

BYLAWS
OF THE
COMMERCIAL BOARD OF
REALTORS® , INC.

March 2017

TABLE OF CONTENTS

ARTICLE I - NAME..... 3
ARTICLE II - OBJECTS 3
ARTICLE III - JURISDICTION..... 3
ARTICLE IV - MEMBERSHIP 4
ARTICLE V - QUALIFICATION AND ELECTION TO MEMBERSHIP 6
ARTICLE VI - PRIVILEGES AND OBLIGATIONS..... 9
ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION 12
ARTICLE VIII - USE OF THE TERMS REALTOR® AND REALTORS® 13
ARTICLE IX - STATE AND NATIONAL MEMBERSHIP 13
ARTICLE X - DUES AND ASSESSMENTS 13
ARTICLE XI - OFFICERS AND DIRECTORS..... 16
ARTICLE XII - MEETINGS 19
ARTICLE XIII - COMMITTEES..... 20
ARTICLE XIV - FISCAL AND ELECTIVE YEAR..... 20
ARTICLE XV - RULES OF ORDER 20
ARTICLE XVI - AMENDMENTS 20
ARTICLE XVII - DISSOLUTION..... 20
ARTICLE XVIII – COMMERCIAL PROPERTY INFORMATION EXCHANGE 21

**BYLAWS OF THE
COMMERCIAL BOARD OF REALTORS®, INC.**

ARTICLE I – NAME

Section 1. Name. The name of this organization shall be the COMMERCIAL BOARD OF REALTORS®, (or such other name as provided in the Articles of Incorporation or any amendment thereto) hereinafter referred to as the “Board”.

Section 2. REALTORS®. Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the Board 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 Board are:

Section 1. To unite those engaged in the recognized branches of the commercial 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 commercial real estate profession whereby their interests may be safeguarded and advanced.

Section 4. To further the interest of commercial, industrial, and other investment and real property ownership.

Section 5. To unite those engaged in the commercial real estate profession in the State of Michigan with the Michigan 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 Board as a Member of the NATIONAL ASSOCIATION OF REALTORS® is the State of Michigan.

Section 2. Territorial Jurisdiction is defined to mean:

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

Section 3. The Association shall maintain an office at a location established by the Board of Directors.

ARTICLE IV - MEMBERSHIP

Section 1. There shall be six classes of members as follows:

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

- (1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, - building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of _____ 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 a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.

In 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 board in which one of the firm principles holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV.)Amended 1/01/)

NOTE: REALTOR® Members may obtain membership in a “secondary” Board or Association in another state.

- (2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, or as individuals in positions of management control and are associated with a REALTOR® Member and meet the qualifications set out in Article V.
- (3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchises 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 board 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 board, state association and national association.
- (4) Primary and secondary REALTOR® Members. An individual is a primary member if the Board pays State and National dues based on such Member. An individual is a secondary member if State and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR® member of the Board in order for licensees affiliated with the firm to select the Board as their “primary” Board.
- (5) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board 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 1, of the Bylaws.

(b) Institute Affiliate Members

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

(c) Affiliate Members.

Affiliate members shall be commercial real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate Membership shall also be granted to individuals licensed, certified or otherwise authorized to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR Membership in the Board, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

- (1) Corporate Affiliate (CA) who shall be a firm or corporation as indicated in paragraph (c) above. The Corporate Affiliate shall be represented by an individual designated or named to represent the firm. The corporation retains the membership should the individual leave the firm or corporation and a new person shall be named to be the Corporate Affiliate.
- (2) Business Affiliate (BA) shall be a person as indicated in paragraph (c) above. The Business Affiliate may name a firm or corporation for roster purposes, however, should the member affiliate leave the firm or corporation, the membership shall be retained by the individual member and a new firm address may be named for roster purposes.
- (3) Member Affiliate (MA) shall be a person employed by a Corporate Affiliate member who is not the designated representative of the firm. Should a Member Affiliate leave the firm, the membership shall terminate unless the individual is employed by another Corporate Affiliate member.

