Amended 11/2014)

Section 6. Status Changes.

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

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within ten (10) days of the date the Association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

(The Board of Directors, at its discretion, may waive any qualification that 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 applies for provisional membership and shall be based on the new membership status for the remainder of the year. (Amended 1/05, Amended 8/17)
- (c) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

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 Board. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Board, 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®. (Amended 8/17)

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. (Amended 8/17)

Section 4. Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if any Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

Section 5. If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold 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 ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS® (Amended 5/16)

(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®. (Amended 1/11)

Section 6. REALTOR® Members. REALTOR® Members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the Association and may use the terms REALTOR®, For purposes of this section, the term “good standing” means the member satisfied the “obligations of Realtor® Members”, is current with all financial and disciplinary obligations to the association and the MLS, has completed any new member requirements, and complies with NAR’s trademark rules.

(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, 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. Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors. Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the board, provided the applicant is engaged exclusively

in a specialty of the real estate business other than brokerage of real property.

Section 9. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

Section 10. Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Board, or for the public.

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

Section 12. Certification by REALTOR®. "Designated" REALTOR® Members of the Association shall certify to the Association during the month of September on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the Association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within ten (10) days of the date of affiliation or severance of the individual.

Section 13. Legal Liability Training. Within two (2) years of the date of election to membership, and every two (2) years thereafter, each REALTOR® Member of the association shall be required to demonstrate that they have completed a course of instruction on anti-trust laws, agency laws, civil rights laws or the REALTORS® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement.

This requirement will be considered satisfied upon presentation of evidence that the member has completed an education program conducted by another Member Board, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS® or any of its affiliated institutes, societies or councils, or any other recognized educational institution which, in the opinion of the Board of Directors, is an adequate substitute for the training programs conducted by the association. Failure to satisfy this requirement biennially will result in membership being suspended from the date it otherwise would be renewed until such time that the member provides evidence of

completion of the aforementioned educational requirements.

NOTE: Any education requirement must comply with Interpretation No. 37 of Article I, Section 2, Bylaws, NATIONAL ASSOCIATION OF REALTORS®. (Amended 5/03, Amended 8/17)

Section 14. Harassment. Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for the association.

Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint. (Amended 12/2014)

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. (Amended 04/2019)

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

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

Section 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by the governing documents and the policies the Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to including the duty to mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, = and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

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

termination of membership.

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. (Amended 8/17)

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

Section 1. Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 6/06)

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

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 of the Board 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. (Amended 1/01)

Section 4. Institute Affiliate Members, Affiliate Members, Student Members and Public Service 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 VIRGINIA 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 VIRGINIA 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 VIRGINIA REALTORS®.

ARTICLE X - DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee which may vary by Membership category. The application fee for REALTOR® Membership shall be 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 receipt. (Amended 1/02)

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

(a) **REALTOR® Members.** The annual dues of each Designated REALTOR® AND REALTOR® Member shall be in such amount as established by the Board of Directors. Annual dues is the amount established by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in Section (1) and (2) of this Article shall not be included in the computation of dues if the DR has paid dues based on said non-member licensees in another Association in the state, or a state

continuous 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 board. * (Amended 1/01)

(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, 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 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.

(2) Limited Function Referral Office. 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® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year. (Amended 5/03)

(b) 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® Amended (1/02).

(c) All other Members: The annual dues of each category of other Members shall be as established annually by the Board of Directors.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$105). The National Association shall credit \$35 to the account of a local association for each

Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$35 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction 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.

Section 3. Dues Payable. Dues for all members shall be payable annually in advance on the first day of the month designated by the Board of Directors. Dues for new members shall be computed from the date of application and granting of provisional membership.

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 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 are not paid by the due date, an administrative fee to be set by the Board of Directors will be assessed. If dues, fees, fines and 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 member will be terminated from Membership by the Board of Directors without reference to any other provision of these Bylaws.

Such action shall become final ten (10) days after giving written notice of the action unless, within that time and subject to acceptance by the Board of Directors, the amount due including the administrative fee 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 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 monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. Expenditures. The Board of Directors shall administer the finances of the Association. An annual capital budget and an annual budget for operations shall be developed by the Budget and Finance Committee for approval by the Board of Directors. Any significant departure from the budgets must be approved by a majority vote of the Board of Directors present at a meeting at

which a quorum is present. An annual audit of the books and accounts shall be made by an independent Certified Public Accountant. A summary of this report shall be provided by the Board of Directors to the Membership.

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 and/or by electronic mail, setting forth the amount owed and due date.

