

Bylaws

Tacoma-Pierce County Association of REALTORS®

ARTICLE I NAME

SECTION 1. Name. The name of this organization shall be the Tacoma-Pierce County Association of REALTORS®, 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 Washington 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 Pierce County, State of Washington.

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 as 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.

Bylaws

Tacoma-Pierce County Association of REALTORS®

ARTICLE IV MEMBERSHIP

SECTION 1. There shall be nine (9) classes of Members as follows:

(a) REALTOR® Members. REALTOR® Members, whether primary or secondary shall be:

(1) Individuals who are actively licensed by the Real Estate Division of the Washington State Department of Licensing, and/or who hold appraisal licensure/certification from the Appraisers' Section of the Washington State Department of Licensing for the appraisal of real property, and 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 Washington 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 of Washington 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 of Washington or a state contiguous thereto, in the State Association and in the National Association, unless otherwise qualified for Institute Affiliate Membership as described in Section (1) (c) of this Article.

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

(2) 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; the right to hold elective office in the Association, State Association and National Association.

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

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

(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 principles in a real estate firm must be a Designated REALTOR® member of the

Bylaws

Tacoma-Pierce County Association of REALTORS®

association in order for licensees affiliated with the firm to select the association as their "primary" association.

(5) Designated REALTOR® Members. Each firm shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate and mediate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.

(b) Distinguished Service Life Members. A Distinguished Service Life Member shall be a REALTOR® Member who has held Membership in the REALTOR® Association for at least twenty-five (25) years and who has been actively involved for at least ten (10) years on a committee, task force, Director or elected Officer of the local Association.

(c) 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.

(d) 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), (b), or (c) of this Section, have interests requiring information concerning real estate and are in sympathy with the objectives of the Association.

(e) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as salaried 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.

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

(g) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate in 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.

(h) Educational Affiliate Members. Educational Affiliate Members shall be individuals who, because of enrollment in educational courses other than defined in paragraph (g) of this Section, have a need and/or desire to obtain information concerning real estate, and are in sympathy with the objects of this Association, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

(i) Appraiser Trainee Members. Appraiser Trainee Members shall be unlicensed individuals employed by or affiliated with a REALTOR® Member who are working towards their appraisal licensure or

Bylaws

Tacoma-Pierce County Association of REALTORS®

certification. Appraiser Trainee Members may only hold this category of Membership for no more than two (2) years from application or until licensed or certified by the state of Washington, whichever comes first.

(j) **Chief Elected Officer of the State Association.** The current chief elected officer of the State Association of REALTORS®, if not otherwise a member of the Association, shall be a non-dues paying member of the Tacoma-Pierce County Association of REALTORS® during their term of office. The chief elected officer of the state association shall not have the right to vote or hold elective office in the Association, but shall, when given the authority by the Association, cast the number of votes allowed as the Association's voting delegate at the Delegate Body meeting of the National Association of REALTORS®.

ARTICLE V QUALIFICATION AND ELECTION

SECTION 1. Application.

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the association, the State and National Associations, and if elected a member, will abide by the Constitutions and Bylaws and Rules and Regulations of the association, State and National Associations and, if a REALTOR® member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate 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 as 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 Board of Directors 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 of Washington 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 Bylaws, Constitution and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the Board of Directors, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations and Code of Ethics.

***NO RECENT OR PENDING BANKRUPTCY** is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer or branch office manager is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected

Bylaws

Tacoma-Pierce County Association of REALTORS®

unless the Association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is

discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceeding, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

****NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT** is intended to mean that the Association may only consider 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.

Note: Article IV, Section 2 of the NAR Bylaws prohibits Associations from knowingly granting REALTOR® membership to any applicant who has an unfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the 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 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 Board of Directors and shall agree in writing that if elected to membership he will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

***NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT** is intended to mean that the Association 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.

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 120 days from the association's receipt of their application, membership may, at the discretion of the

Bylaws

Tacoma-Pierce County Association of REALTORS®

board of directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

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

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

SECTION 4. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership 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 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 120 days of the date of application will result in denial of the membership application.

SECTION 5. Continuing Member Code of Ethics Training

Effective January 1, 2017, through December 31, 2018 and for successive two year periods thereafter, each REALTOR® member of the association shall be required to complete biennial 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 REALTORS® who have completed the New Member Code of Ethics Orientation during any two-year cycle shall not be required to complete additional ethics training until a new two year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any two-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

SECTION 6. Status Changes.