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

(e) Section Members. Section Members shall be one of the following:

- (1) Real Estate Assistants (unlicensed). Those individuals who are employed or are contracted by a REALTOR® but do not hold an actual real estate license may apply to become an unlicensed Real Estate Assistant Section Member. Unlicensed Real Estate Assistants shall be so indicated in any publication or Roster made available by or for the Section Membership.
- (2) Office Secretaries (unlicensed). Those office secretaries who do not hold an active real estate license and who would like to have opportunities to network and be listed in an Association Roster may join as unlicensed office secretaries.

(f) Life Members.

An applicant for Life Membership shall supply to the Membership Committee evidence that the individual has been a REALTOR® or REALTOR® Associate for at least 25 years with at least 10 full years of membership with CBOR; is no longer actively licensed; and has had no professional standards sanctions in the last five (5) years.

(g) Public Service Members.

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

business. Public Service Members shall have the rights and privileges prescribed by the Board of Directors.

- (h) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate institutions of higher learning, and who have completed at least two (2) years of college and at least one (1) college level course in real estate, but are not engaged in the real estate profession on their own account or associated with an established real estate office. Student Members shall have the rights and privileges prescribed by the Board of Directors.
- (i) Community & Economic Development Affiliate Members. Community and Economic Development Affiliate Members shall be individuals who, while not engaged in the real estate profession as defined in Article IV, Section 1(a) of these Bylaws are recognized as being community and/or economic development professionals who are engaged in the attraction, retention, or expansion of the economic base of the region, and have interests requiring information concerning commercial real estate information. These individuals are not engaged in the sale, lease, exchange or brokerage or real property.
- (j) REALTOR® Administrator (RA). REALTOR® Administrator members shall be those individuals employed by a DESIGNATED REALTOR® member of the Board and the RA additionally holds a license for reason other than active real estate sales. The Designated REALTORS® shall certify on the application that the applicant is not actively engaged in Real Estate Sales and should the licensee become active in real estate brokerage the licensee will be required to apply for REALTOR® membership and pay the appropriate fee.

ARTICLE V – QUALIFICATION AND ELECTION

Section 1. Qualification.

- (a) An applicant for REALTOR® Membership who is a principal, sole proprietor, partner, corporate officer, or branch manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that the applicant (1) 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, (2) has a place of business within the State or a state contiguous thereto (unless a secondary member), (3) has no record of recent or pending bankruptcy*, (4) has no record of official sanctions involving unprofessional conduct*, (5) agrees to review 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®, as modified by the Michigan Supplement. , and (6) shall agree that if elected to membership, the applicant will abide by the Bylaws, Policies and Rules and Regulations of the COMMERCIAL BOARD OF REALTORS®, and the Constitution, Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.
Amended 1/14.
- (b) An Applicant is ineligible for membership if he has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics.

(*) NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT is intended to mean that the Board may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts of other lawful authorities.

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, or corporate officer, or branch officer manager is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board established that its interests and those of its members and the public

could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a “cash basis” from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

- c) Individuals who are actively engaged in the real estate profession other than as principals, 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 another Board (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, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the state Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the membership Committee and shall agree in writing that if elected to membership he will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.
- d) An applicant for institute Affiliate Membership is encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, but is not subject to disciplinary authority of the COMMERCIAL BOARD OF REALTORS® with regard to conduct inconsistent with the Code of Ethics.
- e) All other applicants shall agree in writing, if elected to Membership, to abide by the Constitution, Bylaws and Rules and Regulations of the COMMERCIAL BOARD OF REALTORS®, the MICHIGAN ASSOCIATION OF REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS®, and further is encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, but is not subject to disciplinary authority of the COMMERCIAL BOARD OF REALTORS® with regard to conduct inconsistent with the Code of Ethics.

Section 2. Application.

- (a) 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 (1) that applicant agrees as a condition to membership to thoroughly familiarize that applicant with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, as modified by the Michigan Supplement, the Constitution, Bylaws, and Rules and Regulations of the Board, State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Board, State and National Associations, and will abide by the Code Ethics of the NATIONAL ASSOCIATION OF REALTORS®, as modified by the Michigan Supplement, 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 modified by the Michigan Supplement, as from time to time amended, and (2) that applicant consents that the Board, through its Membership Committee or otherwise, may initiate 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 Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 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 _____ 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.

Section 4. Status Change.