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

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. Officers. The officers of the Association may be a President, a President-Elect, a Vice President, Secretary/Treasurer and Immediate Past President. The President-Elect and Vice President shall be elected for a one- (1) year term. The Secretary/Treasurer shall be elected for a two (2) year term. The President-Elect shall become President at the end of the President-Elect term. The President-Elect shall perform the duties of the President in the event of the President's absence or disability and shall, in the absence of unforeseen events, succeed to the office of President. In the absence of a President-Elect, the office of President will be filled by general membership election. The President shall serve as Immediate Past President the year following his/her term as President. (Amended 10/2014)

The Immediate Past President shall serve an automatic one- (1) year term on the Board of Directors. There shall be no more than two (2) directors from any one brokerage company, that are members of the association, nominated to serve the required term for that office. If a director transfers brokerages during his or her term resulting in more than two members from one brokerage company, such transferring director's term shall expire 30 days from the date of transfer or upon position being filled, whichever is earlier. If an officer transfers brokerages during his or her term and such transfer results in more than two members from one brokerage company, then such transferring officer shall serve in a non-voting *ex officio* capacity for the remainder of his or her term. Unfinished terms or vacancies can be filled by any active member approved and appointed by the Board of Directors. (Amended 10/2014)

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Secretary to keep the records of the Association and the Chief Staff Executive shall carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Virginia Association of REALTORS®. (Amended 1/05, Amended 8/17)

Section 3. Board of Directors. The governing body of the Association shall be a Board of Directors consisting of the current officers, the Immediate Past President and eight REALTOR® Members of the Association. Directors shall be elected to serve for terms of three years.

(a) Term Limits. No director shall serve for more than two (2) consecutive three (3)-year terms. (Amended 1/05)

Section 4. Election of Directors. (a) At least two (2) months before the annual election, the President of the Board shall nominate, and the Board shall approve, a roster of no less than three (3) members for the Nominating Committee. The Chair of the Nominating Committee shall be the Immediate Past President. The Nominating Committee shall be responsible for the selection of candidates and review of their qualifications for the Board of Directors. The report of the Nominating Committee shall be communicated to each Member eligible to vote at least three (3) weeks preceding the election. (Amended 10/2012)

Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least twenty (20) percent of the REALTOR® Members eligible to vote.

The petition shall be filed with the Chief Staff Executive at least three (3) weeks before the election. The Chief Staff Executive Officer shall send notice of such additional nominations to all Members eligible to vote before the election.

(b) At least ten (10) days prior to the election, the President of the Board shall cause to be made available, electronically or otherwise, ballots to each REALTOR® Member eligible to vote. The ballot shall contain all of the nominees for Director positions recommended by the Nominating Committee. If petitions for nominations have been made in compliance with Article XI, Section 4, the official voting ballot shall include those names petitioned. The ballot will serve as a report by the Nominating Committee of the final slate of candidates.

In the instance of all Director positions, election shall be by a ballot, or other confidential procedure in accordance with the Association's Policies and Procedures Manual. The official election procedures adopted by the Association shall be made available, electronically, or otherwise, to each REALTOR® Member eligible to vote at least thirty (30) days before the annual meeting. No vote shall be cast for any person whose name does not appear on the official ballot or on any equivalent document utilized under the above-referenced published Association procedures.

Announcement of the newly elected Directors will be made at the annual meeting.

Section 5. Election of Officers. Before August 15 of each year, the Board of Directors shall elect the following Officers: President-Elect, Vice President and Secretary-Treasurer (as applicable).

A candidate for election as an Officer must be a current member of the Board of Directors. Election shall be by ballot and all votes shall be cast in person. The ballot shall contain the names of all candidates. A Member of the Board of Directors who is elected an officer during the final year of his or her Director term shall remain on the Board of Directors.

Section 5. Vacancies.

In the event a Director elected by the membership is unable to serve his or her full term of office,

the office shall be filled for the balance of the remaining term by the Director candidate who received the next greatest number of total votes cast in the immediately previous election and is able and willing to serve. Should no Director candidate be available or willing to serve, the vacancy shall be filled by a simple majority vote of the Board of Directors to finish out that term of office.

Section 6. 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 (1/3) 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 Board 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 (3/4) vote of Members present, and voting shall be required for removal from office.

Section 7. Chief Staff Executive. There shall be a Chief Staff Executive, appointed by the Board of Directors, who shall be the chief administrative officer of the Board. The Chief Staff Executive 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.

Section 8. Indemnification.

(a) General. The Association shall to the maximum extent allowed by the Virginia NonStock Corporation Act indemnify each Director, Officer, committee member, or staff member of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative (including any action or suit by or in the right of the Association to procure a judgment in its favor) by reason of the fact that such person is or was a Director, Officer, committee member, or staff member of the Association, or is or was serving at the request of the Association in any capacity for another corporation, partnership, joint venture, trust, or other entity, against judgments, fines, amounts paid in settlement and expenses (including attorneys' fees) actually and reasonably incurred by such person; provided that such person acted in good faith and in a manner which such person believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. Notwithstanding the above provisions in this paragraph no indemnification shall be made in any

proceeding referred to in this paragraph by or in the right of the Association to procure a judgment in its favor where such person shall have been finally adjudged to be liable for gross negligence or willful misconduct in the performances of such person's duty to the Association unless, and only to that extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification.

(b) Determination. Any indemnification under Paragraph (a) of this Section (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination made in accordance with those procedures set forth in the Virginia Non-Stock Corporation Act.