(a) A REALTOR® who changes the conditions under which he/she holds Membership shall be required to provide written notification to the Association within thirty (30) days. A REALTOR® (non-

Bylaws

Tacoma-Pierce County Association of REALTORS®

principal) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals, may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members, but shall, during the period of transition from one status of membership to another, be subject to all 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 forty-five (45) days of the date they advised the association of their change in status, their new membership application will terminate automatically unless otherwise directed by the Board of Directors.

A REALTOR® who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within forty-five (45) 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.

NOTE: The Board of Directors, at its discretion, may waive any qualification, which the applicant has already fulfilled in accordance with these Bylaws.

(b) 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.

(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 calendar 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 as 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 or Rules and Regulations which are not inconsistent 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 neither subject to the Code of Ethics nor its enforcement by the Association, such Members are encouraged to abide by the principles established in business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation of the Member Services 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 in a non-discriminatory basis, reflects adversely on the terms REALTOR® and 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 OF REALTORS®.

Bylaws

Tacoma-Pierce County Association of REALTORS®

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 ethics respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

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

SECTION 6. REALTOR® Members.

REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the 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 of which he or she is the principal shall not use the term 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 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 with 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 or her 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® and REALTORS® by the firm, partnership, or corporation shall not be affected.

(e) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(d) 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 of Article VI, Section 6(a) shall apply.

Bylaws

Tacoma-Pierce County Association of REALTORS®

SECTION 7. Distinguished Service Life Member. A Distinguished Service Life Member, being a REALTOR® Member as defined in Article IV, Section 1(b) of these Bylaws, shall have the same privileges and obligations as those defined for REALTOR® Members in this Article.

SECTION 8. Institute Affiliate Member. Institute Affiliate Members shall have such rights and privileges and be subject to such obligations as are prescribed by the Board of Directors in compliance with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®. No Institute Affiliate member may be granted the right to use the term REALTOR® or the REALTOR® logo; or to serve as president of the association.

SECTION 9. Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors.

SECTION 10. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors.

SECTION 11. Honorary Members. Honorary Members shall confer only the right to attend meetings and participate in discussions.

SECTION 12. Student Members. Student Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

SECTION 13. Educational Affiliate Members. Educational Affiliate Members shall have rights and privileges and shall be subject to obligations as prescribed by the Board of Directors.

SECTION 14. Appraiser Trainee Members. Appraiser Trainee Members shall have such privileges and rights and shall be subject to such obligations as may be prescribed by the Board of Directors.

SECTION 15. Certification by REALTOR®. "Designated" REALTOR® Members of the Association shall certify during the month of April, 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 3 (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(s).

Section 16. Harassment. Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association 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.

Bylaws

Tacoma-Pierce County Association of REALTORS®

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 a part of these Bylaws: Provided, however, that any provision deemed inconsistent with Washington state law shall be deleted or amended to comply with Washington state law.

SECTION 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution, Bylaws and rules and regulations of the Association; the Constitution and Bylaws of the State Association; the Constitution and Bylaws of the National Association; and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, 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, as further defined in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Association, as from time to time amended.

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

ARTICLE VIII USE OF THE TERMS REALTOR® AND REALTORS®

SECTION 1. Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and 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 place of business within the state of Washington 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 of Washington or a state contiguous thereto are REALTOR® Members of the Association or Institute Affiliate Members as described in Section 1 (c) 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

Bylaws

Tacoma-Pierce County Association of REALTORS®

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 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 Washington REALTORS®. By reason of the Association's Membership in the NATIONAL ASSOCIATION OF REALTORS® and the Washington REALTORS®, each Member shall be entitled to hold Membership in the Washington REALTORS® and the NATIONAL 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 of the date designated for 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 hereby 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 OF REALTORS® and Washington REALTORS®.

ARTICLE X DUES, FEES AND FINANCE

SECTION 1. Application Fee. The Board of Directors may adopt a non-refundable application fee for REALTOR® Membership in a reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® Membership, and which shall become the property of the Association upon final approval of the application.

SECTION 2. Administrative Fees. The Board of Directors may adopt administrative fees in reasonable amounts that reflect the costs of administrative changes to the records of a member.

