

ASSOCIATION OF REALTORS® 2022

ARTICLE I – NAME

<u>Section 1. Name</u>: The name of this organization shall be the WHATCOM COUNTY ASSOCIATION OF REALTORS®, INCORPORATED hereinafter referred to as the "Association."

<u>Section 2. REALTORS®</u>: 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.

*Future reference to the trademark REALTORS® in this document will be REALTORS®.

ARTICLE II – OBJECTIVES

The objectives of the Association are:

<u>Section 2.1</u>: 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.

<u>Section 2.2</u>: 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®.

- <u>Section 2.3</u>: 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 2.4**: To further the interest of home and other real property ownership.
- <u>Section 2.5</u>: To unite those engaged in the real estate profession in this community with the WASHINGTON ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby, furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of Membership therein.
- <u>Section 2.6</u>: 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

<u>Section 3.1</u>: The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is Whatcom County in the State of Washington as allocated by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3.2: Territorial jurisdiction is defined to mean:

 The right and duty to control the use of the terms REALTOR® and REALTORS®

Subject to conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Association agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV – MEMBERSHIP

Section 4.1: There shall be **six** classes of Members as follows:

- <u>REALTOR® Members</u>. 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 Washington or a state contiguous thereto. All persons who are partners in a partnership or all officers in a corporation who are actively engaged in the real estate profession within the state 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 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 Board in which one of the firm's principals holds REALTOR® Membership, shall be required to hold REALTOR® Membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.

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

(2) Individuals who are engaged in real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are

associated with a REALTOR® Member and meet the qualifications set out in Article V.

- (3) <u>Franchise REALTOR® Membership.</u> 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 NATIONAL ASSOCIATION OF REALTORS® 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) <u>Primary and secondary REALTOR® Members.</u> 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 Board. One of the principals in real estate firm must be Designated REALTOR® Member of the Board in order for licensees affiliated with the firm to select the Board as their "primary" Board.
- (5) <u>Designated REALTOR® Members.</u> Each firm (or office in the case of firms with multiply office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The Designated REALTOR® must be a sole proprietor, partner, corporate officer or branch officer manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.
- (6) <u>WASHINGTON REALTOR® President.</u> The President of the WASHINGTON ASSOCIATION OF REALTORS® (W.R.), if not otherwise a Member of the Association, shall be a non-dues paying Member of the WHATCOM COUNTY

ASSOCIATION OF REALTORS® during his or her term in office. The W.R. President shall not have the right to vote or hold elective office in the Association, but shall, when given the authority by the Association, cast the number of votes allowed as the Association's voting delegate at the Delegate Body Meeting of the NATIONAL ASSOCIATION OF REALTORS®.

- (b) <u>Institute Affiliate Members.</u> 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.
- (c) <u>Affiliate Members.</u> Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in real estate profession as defined in paragraph (a) or (b) of this Section, have interest requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® Membership in the Board, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.
- (d) <u>Honorary Members.</u> 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) **Student Members.** Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account nor are they associated with an established real estate office.

(f) <u>Life Members</u>. Life Members shall be individuals who have long and distinguished records as REALTORS® and as a result the WHATCOM COUNTY ASSOCIATION OF REALTORS® has so recognized by voting them into Life Membership.

ARTICLE V – QUALIFICATION AND ELECTION

Section 5.1: Application

(a) An Application for Membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed the applicant: (1) that applicant agrees as a condition of Membership to thoroughly familiarize him or herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and if elected, a Member will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and National Associations, and if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Association, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The application 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 5.2: Qualifications

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate office, or branch office manager of a real estate firm shall

supply evidence satisfactory to the Membership Committee that he or she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary Member), has no record of recent or pending bankruptcy(*), has no record of official sanctions involving unprofessional conduct(**), agrees to complete course instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Committee, and shall agree that, if elected to Membership, he or she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

- (*) NO RECENT OR PENDING BANKRUPTCY is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch 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 as above exists, Membership may be not rejected unless the Association establishes that its interest 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 fees for up to one (1) year from the date that Membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing Member initiates bankruptcy proceedings, the Member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the Member has been discharged from bankruptcy.
- (**) NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT is intended to mean that the Association may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

The Association is prohibited from knowingly granting REALTOR® Membership to any applicant who has an unfulfilled sanction pending which was imposed by another Association of REALTORS® for violation of the Code of Ethics.