(c) Advances. Expenses (including attorneys' fees) incurred in defending any proceeding, referred to in Paragraph (a) of this Section may be paid by the Association with the approval of the Board of Directors in advance of the final disposition of such proceeding to the extent allowed by and in accordance with the procedures of the Virginia Non-Stock Corporation Act as authorized in the manner provided in Paragraph (b) of this Section, upon receipt of an undertaking by or on behalf of the Director, Officer, committee member or staff member of the Association to repay such amount unless it ultimately shall be determined that such person is entitled to be indemnified by the Association as authorized in this Section. No indemnification or advance against expenses shall be approved by the Board or paid by the Association until after receipt from outside legal counsel of an opinion concerning the legality of the proposed indemnification or advance.

(d) Insurance. The Association may purchase and maintain insurance to indemnify it against the whole or any portion of the liability imposed upon it in accordance with this Section and may also purchase and maintain insurance on behalf of any person who is or was a Director, Officer, or agent of another corporation, partnership, joint venture, trust, or other entity against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power or obligation to indemnify such person under the provisions of this Section.

(e) Miscellaneous. Every reference herein to Director, Officer, committee member, or staff member of the Association shall include former Directors, Officers, committee members, or staff members of the Association and their respective heirs, executors, and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred on the Board of Directors shall not be exclusive of any other indemnification to which any Directors, Officers, committee members, or staff members of the Association may be entitled.

ARTICLE XII- MEETINGS

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

Section 2. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings. Absence from three (3) regular meetings, per calendar year shall be construed as

resignation, unless any of those absences involve attending State or National Realtor® Association events. (Amended 10/2012)

Section 3. Other Meetings. Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least twenty (20) percent of the Members eligible to vote.

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

Section 5. Quorum. A quorum for the transaction of business shall consist of ten (10) percent of the Members eligible to vote. Electronic votes will be counted in determining a quorum. A quorum for the Board of Directors shall consist of at least seven (7) members or half plus one, whichever is greater. (Amended 10/2012)

Section 6. Electronic Transaction of Business. The membership may conduct business by electronic means.

Section 7. 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 so taken, shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Chief Staff Executive to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date. (Adopted 1/05)

ARTICLE XIII - COMMITTEES

Section 1. Standing Committees. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, such standing committees and their Chairperson from the ranks of the membership as is deemed necessary. There shall be the following committees:

- Professional Standards
- Legislative
- Education
- Budget and Finance
- Grievance
- Membership

NOTE:

Section 2. Special Committees and Taskforces. The President may appoint, subject to confirmation by the Board of Directors, special committees or taskforces as may be deemed necessary.

Section 3. Organization. All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors as defined in the Association's Policy and Procedures Manual.

Section 4. President. The President shall be an ex-officio member of all standing and special committees and taskforces and shall be notified of their meetings.

ARTICLE XIV - BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors, as provided in these Bylaws.

ARTICLE XV - FISCAL AND ELECTIVE YEAR

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

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

ARTICLE XVI – ELECTRONIC TRANSACTION OF BUSINESS (MEMBERSHIP)

Section 1. To the fullest extent permitted by law, the membership of the Association may conduct business by electronic means.

Article XVII - 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 XVIII - Amendments

Section 1. These Bylaws may be amended either electronically or in person by the majority vote of the Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors 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 of all meetings at which amendments are to be considered shall be communicated to every member eligible to vote at least one (1) week prior to the meeting.

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

Section 4. Rules and Regulations which conflict with any section of the Bylaws of the Association, or Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® are prohibited and same shall not be enacted by any committee or any creature of said 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 VIRGINIA REALTORS® or, within its discretion, to any other non-profit tax-exempt organization.

Article XVIII - Multiple Listing

Section 1. Authority

The Association shall maintain for the use of its Members a Multiple Listing Service which shall be a lawful corporation, all the stock of which shall be owned by the Association and other Associations/Boards of REALTORS® subscribing to such service.

Section 2. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting either as subagents, buyer agents, or in a non-agency capacity defined by law) by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals 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 that they 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. Governing Documents

The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Constitution, Rules, Regulations, and Policies, Practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Participation

Any REALTOR® of this or any other REALTOR® Association or Real Estate Licensee who is a principal, partner, corporate officer, or branch manager acting on behalf of the principal, except as otherwise stipulated in these Bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid real estate broker's license and offer and accept cooperation and 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.** (See note at conclusion of this Article.)

A non-member applicant for MLS Participation who is a principal, partner, corporate officer or branch office manager acting on behalf of a principal, shall also comply with such other requirements that may be imposed by the Multiple Listing Service in accordance with NATIONAL ASSOCIATION OF REALTORS® policy.

Use of information developed by or published by an Association/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 or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Section 5. Access to Comparable and Statistical Information. Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in the MLS Rules

and Regulations. Association Members who receive such information, either as an Association Service or through such an MLS, are subject to the applicable provision of the MLS Rules and Regulations.

NOTE: Generally, Association/Boards of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS “Participant.” Brokers or salespersons other than principals are not considered “Participants” in the Service but have access to and use of the Service through the principal(s) with whom they are affiliated. *Note: Mere possession of a broker’s license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm ‘offers or accepts cooperation and compensation’ means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and on-going basis during the operation of the Participant’s real estate business. The “actively” requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

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