(a) A REALTOR® who changes the conditions under which they hold membership shall be required to provide written notification or such a change to the Board within thirty (30) days. Failure to comply will result in a late fee of \$50.00. A REALTOR® (non-principal) who becomes a principal in the firm with which they have 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 requirement established in these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors. NOTE: The Board of Directors, at its discretion, may waive any qualification, which the applicant has already fulfilled in accordance with the Board's Bylaws.

(b) A REALTOR® who is transferring his 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 90 days of the date the Board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

- (c) Dues shall be prorated from the first day of the quarter in which the member is notified of election by the Board of Directors and shall be based upon the new membership status for the remainder of the year.

Section 5. 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. The orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®. 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 270 days of the date of application, or alternatively, the date that membership is granted, will result in termination of membership.

Section 6. 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 (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete biennial ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any two (2) year cycle shall not be required to complete additional ethics training until a new two (2) year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) 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.

Members suspended for failing to meet the requirement for the first four (4)-year cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4)-year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, revised 5/05)

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

Section 2. Any Member of the Board 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 in consistent

with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the National Association. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Board, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, Members other than REALTOR® members, may upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee of the Board, 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 purpose of COMMERCIAL BOARD OF REALTORS®, the MICHIGAN ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Any REALTOR® Member of the Board 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 National 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, as modified by the Michigan Supplement.

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 occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

(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®.

Section 6. Rights and Responsibilities.

- (a) REALTOR® Members, whether primary or secondary, in good standing, whose financial obligation to the Board are paid in full, shall be entitled to vote and to hold elective office in the Board.
- (b) REALTOR® Members may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII.
- (c) REALTOR® Members have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Board and the real estate profession. Furthermore, REALTOR® Members must attend such courses of instruction as shall be mandated by the Board of Directors in safeguarding and promoting said standards, interests, and welfare of the Board and the real estate profession.
- (d) If a REALTOR® Member is the principal, sole proprietor in a firm, a partner in a partnership, or an officer of a corporation, and is suspended or expelled, the firm, partnership, or corporation shall not use the terms

REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, or management control is relinquished, whichever may apply. The Membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership or corporation is severed, or unless the REALTOR® who is suspended or expelled removes themselves from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply.

Removal of an individual from any form or degree of management control must be certified to the Board by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is readmitted to membership in the Board.

The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing that no management control is exercised. Further, the member of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever their connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Board whichever may apply. If a REALTOR® Member other than a principal, sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

- (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 in Article VI, Section 6(d) apply.

Section 7. Institute Affiliate Members

Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local association; or to be a participant in the local association's Multiple Listing Service.

Section 8. Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations, as prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, the MICHIGAN ASSOCIATION OF REALTORS®, and the COMMERCIAL BOARD OF REALTORS®. Affiliate Members can be appointed to serve on committees and have committee voting privileges with the exception of the Professional Standards and Grievance Committees.

Section 9. Life Members, Honorary Members, Public Service Members and Students Members. Life Members, Honorary Members, Public Service Members and Student Members shall have only the right to

attend meetings, participate in discussions, and receive appropriate communications. Life, Honorary, Public Service and Student Members shall have no voting privileges.

Student membership shall be for one year tenure only, subject to annual renewal of each membership by renewal application. Each student application must be signed by the Head of the Department of the School in which he is enrolled. This membership shall be automatically terminated simultaneously with the student member being licensed to sell real estate or upon leaving school.

Section 10. Section Members. Section Members shall not use the term REALTOR®. Section Members shall not have any voting privileges outside the Section Membership. Section Members have the right to attend meetings and may speak with the permission of the board of Directors.

Section 11. Certification by Designated REALTOR®. Designated REALTOR® Members of the Board shall certify to the Association prior to the dues billing, on a form provided by the Board, a complete listing of all individuals licensed or certified with the Designated REALTORS® office(s) and shall designate a primary Association/Board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the Designated REALTORS® office(s) and if Designated REALTOR® dues have been paid to another Association/Board based on said non-member licensees, the Designated REALTOR® shall identify the Association/Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of these Bylaws. Designated REALTOR® Members shall also notify the Board of any changes of individual(s) licensed with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

Section 12. Waiver of License Requirement. At the discretion of the Board of Directors, the requirement concerning the holding of a real estate license may be waived for those engaged in the lending of money on real estate and the appraising of real estate for others, land development, building, and other related aspects of the commercial real estate profession, if such license is not required in the operation of the applicant's business.