- (b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Board or 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 Local Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee and shall agree in writing that, if elected to Membership, he or she will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution and Bylaws, and Rules and Regulations of the Association, State Association, and the National Association.
- (c) The Association will also consider the following in determining an applicant's qualifications for REALTOR® Membership:
- 1. All final findings of Code of Ethics violations and violations of other Membership duties in any other association within the past three (3) years
 - 2. Pending ethics complaints (or hearings)
 - 3. Unsatisfied discipline pending
 - 4. Pending arbitration requests (or hearings)
- 5. Unpaid arbitration awards or unpaid financial obligations to any other Association
 - 6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

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

If a Member resigns from another association with an ethics complaint or arbitration request pending, the Association may condition Membership on the applicant's certification that he or she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the Association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 5.3: 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 180 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 5.4: New Member Code of Ethics Orientation

(a) Applicant for REALTOR® Membership and provisional REALTOR® Members (where applicable) shall complete an orientation program on the Code of Ethics of no 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 180 days of the date of application or, alternatively, the date that provisional Membership was granted, will result in denial of the Membership application or termination of provisional Membership.

NOTE: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.

Section 5.5: Continuing Member Code of Ethics Training:

Effective January 1, 2017, through December 31, 2018, 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 association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three (3) year cycle shall not be required to complete additional ethics training until a new three (3) year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three (3) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three (3) cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

Section 5.6: Status Changes

(a) A REALTOR® who changes the conditions under which he or she holds Membership shall be required to provide written notification to the Association within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which he or she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members but shall, during the period of transition from one status of membership to another, be subject to all 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 he or she has transferred within thirty (30) days of the date he or she advised the Association of his or her change in status, his or her new Membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring his or her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within thirty (30) days of the date of the Board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

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

- (b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.
- (c) Dues shall be prorated from the first day of the quarter 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.

Section 5.7: Professional Designations:

The Association shall not, without the prior express approval of the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS® (i) endorse, approve or recommend, or (ii) award, confer, bestow, or grant any professional designations other than those available through the Institutes, Societies, and Councils of the National Association.

ARTICLE VI – PRIVILEGES AND OBLIGATIONS

<u>Section 6.1:</u> The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws, shall be specified in this Article.

Section 6.2: Any Member of the Association may be reprimanded, fined, placed on probation, suspended or expelled by the Board of Directors for a violation of these Bylaws and/or Association Rules and Regulations not consistent with these Bylaws after a hearing as provided in the Code of Ethics and Arbitration Manual of the Association. Although members other than REALTORS® are not subject to the Code of Ethics or its enforcement by the Association, such members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and to conduct their businesses 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 Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Any Member Board that shall neglect or refuse to maintain and enforce the Code of Ethics with respect to the business activities of its Members may, after due notice and opportunity for hearing, be expelled by the Board of Directors from Membership in the NATIONAL ASSOCIATION OF REALTORS®. Enforcement of the Code of Ethics also requires the Association to share with the Washington State Department of Licensing (DOL) its final decisions in instances where the public trust has been violated. The "public trust", as used in this context, refers to demonstrated misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm.

<u>Section 6.3:</u> 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.

<u>Section 6.4:</u> Resignations of Members shall become effective when received in writing by the Board of Directors provided, however, that if the Member submitting the resignation is indebted to the Association for due, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning Member to reapply for Membership upon payment in full of all such monies owed.

