

MID-SHORE BOARD OF REALTORS® Bylaws

As amended July 2025

ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the MID-SHORE BOARD OF REALTORS®, INC., hereinafter referred to as the “MSBR.”

Section 2. REALTORS®. Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of MSBR 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 MSBR 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 MARYLAND 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 MSBR as a Member of the NATIONAL ASSOCIATION OF REALTORS® are Talbot County, Dorchester County, and Caroline County, Maryland.

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 MSBR agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

Section 1. Membership Types:

REALTOR® Members, whether primary or secondary shall be:

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 Maryland 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.

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.

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.

(b) 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.

(c) 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.

(d) 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 (or to mediate if required by the association) pursuant to Article 17 of the Code of Ethics

and the payment of association dues. 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.

(e) 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.

Section 2. Privileges of 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 term REALTOR®. For purposes of this section, the term "good standing" means the member satisfies the "Obligations of REALTOR® Members", is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR's trademark rules.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application.

An application for membership shall be made in such a 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:

(a) 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 MSBR, State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and the Rules and Regulations of the Board, State and National Associations, and if a REALTOR®, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and

(b) that applicant consents that MSBR, 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 MSBR 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 have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics, referred to above.

Section 2. Qualification.

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm, shall supply evidence satisfactory to the Association that applicant is duly licensed as a Maryland Real Estate Broker, Associate Real Estate Broker or Real Estate Salesperson, or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, is actively engaged in the real estate profession, 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 MSBR, Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree, that if elected to membership, will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office manager, in order to qualify for REALTOR® Membership, shall at the time of application hold a valid Maryland 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, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of MSBR or a Designated REALTOR® Member of another Board (if a secondary member), shall complete a course of instruction covering the Bylaws and Rules and Regulations of MSBR, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree in writing, that if elected to membership, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws and Rules and Regulations of MSBR, State and National Associations.

(c) An applicant for REALTOR® membership shall attend and complete the course of instruction required by Section 2(a), 2(b) and Section 4 of this Article V within 180 days of application for membership. Failure to comply with this requirement will result in the termination of membership. The Executive Committee may consider exceptions to the denial or termination of membership. If denied or terminated the applicant must re-apply for REALTOR® membership and incur any costs thereof.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the National Association of REALTOR®.

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 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. 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.

(e) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Secretary. 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 Board for a declaratory judgment by a court of competent jurisdiction of the final judgment declaring that the rejection violates no rights of the applicant.

Section 4. Professional Standards and Training

(a) New Member Code of Ethics Orientation

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

Failure to satisfy this requirement within six (6) months 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.

(b) Continuing REALTOR Code of Ethics Training

Effective January 1, 2019, through December 31, 2021, and for successive three-year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS® or the NATIONAL ASSOCIATION OF REALTORS®, 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-year cycle shall not be required to complete additional ethics training until a new three-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-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

(c.) Continuing Fair Housing Training.

Effective January 1, 2025, through December 31, 2027, and for successive three-year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed Fair Housing training as a requirement of membership in another association shall not be required to complete additional Fair Housing training until a new three-year cycle commences. Failure to satisfy the required periodic Fair Housing training shall be considered a violation of a membership duty. Failure to meet the requirement in any three-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

(d.) New Member Fair Housing Orientation.

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to gain or maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less. Failure to satisfy this requirement within six (6) months 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. □ Continuing Fair Housing Training. Effective January 1, 2025, through December 31, 2027, and for successive three-year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum

criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed Fair Housing training as a requirement of membership in another association shall not be required to complete additional Fair Housing training until a new three year cycle commences. Failure to satisfy the required periodic Fair Housing training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

(e.) Discipline of REALTOR® Members.

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.

(f.) Enforcement of the Code.

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 5. Status Changes.

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to MSBR 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 Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

(b) Any application fee related to a change in membership status shall be reduced by 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 year.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

Section 1. The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws, shall be specified in this Article.