Section 13. Harassment.

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

ARTICLE VII – PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The Board adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® Members.

Section 2. The responsibility of the Board and of the Board 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® with a Michigan Association Supplement, as from time to time amended, which by this reference is made a part of these Bylaws.

Section 3. It shall be the duty and responsibility of every REALTOR® Member of this Board to abide by the Constitution and Bylaws and the Rules and Regulations of the Board the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, as modified by the Michigan Supplement, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Board as from time to time amended.

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

Section 1. Use of the terms REALTOR® AND REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 06/2006)

Section 2. REALTOR® Members of the Board 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 there to, 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 commercial real estate profession within the State or a state contiguous thereto are REALTOR® Members of the Board or Institute Affiliate Members as described in Section 1(b) of Article IV.

- (a) In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® 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 seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX – STATE AND NATIONAL MEMBERSHIPS

Section 1. The Board shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the MICHIGAN ASSOCIATION OF REALTORS®. By reason of the Board membership each REALTOR® Member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the MICHIGAN 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, a 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 Board recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The Board 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 Board and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS® and the MICHIGAN ASSOCIATION OF REALTORS®.

ARTICLE X - DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt application fees for REALTOR® membership in amounts not exceeding three times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the Board upon final approval of the application. Section 2. Dues. The annual dues of Members shall be as follows:

(a) REALTOR® Members.

The annual dues of each Designated REALTOR® Member shall be \$_____ plus an amount equal to \$_____ 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 Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board 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 Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board. * (Amended 1/01)

- (1) For the purpose of this Section, a REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR has a direct or indirect ownership interest and -which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

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

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® or REALTOR-

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

- (b) The annual dues of each REALTOR® Member other than the designated REALTOR®, shall be in such amount as established by the Board of Directors.
- (c) The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors. (NOTE: A Member Association/Board's dues obligation to the National Association is reduced by an amount equal to the amount which the Association/Board is assessed or a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association, recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Association/Board. The dues obligation of such individuals to the local Association/Board should be reduced to reflect the reduction in the Association/Board's dues obligation to the National Association. The Association/Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association/Board's obligation to the State Association with respect to such individuals. (Member Associations/Boards should determine whether the dues payable by the Association/Board to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR® who are not themselves Members of the local Association/Board.)
- (d) Any person employed by or affiliated with a REALTOR® Member required to pay dues by the Association as provided in Section 2(a) above may petition the Board of Directors, by and through a principal, partner, corporate officer, or branch office manager of the real estate firm, partnership, or corporation in which such employee is employed, for an adjustment of such local portion of dues or an abatement of such local portion of dues, such employee shall assert, in good faith, that such person is not actively engaged in the real estate profession as defined by the NATIONAL ASSOCIATION OF REALTORS®. Such petition shall be made, in writing, to the Board of Directors and shall describe such person's duties with the real estate firm, partnership or corporation and the reasons claimed by such person for such adjustment or abatement of such local portion of dues. In making its determination concerning the adjustment or abatement of such local portion of dues, the Board of Directors may, in its absolute discretion, consider whether such person's duties include purely clerical or research responsibilities, the extent to which such employee has contact with the firm's clients or customers, and whether such person's license is required by the firm as a condition for employment or affiliation. The Board of Directors shall consider all petitions received by it in a timely manner, but no later than four (4) weeks after such petition has been received by the Association and all determinations made by the Board of Directors shall be final and not subject to review or appeal.
- (e) Institute Affiliate Members. The dues of Institute Affiliate Members shall be established in Article II of the Bylaws of the NATIONAL 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 (\$75.00). The National Association shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$25.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.

- (f) Affiliate Members. The dues of Affiliate Members shall be in such amount as established annually by the Board of Directors.
- (g) Public Service / Property Owner Members. The dues of each Public Service / Property Owner Member shall be in such amount as established annually by the Board of Directors.
- (h) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors.
- (i) Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.
- (j) Life Members. Life Members shall be exempt from payment of dues. With the consent of the Board of Directors, Life Members may elect to pay the amount of the Association's dues including those amounts allocated to the National Association of REALTORS® and the Michigan Association of REALTORS® in order to retain the use of the term "REALTOR®".
- (k) The dues of REALTOR® Members who are Past Presidents of the Board shall be as determined by the Board of Directors.