Section 6.5: 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 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 continues in effect even after Membership lapses or is terminated, provided that the dispute arose while the former Member was a REALTOR®.

Section 6.6: REALTOR® Members:

- REALTOR® Members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the Association and may use the terms REALTOR®. For purposes of this section, the term "good standing" means the member 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.
- If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership, or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® and 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 himself from any form or degree of management control of the firm for the terms of 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 of Directors 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 by 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 their business during the period of suspension or until the former Member is admitted to Membership by the Board of Directors. The foregoing is not intended to preclude a suspension or expelled Member from functioning as an employee or independent contractor, provided no management control is exercised. Further, the Membership of REALTORS® other than principals who are employed 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 (nonprincipal) elects to sever his 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 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® and REALTORS® by the firm, partnership or corporation will not be affected.

• In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(b) 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(b) shall apply.

<u>Section 6.7: Institute Affiliate Members.</u> 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: The Local Association establishes 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® or the REALTOR® logo, or to serve as the president of the local association.

<u>Section 6.8: Affiliate Members.</u> Affiliate Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors.

<u>Section 6.9: Honorary Members.</u> Honorary Membership shall confer only the right to attend meetings and participate in discussions.

<u>Section 6.10: Student Members.</u> Student Members shall have the right and privileges and shall be subject to obligations prescribed by the Board of Directors.

<u>Section 6.11: Life Members.</u> As a Life Member, these individuals shall be welcome to attend the REALTOR® meetings and other functions; however, this shall not give those full REALTOR® Membership privileges such as voting and holding office, unless they elect to pay full REALTOR® dues.

Section 6.12: Certification by REALTOR®. Designated REALTOR® Members of the Association shall certify to the Association during the month of January on a form provided by the Association a complete listing of all individuals licensed or certified in the REALTOR® office(s) and shall designate a primary Association for each individual who holds Membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR® office(s) and if Designated REALTOR® dues have been paid to another association, based on said non-member licensees, the Designated REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws, Designated REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

<u>Section 6.13: Harassment.</u> Any Member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association employee, 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.

NOTE: Suggested procedures for processing complaints of harassment are available online through http://www.REALTOR.org or from the Member Policy Department. (Amended 5/08)

<u>Section 6.14: Legal Liability Training.</u> Within three (3) years of the date of election to Membership and every three years thereafter, each REALTOR® Member of the Board shall be required to demonstrate that he or she has completed a course of instruction on anti-trust laws, agency laws, civil rights laws or the REALTORS® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement.

ARTICLE VII – PROFESSIONAL STANDARDS AND ARBITRATION

<u>Section 7.1:</u> The responsibility of the Association and of the Association Members relating to enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incidents 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 the State Law shall be deleted or amended to comply with State Law.

Section 7.2: It shall be the duty and responsibility of every REALTOR® Member of this Association to safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must_abide by the governing documents and the policies of the Association, the State Association, and the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the *Code of Ethics and Arbitration Manual*Click or tap here to enter text.

<u>Section 7.3:</u> The responsibility of the Board and of the Board members relating to the enforcement of the Code of Ethics, disciplining of Members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative Professional Standards Enforcement Agreement entered into by the Board, which by this reference is made a part of these Bylaws.

Section 7.4: Should the Association neglect or refuse to maintain and enforce the Code of Ethics with respect to the business activities of its Members, after due notice and opportunity for hearing, it may be expelled by the National Board of Directors from Membership in the NATIONAL ASSOCIATION OF REALTORS®. Enforcement of the Code of Ethics also requires the Association to share with the state real estate licensing authority final decisions in instances where the public trust has been violated. The "public trust", as used in this context, refers to demonstrated misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial, economic harm.

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

Section 8.1: 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 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 (NAR Amended 6/06).

<u>Section 8.2:</u> 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 8.3: A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members of the Board or Institute Affiliate Members as described in Section 1(b) of Article IV.