SECTION 3. Dues. The annual dues of Members shall be as follows:

(a) **REALTOR® Members.** The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors with, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any association in the state of Washington 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 real estate licensees 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

Bylaws

Tacoma-Pierce County Association of REALTORS®

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

(1) For the purpose of this Section, a REALTOR® Member of a Member Board or Association shall be held to be any Member who has a place or places of business within the state of Washington 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, 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®. Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm.

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

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

(b) The dues of each REALTOR® Member other than the Designated REALTOR® shall be in such amount as established by the Board of Directors

(c) **Distinguished Service Life Members.** The annual dues for a Distinguished Service Life Member, personally, shall be as fixed and adopted by the Board of Directors. No local Association portion of the annual dues will be assessed for Distinguished Service Life Member; however, this adoption does not relieve a Distinguished Service Life Member of his Designated REALTOR® dues obligation under Article X, Section 3(a) should it be applicable.

(d) **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®.

Bylaws

Tacoma-Pierce County Association of REALTORS®

Note: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$105.00). The National Association shall credit \$35.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$35.00 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.

(e) **Affiliate Members.** The annual dues of each Affiliate Member shall be as established annually by the Board of Directors. Such annual dues shall include the Washington REALTORS®' portion of such dues.

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

(g) **Honorary Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

(h) **Appraiser Trainee Members.** The annual dues of each Appraiser Trainee Member shall be as established by the Board of Directors.

(i) **Student Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

(j) **Educational Affiliate Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

SECTION 4. Dues Payable.

(a) Dues for all members shall be payable annually in advance of the first day of January, and shall be considered delinquent thereafter.

(b) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is terminated 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 3(a)) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current calendar year and are payable within 30 days of the notice of termination.

(c) Dues for an individual applying for REALTOR® Membership as defined in Article IV, Section 1(a)(1) of these Bylaws shall be calculated from the first day of the quarter in which the applicant is elected to membership, and shall be prorated for the calendar year, payable upon election to membership and considered delinquent thereafter.

(d) Dues for an individual applying for REALTOR® Membership as defined in Article IV, Section 1(a)(2) of these Bylaws shall be calculated from the first day of the month in which the applicant is elected to Membership, and shall be prorated for the year, payable upon election to Membership and considered delinquent thereafter.

Bylaws

Tacoma-Pierce County Association of REALTORS®

(e) The dues of a reinstated Member shall be calculated from the first day of the month in which the reinstated Member is re-elected to Membership, and shall be prorated for the year, payable upon re-election to Membership and considered delinquent thereafter.

(f) The dues for all other categories of Membership shall be payable annually in advance of the first day of January and be considered delinquent thereafter. The dues of a new applicant shall be calculated from the first day of the month in which the candidate is elected to Membership, and shall be prorated for the year, payable upon election to Membership and considered delinquent thereafter.

(g) All dues paid to the Association shall become the property of the Association and are non-refundable, except upon the death of a Member and upon approval of the Board of Directors.

SECTION 5. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments, including amounts owed to the Association are not paid within one (1) month after the due date, Membership of the non-paying member may be terminated at the discretion of the Board of Directors, unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had his or her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the 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: Provided, however, that the Board of Directors may, in its discretion and for good cause shown, elect to forgive up to one-half (1/2) of the amount due as a condition to reinstatement.

SECTION 6. 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 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 the due date.

ARTICLE XI OFFICERS AND DIRECTORS

SECTION 1. The elected Officers of the Association shall be President, President-elect, Treasurer, and the Treasurer-Elect. In the absence of the President, the President-Elect shall perform the duties of the President. If the President-Elect is unavailable to and/or is unwilling to assume the Office of President, the President shall be elected as specified in Section 7 of this Article. All Officers shall serve for one (1) year or until their successors are elected and qualified and shall be ex-officio members of the Board of Directors.

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.

(a) It shall be the particular duty of the Executive Officer to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Washington REALTORS®.

SECTION 3. President. The President shall be the principal elected Officer of the Association, shall preside at meetings of the Association and the Board of Directors and Executive Council, and shall be a member ex-officio, with right to vote, on all committees except the Grievance, Professional Standards and

Bylaws

Tacoma-Pierce County Association of REALTORS®

Nominations Committee. He/she shall also, at the Annual Meeting of the Association and at such other times as she/he shall deem proper, communicate to the Association or to the Board of Directors such matters and make suggestions as may, in her/his opinion, tend to promote the welfare and increase the usefulness of the Association, and shall perform such other duties as are necessarily incident to the Office of President, or as may be prescribed by the Board of Directors. The President is not charged with the executive or administrative responsibilities in management and continuing conduct of the Association's affairs.