Section 3. Dues Payable. Dues for all Members shall be payable annually in advance on the first day of December. Dues shall be computed from the first day of the quarter in which a Member is notified of election and shall be prorated for the remainder of the year. Late fees in amounts established by the Board may be charged for payments received after the 15th day of December.

In the event a Sales Licensee or certified appraiser who holds REALTOR® membership is terminated for non-payment of dues or fees, and the licensee remains with the Designated REALTORS® 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 the non-member licensee. The Designated REALTOR® shall have fifteen (15) days from notification of termination and billing to drop the licensee from the firm. If the licensee is not terminated within the fifteen (15) days, the Designated REALTORS® will be responsible for the entire annual dues formula billing.

Should the Designated REALTOR® subsequently terminate the licensee within forty-five (45) days of receiving notice of the termination, the Designated REALTOR® shall be responsible for the prescribed late penalty as well as ninety (90) days (1/4) prorated portion of the annual dues.

Section 4. Nonpayment of Financial Obligation. If dues, fees, fines, or other assessments including amounts owed to the Board are not paid within thirty (30) days after the due date, the nonpaying member is subject to suspension at the discretion of the Board of Directors. Sixty (60) days 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. At the discretion of the Board of Directors, reinstatement fees for suspension or termination of a Member may be approved. The Board of Directors, upon 2/3 vote of those present and voting, may establish a special dispensation upon written request.

Section 5. Deposits. All money received by the Board for any purpose shall be deposited to the credit of the Board in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. Expenditures. The Board of Directors shall have the management and control of the Board. The Board of Directors shall administer day-to-day finances of the Board. Capital expenditures in excess of the income for the current year may not be made unless authorized by a majority of the Members in attendance at the membership meeting who are eligible to vote.

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 Board shall be by written notice to the Members setting forth the amount owed and due date. Any assessment from MAR or NAR will be passed on to members automatically.

ARTICLE XI – OFFICERS AND DIRECTORS

Section 1. Officers. The elected officers of the Board shall be a President, a President-Elect, and a Treasurer, all of whom shall serve for a period of one (1) year commencing on January 1 next following their election or until their successors are elected and assume office.

Section 2. Duties. The duties of the elected officers shall be such as their titles, by general usage would indicate, and such as may be assigned to them respectively by the Board of Directors from time to time, and such as are required by law.

- (a) President. The President shall be the Chief Executive Officer of the Board and shall preside over all meetings of the Board of Directors, the Executive Committee and the Membership. The President shall have general and active management of the business of the Board and shall see that all orders and resolutions of the Board of Directors and the Membership are carried out. The President shall be an ex-officio member of all standing committees.
- (b) President-Elect. The President-Elect shall have such duties as may be assigned by the directors. The President-Elect shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. Upon the completion of the term as President-Elect, and in the absence of unforeseen circumstances, the President-Elect shall automatically succeed to the office of President and shall assume all of the duties assigned to the President of the Board.
- (c) Treasurer. The Treasurer shall have custody of all corporate funds and securities and shall keep, in books belonging to the Board, full and accurate accounts of all receipts and disbursements. The Treasurer shall deposit all monies, securities and other valuable effects in the name of the Board in such depositories as may be designated for that purpose by the Directors. The Treasurer shall disburse the funds of the Board as may be instructed by the Directors, taking proper vouchers for such disbursement, and shall render to the President and Directors, at the regular meetings of the Directors, a statement of all transactions and the financial condition of the Board. The Treasurer shall serve as Chairperson of the Finance Committee. The Treasurer shall cause an audit of the accounts of the Board to be made as authorized by the Board of Directors, who shall employ a competent person, persons, or firm to make such audit or audits and to establish the compensation thereof. At the conclusion of the Treasurer's term of office, the Treasurer shall transfer to their successor all funds, records, papers, and other property of the Board in their possession.
- (d) The Executive Vice President shall be the Chief Administrative Officer of the Corporation, shall have supervision of the entire staff, except as otherwise directed by the Board of Directors. In addition, the Executive Vice President shall supervise the collection and depositing of all monies due the Corporation, and shall supervise the maintenance of all membership records and accounts of all fees, dues and fines. The Executive Vice President shall perform such other duties as may be assigned by the Board of Directors, and shall be compensated as determined by the Board of Directors.
- (e) The Board of Directors may require that any officer or employee be bonded for the faithful performance of his or her duties, in such amount as the Directors may determine.