• In the case of a REALTOR® Member who is a principal of a real estate firm, Partnership, or corporation who business activity is substantially all commercial, the right to use the REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the terms REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

<u>Section 8.4:</u> Institute Affiliate Members shall not use the term REALTOR® or REALTORS®, or the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX – STATE AND NATONAL MEMBERSHIPS

Section 9.1: The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the WASHINGTON REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member Association shall be entitled to Membership in the NATIONAL ASSOCIATION OF REALTORS® and the WASHINGTON 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 (1) month in advance of the date designated for the termination of such membership.

<u>Section 9.2:</u> 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 a name, upon ceasing to be a Member of the National Association, or upon its determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

Section 9.3: 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 OF REALTORS® and the WASHINGTON REALTORS®.

ARTICLE X – DUES AND ASSESSMENTS

<u>Section 10.1: Application Fee.</u> The Board of Directors may adopt an application fee for REALTOR® Membership in a reasonable amount not exceeding three times the amount of 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 10.2: Assess Membership by Class. The Board of Directors may assess the Members by class, provided that notice of the classes of Membership to be assessed, the amount of the assessment for each of the classes to be assessed, the purpose of the assessment and when the assessment shall be due is submitted to the Member Boards at least thirty (30) days in advance of its adoption. For assessment imposed on Member Boards, the amount to be paid by a Member Board shall be the amount of the assessment as stated in the notice times the sum of the number of REALTOR® Members of that Member Board, as certified by the President and Secretary of the Member Board, pursuant to Section 2(a) hereof. Notwithstanding the foregoing, the amount to be paid by a Member Board shall be reduced by the amount of the assessment as stated in the notice times the number of REALTOR® Emeriti, Past Presidents of the National Association and recipients of the Distinguished Service Award who are members of the Board.

Section 10.3: Dues. The annual dues of Members shall be as follows:

• REALTOR® Members: The annual dues of each designated REALTOR® Member shall be in such amount as established annually by the Board of Directors. Should the proposed dues amount be in excess of a 15 percent (15%) increase over the current amount, said increase shall require approval of the general membership vote. An additional amount may be established annually by the Board of Directors for 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 of Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in Section 2(a)(1) and (2) of this Article shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on

said non-member licensees in another association in the state or a state contiguous 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 licenses 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 the Board.

For the purpose of this Section, a REALTOR® Member of a Member Association shall be held to be any Member who has a place or places of business within the state 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 or 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, or corporate officer of the entity.

A REALTOR® with a direct or indirect ownership interest in one 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 licensee affiliate 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 the purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

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

- <u>REALTOR® Members.</u> The annual dues of each REALTOR® Member other than the Designated REALTOR® shall be as established by the Board of Directors and approved by the general membership.
- Institute Affiliate Members. From the dues paid by the Institutes, Societies and Councils of the National Association (in accordance with Article II, Section 1, N.A.R Bylaws) the National Association shall credit twenty-five dollars (\$25.00) to the account of the Member Board (Local) for each individual included on the list provided by the Institute, Society, or Council whose office address is within the assigned territorial jurisdiction of that Member Board, provided, however, the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), as provided for in Article III, Section 4 of the National Association's Constitution, the \$25.00 amount will be credited to the Commercial Overlay Board, unless the Institute Affiliate Member directs that the dues will be credited to the other board.
- <u>Affiliate Members.</u> The annual dues of each Affiliate Member shall be such amount as established by the Board of Directors.
- <u>Honorary Members.</u> Dues payable, if any, shall be in such amount at the discretion of the Board of Directors.
- **Student Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.
- <u>Life Members.</u> A Life Member is an active REALTOR® who has made significant, long-term contributions to the REALTOR® organization at the local, state,, and/or national level. Candidates for Life Membership status must have been a continuous member of the WHATCOM COUNTY

ASSOCIATION FOR REALTOR® for a period of at least thirty (30) years. Any member may nominate someone for Life Membership status. Election to Life Membership status shall be at the sole discretion of the Board of Directors. Life Members will be excused from paying dues to the WHATCOM COUNTY ASSOCIATION OF REALTORS®.