Section 2. Any Member of MSBR may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Board Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of MSBR. Although Members other than REALTORS® are not subject to the Code of Ethics, nor its enforcement by MSBR, 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 Board, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Any REALTOR® member of MSBR 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 MSBR, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

Section 4. Resignations of members shall become effective when received in writing by the Board of Directors, provided, however, that if any member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board, or any of its services, departments, divisions, or subsidiaries, the Board 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 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. The resigning respondent's participation would be voluntary. In any instance where an ethics hearing is held after 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 (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The responsibility of MSBR and MSBR members relating to the enforcement of the NATIONAL ASSOCIATION OF REALTORS®, Code of Ethics, the disciplining of members, and the arbitration of disputes, and the organization and procedures incident thereto, shall:

Be governed by the NATIONAL ASSOCIATION OF REALTORS® Code of Ethics and Arbitration Manual as amended from time to time, which is by this reference is made a part of these Bylaws, as adapted to be consistent with state law; and

Be consistent with the statewide Professional Standards Enforcement Agreement, entered into by the association, as from time to time amended, which by this reference is made a part of these Bylaws.

Section 2. Obligations of REALTOR Members

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 of 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 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. (Amended 03/22)

ARTICLE VIII - REALTOR® Trademark

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.

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 membership duty and may subject members to disciplinary action by the board of directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual.

Section 2. REALTOR® members of the association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so

long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

Section 3. A REALTOR® principal member may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members

(a) In the case of a REALTOR® principal member 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 holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal 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 Maryland REALTORS®. By reason of the association's membership, each REALTOR® member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and Maryland 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.

ARTICLE X - DUES AND ASSESSMENT

Section 1. Application Fee.

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

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

(a) Designated REALTOR® Member Dues. The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the board of directors, plus an additional amount to be established annually by the board of directors' times the number of real estate salespersons and licensed or certified appraisers who

(1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and

(2) are not REALTOR® members of any association in the state or a state contiguous thereto or Institute Affiliate members of the association.

In calculating the dues payable to the association by a designated REALTOR® member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state contiguous thereto, provided the designated REALTOR® notifies the association in writing of the identity of the association to which dues have been remitted. In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this association.

A REALTOR® member of a Member Board shall be held to be any member who has a place or places of business within the state or a state contiguous thereto and who, as a principal is actively engaged in the real estate profession as defined in Article III, Section 1 of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal of the entity.

(b) Referral Agents in a Referral Company

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

association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year.

(c) REALTOR® Member Dues⁸

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

(2) Institute Affiliate Member Dues. The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

(3) Affiliate Members. The annual dues of each Affiliate Member shall be in such amount as established annually by the Mid-Shore Board of Directors.

(4) Public Service Members. The annual dues of each Public Service Member shall be in such amount as established annually by the Mid-Shore Board of Directors.

(5) Honorary Members. Dues payable, if any, shall be at the discretion of the Mid-Shore Board of Directors.

(6) Student Members. Dues payable, if any, shall be at the discretion of the Mid-Shore Board of Directors.

(7) The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association or recipients of the Distinguished Service Award shall be as determined by the board of directors.

Section 3. Dues Payable. Dues for all Members shall be payable annually, in advance, on a date to be determined by the Board of Directors. The Board of Directors may establish a discount for early payment of dues, or may impose a late fee for the late payment of dues. The amount and period for the discount or late fee shall be as established by the Board of Directors, from time to time.

(a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Board dues, and the licensee 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.

(b) NOTE: A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® members of the association. The dues obligation of such individuals to the local association should be reduced to reflect the reduction in the association's dues obligation to the National Association. The association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the association's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the association with respect to those licensees

employed by or affiliated with the "designated" REALTOR® who are not members of the local association.

Section 8. Additional Dues Assessment. If the Board of Directors determines that the annual dues will be insufficient to meet the annual operating expenses of the Board for the current fiscal year, the Board of Directors may assess additional dues for any one or more classes of members. Any such additional dues assessment shall be due and payable thirty (30) calendar days after such notice of additional dues assessment is mailed.