SECTION 4. Board of Directors. The governing body of the Association shall be a Board of Directors, consisting of twenty one (21) persons and comprised as follows:

- (a) The four (4) elected Officers named above;
- (b) Twelve (12) REALTOR® Members shall be elected, from three (3) Representative Regions to be determined annually by the Board of Directors so as to provide fair representation. Gig Harbor/Peninsula (2 Directors), West County (5 Directors), East County (5 Directors) using Portland Avenue as the line of division for the balance of Pierce County.
- (c) Elected directors shall serve two years and with staggered terms. The area the Director represents shall be determined by the location of the office in which their license is held. In the event a Director moves their license out of the area to which they are elected, the position shall be considered vacant at the end of that year. If the vacancy occurs before the end of the Director's term, the President-Elect shall appoint a replacement for the duration of the term. The Board of Directors shall review and determine the boundaries of the representative areas biennially, beginning in 2008, so as to provide fair representation; and
- (d) The five (5) non-elected members as set forth in Section 5 of this Article.

The elected Directors shall be elected to serve for terms of two (2) consecutive years respectively, or for such lesser terms as may be necessary to complete the first elective year. Thereafter, as many Directors shall be elected each year as are required to fill any vacancies occurring in the offices of the elected Directors. The Board of Directors shall have final authority to resolve disputes resulting from questions of interpretations of this Section.

SECTION 5. Non-Elected Members of the Board of Directors.

(a) The Immediate Past President of the Association shall serve as a Director for a period of one (1) year following the completion of his/her term as President of the Association.

(b) Two (2) at large Directors, REALTOR® or non-REALTOR®, shall be appointed by the President and subject to the approval of the Board of Directors, shall serve a one (1) year term.

(c) Subject to the approval by the Board, the Chairperson (or the Chairperson's designee) of the Tacoma-Pierce County Affiliate Council. Such person shall serve a one (1) year term.

(d) Subject to approval by the Board, the President (or the President's designee) of the Pierce County Chapter of the Women's Council. Such person shall serve a one (1) year term.

SECTION 6. Executive Council. There shall be an Executive Council of the Board of Directors, comprised of the President, President-Elect, Secretary/Treasurer, Secretary/Treasurer-Elect, and Immediate Past President, and two (2) elected Directors appointed by the President and approved by the Board of Directors. All members of the Executive Council shall have voting rights. Except during executive session as defined in the Policy Manual, the Executive Council meetings will be open to all members. The Executive Council, between meetings of the Board of Directors, may act upon matters of policy and finance that are necessary to conduct the affairs of the Board of Directors, subject to the ratification by the Board of Directors

Bylaws

Tacoma-Pierce County Association of REALTORS®

at its next meeting. In addition, the Executive Council shall review, matters not assigned to a task force and make recommendations to the Board of Directors.

PROVIDED, That no such council shall have the authority of the Board of Directors in reference to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such council or any director or officer of the Association; amending the articles of incorporation; adopting a plan of consolidation with another corporation; authorizing the sale, lease, or exchange of all or substantially all of the property and assets of the Association not in the ordinary course of business; authorizing the voluntary dissolution of the Association or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Association; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such council. The designation and appointment of any such council and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director of any responsibility imposed upon it or any individual director by law.

SECTION 7. Election of Officers and Directors.

(a) Election of Officers and Directors shall be by REALTOR® members of the Tacoma-Pierce County Association of REALTORS®, subject to specific voting requirements referenced in Section 4. The President shall appoint a Nominations Committee, which shall consist of the Immediate Past President (serving as Chair) and be comprised of regionally elected directors whose term expires in the current year and up to four (4) REALTORS® -at-large. Only REALTORS® shall be eligible to serve on the Nominations Committee.

(b) The Nominations Committee shall nominate, whenever possible, two (2) or more qualified REALTOR® candidates for each Association office, and two (2) or more candidates for each place to be filled on the Board of Directors. The Nominations Committee shall meet and issue a report naming the candidates. Such report shall be submitted to the Association Secretary/Treasurer or the President prior to the first day of August of each year.