Section 3. Board of Directors

- (a) The governing body of the Board shall be a Board of Directors consisting of eleven (11) REALTOR® Members and three (3) Affiliate members of the Board serving terms of three (3) years and the Immediate Past President (if not otherwise a Director) serving a one-year term. The eleven (11) REALTOR® Directors shall be elected to staggered terms so that each year, three shall be elected. The Institute Affiliate and Affiliate Directors shall have staggered terms so that only one of each such position is available at any election cycle.
- (b) The officers of the Corporation shall form the Executive Committee, who may meet monthly or as often as necessary to prepare the agenda for the Board of Directors' meetings. The Executive Committee shall have the authority to act on behalf of the Board of Directors when time is of the essence.

Section 4. Election of Directors

- (a) At least two months prior to the annual election, a written request for candidates to volunteer to serve as Directors shall be sent to all Members. The Credentials Committee shall then review the applicants received for Director positions, to validate that they are eligible for election and that they are placed as a candidate for the appropriate classification.
- (b) The report of the Credentials Committee shall recommend the nomination of at least two candidates for each Director position available by category, unless the committee has not received enough volunteers to serve. This report shall be mailed to each Member eligible to vote at least four (4) weeks preceding the election. Unsuccessful volunteer candidates for director positions to be filled may be placed in nomination by petition signed by a least 25 REALTOR® Members. The petition shall be filed with the Treasurer at least two (2) weeks before the election. The Treasurer shall send notice of such additional potential candidates to all Members eligible to vote incorporated within the ballot mailing.
- (c) The election of Directors shall take place in September. Election shall be by a mail ballot or electronic form ballot. The ballot shall contain the names of each candidate and the director category for which nominated. No write-in candidates shall be permitted.
- (d) It shall be the duty of each elector to mark the ballot according to instructions and seal it in an unmarked envelope addressed to the Board office. It shall further be the duty of each elector to place his or her signature and printed name on the outside of such addressed envelope.
- (e) The ballot shall be returned to the Board office in envelopes provided no later than noon of the election date (the first Friday in September).
- (f) The Credentials Committee shall be comprised of all Past Presidents of the Board therefore willing to serve, and the Committee, none of whom shall be candidates or members of the Board of Directors, shall conduct the election. The candidate receiving the largest number of votes in each Director category shall be declared the winner. In case of a tie vote, the issue shall be determined by lot.

Section 5. Election of Officers.

The Board of Directors shall elect the President-Elect and Treasurer in the following manner;

- (a) Subsequent to the election of Directors, but prior to December 15 of each year, the President-Elect shall convene an organizational meeting of the Board of Directors for the following year.
- (b) At this organizational meeting, the Directors shall elect from among themselves a President-Elect and Treasurer for the following year.
- (c) Election shall occur by secret ballot and a majority of those present and voting shall determine the winner.
- (d) The President-Elect shall ascend to the office of President automatically, without the requirement of election. In the event his or her term as President exceeds his or her term as a Director by election, he or she shall continue as a Director with all the privileges and obligations thereto, through their year as Immediate Past President. Therefore, the President is the sixteenth member of the Board of Directors.
- (e) The Immediate Past President's term may exceed his or her term as a Director by election, however, the Immediate Past President shall automatically be a director, with all the privileges and obligations thereto.

Section 6. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

Section 7. Removal of Officers and Directors. In the event that an Officer or Director is deemed incapable of fulfilling the duties for which he or she was elected, but will not resign from office voluntarily, the Officer or Director may be removed 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 the Directors shall be filled with the President, or if the President is the subject of the Petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Board shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.
- (c) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Board unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.
- (d) An officer or Director may be removed from office for cause by a vote of not less than two-thirds of the Board of Directors. Cause shall be deemed to include the commencement of any type of adversary proceeding against the Board by an Officer or Director or an entity in which the Officer or Director owns an interest.

ARTICLE XII - MEETINGS

Section 1. Annual Meeting. The Annual Meeting of the Board shall be held during each year, the date and place and hour to be designated by the Board of Directors.