Section 4. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments, including amounts owed to MSBR or are not paid within thirty (30) (60) days of the invoice date (invoice date in Nov 1), the nonpaying Member is subject to a late fee in an amount established by the Board of Directors. ~~Sixty (60)~~ Ninety (90) days (Feb 1) after the due date, membership of the nonpaying Member shall automatically terminate, unless within that time, the amount due is paid.

However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had his 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 MSBR 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 MSBR for any purpose shall be deposited to the credit of MSBR in a financial institution or institutions selected by resolution of the Mid-Shore Board of Directors.

Section 6. Expenditures. The Executive Director shall administer the day-to-day finances of MSBR in accordance with the budget duly adopted by the Board of Directors. Capital expenditures shall be at the approval of the Board of Directors.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. Officers. The elected officers of MSBR shall be President, President-Elect, Secretary, and Treasurer. The Secretary and Treasurer may be the same person. All positions shall be elected for terms of one year.

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 duty of the Secretary to keep the records of MSBR and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Maryland Association of REALTORS®.

Section 3. Executive Committee: The Executive Committee shall be comprised of the elected Officers pursuant to Article XI, Section 1 and the Immediate Past President and shall be responsible for the day-to-day operations of MSBR.

Section 4. Board of Directors. The governing body of MSBR shall be a Board of Directors consisting of the Executive Committee of the MSBR and five to seven (5-7) additional Directors who shall be a primary or secondary REALTOR® member in good standing. No more than two (2) Affiliate members shall serve as a Director at any one time. Directors shall be elected to serve for a term of three years, or for lesser terms as may be necessary to stagger the terms of office so that one-third (1/3) of the Directors are elected each elective year

of MSBR. Thereafter, as many Directors shall be elected each elective year as are required to fill vacancies. No more than two (2) Directors representing the same principal office shall be elected to, or shall serve on, the Board of Directors at the same time. Such limitation shall not apply, however, if during the term of a Director or successive term, the Director transfers to a firm which is already represented by two (2) Directors on the Board of Directors. No Director shall serve more than two (2) consecutive terms. As used in this Section 4, the term “principal office” shall mean the office address in which the real estate wall license of the director is displayed in accordance with Maryland law.

Section 5. Executive Director/Officer. In addition to the Officers and Directors provided for above, there shall be an Executive Director/Officer who shall be the administrator of the association. Upon approval of the Board of Directors the Executive Director/Officer shall be a salaried employee of MSBR and shall be hired by the Executive Committee, who shall determine compensation and duties. The Executive Director/Officer shall not be a member of the association and shall not engage in real estate associated activity, for compensation, except in conformance with the duties of the office.

Section 6. Election of Officers and Directors.

(a) At least two (2) months before the annual election, a Nominating Committee of not more than nine (9) and at least six (6) members consisting of the President-Elect as Chairman, two (2) past MSBR Presidents and three or more (3+) at large members, shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors, except for the position of President, which shall automatically be filled by the incumbent President-Elect, and shall be uncontestable.

(b) The Nominating Committee shall not nominate more than two (2) Directors representing the same firm on the Board of Directors. The Nominating Committee shall present the slate of proposed Officers and Directors to the Board of Directors for approval prior to membership notification. The report of the Nominating Committee shall be sent to each Member eligible to vote, at least 20 calendar days preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least 10% of the REALTOR® members eligible to vote. The petition shall be filed with the Secretary, at least fourteen (14) calendar days before the election. The Secretary shall send notice of such additional nominations to all members eligible to vote at least seven (7) calendar days before the election.

(c) Election shall be by ballot in such form as prescribed by the Association and shall be sent to each REALTOR® member entitled to vote. The ballot shall contain the names of all candidates and the offices for which they are nominated. Completed ballots may be cast at the Association office; or online, by e-mail, or by mail, provided that the ballot is received by the Association not later than the close of business of the designated due date.

The Executive Director/Officer with assistance of the nominating committee members will conduct the election. In case of a tie vote, the issue shall be determined by lot.