(c) Additional candidates for the offices to be filled may be nominated in the following manner:

(1) By nomination from the floor during the regular Membership Meeting held in August of each year and, which nomination, when duly seconded, shall constitute such nominees as candidates for the offices to which they are nominated.

(2) By a petition with a minimum of twenty (20) signatures of REALTOR® Members. Said petition must be in the hands of the Nominations Committee at or prior to the regular August Membership Meeting.

(d) After the regular August Membership Meeting, the Executive Officer shall prepare an electronic ballot which shall designate names of all nominees thereon, and said electronic ballot shall be distributed to Members within three (3) business days. All ballots shall be verified by the President and Executive Officer. Any ballots not returned by 5:00 p.m. on the eighth (8th) business day following distribution of such ballots shall not be counted.

(e) All candidates shall be required to be REALTOR® Members for no less than one (1) year prior to the date of election and shall also have previously consented to serve.

(f) The President, with approval of the Board of Directors, shall appoint a Nominations Committee of REALTOR® Members to conduct the election and to count the votes. In case of a tie vote, lot shall determine the issue.

SECTION 8. Vacancies. Vacancies among the Officers or within the Board of Directors shall be nominated by the President and subject to approval by the Board of Directors for the duration of the term.

Bylaws

Tacoma-Pierce County Association of REALTORS®

SECTION 9. Employees. The Board of Directors may employ an Executive Officer, who shall manage and direct all functions and activities of the Association and perform such other duties as may be specified by the Directors. The Board of Directors may delegate to him or her all or part of the duties of the Secretary/Treasurer and may otherwise prescribe his or her functions. Subject to budget approval by the Board of Directors, the Executive Officer may employ such other persons as may be necessary to conduct the activities of the Association.

ARTICLE XII MEETINGS

SECTION 1. Annual Meetings. An Annual Meeting of the Board of Directors and General Membership shall be held each year at a date, place and hour to be designated by the Board of Directors. A Treasurer's Financial Statement of Conditions will be provided to the Membership in writing at the Annual Meeting.

SECTION 2. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings and communicate the information to all Directors. There shall be no excused absences from regularly scheduled meetings. Absence from three (3) regularly scheduled meetings in a calendar year shall be deemed a resignation from the Board of Directors. A Director who is deemed to have resigned due to absence may submit a request for reconsideration by the Executive Committee who may either reinstate or deny reconsideration.

SECTION 3. Other Meetings. Meetings of the Members may be held at such times as the President or the Board of Directors may determine, or upon written request of at least ten (10) percent of all REALTOR® Members.

SECTION 4. Notice of Meetings. Notice shall be given to every REALTOR® Member entitled to participate in the meeting at least ten (10) days and no more than fifty (50) days preceding all meetings. If a special meeting, it shall be accompanied by a statement of the purpose of the meeting.

SECTION 5. Quorum. A quorum for the transaction of business at a General Membership meeting shall consist of twenty (20) REALTOR® Members. A quorum for the transaction of business at a Board of Directors meeting shall consist of at least half of the Board of Directors.

SECTION 6. Electronic Transaction of Business. To the fullest extent permitted by law, the board of directors or 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 a 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."

ARTICLE XIII COMMITTEES

SECTION 1. Standing Committees. Except as otherwise provided for in this Article, subject to the approval of the Board of Directors, the President shall appoint Standing Committee members to serve for a one (1) year term or until their successors are appointed and qualified. The Standing Committees of the Association shall be as follows:

Bylaws

Tacoma-Pierce County Association of REALTORS®

Diversity
Governmental Affairs
Grievance
Member Services
Nominations
Professional Standards

SECTION 2. Special Committees/Task Forces/PAGs. The President, with the approval of the Board of Directors, may appoint such other committees/task forces/PAGs as he or she deems advisable. The President and President-Elect of the Association shall be ex-officio members of all committees except the Grievance, Professional Standards, and Nominations Committee. In the event a committee/task force/project team member misses two (2) consecutive meetings, he or she may be terminated from membership by the President at her/his discretion.

SECTION 3. Quorum. One-half of the members of a committee shall constitute a quorum at any committee meeting.