Section 2. Meetings of Directors.

- (a) The Board of Directors shall designate a regular time and place of meetings. Absence from three regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.
- (b) Special Board of Directors meeting may be held at such other times as the President or four (4) or more directors may determine. Written notice shall be given to every Director at least three (3) days preceding the meeting, and it shall be accompanied by a statement of the purpose of the meeting. A quorum must be present to conduct business.

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

Section 4. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least ten (10) days preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 5. Quorum. A quorum for the transaction of business shall consist of ten (10) percent of the Members eligible to vote.

Section 6. Proxy Provision. Members entitled to vote, but not present at a meeting, may appoint, in accordance with Michigan law, a proxy to vote or otherwise act for the member. If an executed proxy is returned and the member has voted, or abstained from voting, on any matter, the member represented by such proxy will be considered present at the meeting for purposes of determining a quorum and for purposes of calculating the vote.

ARTICLE XIII - COMMITTEES

Section 1. Standing Committees

(a) The President shall appoint from among the membership, subject to confirmation by the Board of Directors, the following Standing Committees:

- | | |
|-------------------------|------------------------|
| Budget & Finance | Legislation |
| Marketing/Communication | Membership |
| CPIX/Technology | Professional Standards |
| Grievance | Program/Education |

Section 2. Additional Committees and Task Forces. The President shall appoint, subject to confirmation by the Board of Directors, those committees and task forces as deemed appropriate or required by the MICHIGAN ASSOCIATION OF REALTORS® (MAR) or the NATIONAL ASSOCIATION OF REALTORS® (NAR).

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

Section 4. President. The President and President-Elect shall be an ex-officio member of all Committees and Task Forces and shall be notified of their meetings.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

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

ARTICLE XV - RULES OF ORDER

Section 1. The latest edition of Robert’s Rules of Order 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; provided, however, that a duly-called meeting not conducted in accordance with Robert’s Rules of Order shall nonetheless be a valid meeting.

ARTICLE XVI - AMENDMENTS

Section 1. These Bylaws may be amended by the majority vote of the Members present and qualified to vote in any meeting at which a quorum is present, or by a majority vote of mailed ballots received, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, or in accordance with the instructions contained with the ballot, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

Section 2. Notice of all meetings at which amendments are to be considered shall be mailed to every member eligible to vote at least ten (10) days prior to the meeting.

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

Section 4. The Board of Directors upon 75% vote of all the Directors may approve amendments to the Bylaws. Any amendment approved by the Board of Directors may, in the discretion of the Board, become immediately effective and remain in effect until the Members vote on such amendment under the procedures set forth in Section 1 of this Article XVI.

ARTICLE XVII - DISSOLUTION

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

ARTICLE XVIII – COMMERCIAL PROPERTY INFORMATION EXCHANGE

Section 1. Authority. The Association shall maintain, for the use of its Members, a Commercial Property Information Exchange (CPIX).

Section 2. Purpose. CPIX serves as an information exchange. Participants who have been retained by sellers of commercial or industrial property to market those properties may submit information on those properties to CPIX and Participants who have been retained by buyers of commercial or industrial property may submit information on the type(s) of property sought to CPIX. Any compensation agreements related to property included in the exchange compilation must be made on an individual basis outside CPIX between the Participants involved. A commercial information exchange is not a multiple listing service. No offers of cooperation and compensation are communicated through filing information on a property with CPIX.

Section 3. Governing Documents. The Board of Directors shall cause any commercial information exchange established by it pursuant to this Article to conform its corporate charter, constitution, bylaws, rules, regulations, policies, practices, and procedures at all times to the constitution, bylaws, rules, regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Participation.

- (a) Any REALTOR® of this or any other Board or Association who is a principal, partner, corporate officer, or branch manager acting on behalf of a principal, without further qualification except as stipulated otherwise in these bylaws, shall be eligible to participate in CPIX upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, no individual or firm regardless of Association membership status, is eligible for CPIX participation or Membership status unless they hold a current valid Michigan real estate brokers license and are capable of accepting and offering and compensation to and from other Participants or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. Licensees affiliated with CPIX Participants are not considered “Participants” or “Members” of the exchange, but rather have access to and use of the exchange information by virtue of their affiliation with the exchange Participant.