Section 7. Vacancies. Vacancies, among the Officers and Directors, may be filled by Board of Directors until the next annual election with a simple majority vote, or left vacant until the next election.

Section 8. Removal of Officers and Directors. If an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

- (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership, or a majority of all Directors, shall be filed with the President, or if the President is the subject of the petition, with the next-ranking Officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of MSBR 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 MSBR, 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, the three-fourths vote of Members present and voting shall be required for removal from office.

ARTICLE XII – MEETINGS

Section 1. Annual Meetings. The annual meeting of MSBR shall be held during the period of August 1 to November 30 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)~~ two (2) regular meetings without an excuse deemed valid by the board of directors shall be construed as resignation. A quorum for the transaction of business shall be a majority of the board of directors, except as may otherwise be required by state law.

Section 3. Meetings of the Executive Committee: The Executive Committee shall designate a regular time & place of meeting.

Section 4. Other Meetings. Meetings of the Members may be held at other times, as the President or Board of Directors may determine, or upon the written request of at least 7% of the Members eligible to vote.

Section 6. Quorum. A quorum for the transaction of business at the Annual meeting or general or special membership shall consist of seven percent (7%) of the members eligible to vote. A quorum for the transaction of business at an Executive Committee meeting, a regular or special meeting of the Board of Directors shall consist of a majority of the Directors. A quorum for the transaction of business at any meeting of a Committee shall consist of a majority of the designated number of committee members.

ARTICLE XIII – COMMITTEES

Section 1. Standing Committees. The President shall appoint from among the REALTOR® members or Affiliate members, subject to confirmation by the Board of Directors, all standing committees, ad hoc committees, or task forces chairpersons.

Each Committee should have a designated Chairperson and Vice Chairperson. It is recommended that the Vice Chairperson assume the duties of Chairperson the following year.

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

Section 3. Organization. All Committees shall be of such size and shall have duties, function, and powers as assigned by the President, or the Board of Directors, except as otherwise provided in these Bylaws.

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

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1. The fiscal and elective year of MSBR shall be NOVEMBER 1 to OCTOBER 31.

ARTICLE XV - RULES OF ORDER

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Board, 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 members provided the substance of such proposed amendment or amendments shall be plainly stated, 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, provided that notice of these amendments shall be given to every member eligible to vote, at least thirty (30) calendar days prior to the Directors meeting at which the vote will be taken.

Section 2. Notice of all amendment changes shall be sent to every member eligible to vote, at least thirty (30) calendar days prior to the vote.

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®.

ARTICLE XVII - DISSOLUTION

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

ARTICLE XVIII - MULTIPLE LISTING SERVICE

Section 1. The Board shall establish, maintain or subscribe to for the use of its Members and for the use of REALTOR® Members of other Boards and Associations of REALTORS® located in Maryland or in other states, including the District of Columbia, a Multiple Listing Service, which Multiple Listing Service shall be a lawful corporation of the State of Maryland or any other state.

Section 2. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to and from the other Participants (acting either as subagents, buyer agents, or both); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analysis and other evaluations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute

to common databases; and is a facility for the orderly correlation and dissemination of listing information, so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating brokers' performance as procuring cause of sale (or lease).

Section 3. Governing Documents. The Board of Directors of the Board shall cause any Multiple Listing Service established by it, pursuant to this Article, to conform, at all times, to the Corporate Charter, Constitution, Bylaws, Rules, Regulations, Policies, Practices and Procedures of the Multiple Listing Service with the Constitution, Bylaws, Rules, Regulations, Policies, Practices and Procedures of the NATIONAL ASSOCIATION OF REALTORS® and the Handbook on Multiple Listing Policy, as established and amended, from time to time, by the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Participation. Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, 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 or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. ** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

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 ongoing 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 if 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 in a nondiscriminatory manner to all participants and potential participants.

Subscribers: Subscribers (or Users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

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Bylaws last amended in July 2025 to reflect the required changes by NAR from the Conference of 2024.

The bylaws were previously amended in February 2022 to reflect the required changes by NAR from the Conference of 2021.