SECTION 4. Organization. All committees shall be of such size and shall have such duties, functions, and powers as may be assigned to them by the President or the Board of Directors, except as otherwise provided for in these Bylaws. All actions of committees shall be subject to the approval of the Board of Directors.

SECTION 5. Committee Chairperson Appointment. The Chairperson of each committee shall be appointed by the President and shall chair for no more than two (2) years on the same standing committee in any consecutive three (3) year period. He or she shall serve for one (1) year as Vice-Chairperson of the committee, but such service may be waived by the President. He or she shall be notified of and responsible for all ongoing projects. He or she shall report to the Board of Directors at its meetings by written report and shall appear personally at the request of the Board of Directors.

SECTION 6. Grievance and Professional Standards. Members of these committees shall be REALTOR® Members in good standing and serving three (3) year staggered terms (original membership shall be on one, two, and three year appointments).

ARTICLE XIV FISCAL AND ELECTIVE YEAR

SECTION 1. The fiscal and elective year of the Association shall be the calendar year.

ARTICLE XV RULES OF ORDER

SECTION 1. Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors and committees in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XVI AMENDMENTS

SECTION 1. These Bylaws may be amended by a majority vote of the REALTOR® Members present and qualified to vote at any general membership 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. Article IX may be amended only by a majority vote of all REALTOR® Members.

Bylaws

Tacoma-Pierce County Association of REALTORS®

SECTION 2. Notice of all meetings at which such amendments are to be considered shall be given to every REALTOR® Member at least ten (10) days and no more than fifty (50) days preceding the meetings.

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 Association, shall become effective upon their approval by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVII DISSOLUTION

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

ARTICLE XVIII OFFICER/DIRECTOR EXCULPATION

SECTION 1. Right of Indemnification. Each person who was or is made a party to or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit, or proceeding, whether civil, criminal, administrative, or investigative, shall be indemnified and held harmless by the Association if that person is or was an Officer or a Director of the Association. Likewise, a person shall be indemnified if, being or having been such an Officer or a Director, he was serving at the request of the Association as an Officer, a Director, employee, or agent of another Association, or of a partnership, joint venture, trust, or other enterprise, including service with respect to employee benefit plans. The person shall be indemnified whether the basis of a proceeding is an alleged action in an official capacity as an Officer, a Director, employee, or agent, or in any other capacity while serving as an Officer, a Director,

employee, or agent, or in any other capacity. The Association shall indemnify and hold harmless to the full extent permitted by applicable law as then in effect, against all expenses, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA, excise taxes, or penalties and amounts to be paid in settlement) actually or reasonably incurred or suffered by such person in connection therewith. Such indemnification shall continue as to a person who has ceased to be an Officer, a Director, employee, or agent, and shall inure to the benefit of that person's heirs, executors, and administrators. No indemnification shall be provided under this Article to any such person if the corporation is prohibited by the non-exclusive provisions of the Washington Business Corporation Act or other applicable law as is then in effect from paying such indemnification. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Association the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however that the payment of such expenses in advance of the final disposition of a proceeding shall be made to or on behalf of an Officer or a Director only upon delivery to the Association of an undertaking, by or on behalf of such Officer or Director, to repay all amounts so advanced if it shall ultimately be determined that such Officer or Director is not entitled to be indemnified under this Article or otherwise, which undertaking may be unsecured and may be accepted without reference to financial ability to make repayment.

SECTION 2. Effect on Other Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, or vote of shareholders or disinterested Directors, or otherwise.

SECTION 3. Insurance. At its expense, the Association shall maintain insurance to protect itself and any Officer, Director, employee, or agent of the Association or of another Association, partnership, joint venture,

Bylaws

Tacoma-Pierce County Association of REALTORS®

trust, or other enterprise against any expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under the Washington Business Corporation Act. The Association may enter into contracts with any Officer or Director of the Association in furtherance of the provisions of this Article and may create a trust fund, grant a security interest in, or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

SECTION 4. Advance Payment. The Association may, by action of its Board of Directors, from time to time, provide indemnification and pay expenses in advance of the disposition of a proceeding, to employees and agents of the Association with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of Officers and Directors of the Association or pursuant to the rights granted pursuant to, or provided by, the Washington Business Corporation Act or otherwise.

These bylaws were last approved and revised May 27, 2020, by the membership of the Tacoma-Pierce County Association of REALTORS® and approved by the National Association of REALTORS®.