<u>Section 10.4: Dues Payable.</u> Dues for all Members shall be payable annually in advance on the first day of January. 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.

Section 10.5: Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Association are not paid within one (1) month after due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after due date, Membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after due date, Membership of the nonpaying Member shall be automatically terminated 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 provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for Membership, after making payment in full of all accounts due as of the date of termination.

<u>Section 10.6:</u> Deposit. All money received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

<u>Section 10.7: Expenditures.</u> The Board of Directors shall administer the day-to-day finances of the Association. The Board of Directors may authorize necessary expenditures up to a maximum of \$5,000. Any non-budget expenditure, including

capital/investment, in excess of \$5,000 shall require a majority vote of REALTOR® Members at a regular, general Membership meeting.

<u>Section 10.8: Notice of Dues, Fees, Fines, Assessments, or other Financial</u>
<u>Obligations of Members.</u> All dues, fee, fines, assessments, or other financial obligations to the Association shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

<u>Section 10.9: The Dues of REALTOR® Members who are REALTOR® Emeriti</u> (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'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 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 Board 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 Associations 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 REALTORS® 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.

<u>ARTICLE XI – OFFICERS AND DIRECTORS</u>

<u>Section 11.1: Officers.</u> The elected Officers of the Association shall be a President, a Vice President-President Elect, a Secretary, a Treasurer and a

Treasurer-Elect. Officers must be REALTOR® members, or, in the case of Treasurer, Treasurer-Elect, and Secretary, an Affiliate Member, and shall be elected for terms of one (1) year, except that the Vice President-President Elect or Treasurer-Elect, shall be elected to serve two (2) years, the first year as Vice President-President Elect, and the second year as President; similarly the Treasurer-Elect shall be elected to serve two (2) years, the first year as Treasurer-Elect, and the second year as Treasurer. The Vice President-President Elect shall be a REALTOR® Member. The Board will also include all State Directors elected by membership as voting Members.

<u>Section 11.2: Duties of the Officers.</u> 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 Director. It shall be the particular duty of the Secretary to keep the records of the Association.

Section 11.3: Local Directors. The Local Directors shall be REALTOR® or Affiliate Members of the Association who are not currently local Association Officers or immediate Past President. Local Directors shall be elected to serve for terms of three (3) years, except that at organization, one-third (1/3) of the elected Directors shall be elected for terms of one (1), two (2), and three (3) years respectively, or for lesser terms as may be deemed necessary to complete the first fiscal year. Thereafter, as many Local Directors shall be elected each year as are required to fill vacancies.

Section 11.4: Board of Directors. The governing body of the Association shall consist of twelve (12) elected Members as follows: President, President-Elect, Treasure, Treasurer-Elect, Secretary, Immediate Past President and six (6) Local Directors plus any local Members currently serving on the WASHINGTON REALTORS® Board of Directors. No more than 5 Members of the Board of Directors may be from any one Member office at any time. Should a Board Member change offices during the Member's tenure, the Member's eligibility to continue in said position may be subject to review by the Board of Directors.

<u>Section 11.5: Affiliate Directors.</u> There shall be two (2) Affiliate Members of the Board of Directors, elected as necessary for appropriate terms of office as specified above. Said Affiliate members shall be included as a voting Member in

the total number of Members of the Board of Directors. An Affiliate Member of the Board may hold the position of Local Director, Treasurer-Elect, Treasurer, and Secretary. Any Affiliate Member seeking the position of Treasurer must have demonstrated experience in financial reporting.

Section 11.6: State Directors.

State Director Candidates shall be nominated and elected to candidacy
as are Officers and Local Directors (see Section 6), except that the vote
by the local Association shall be advisory to the WASHINGTON
ASSOCIATION OF REALTORS® and not binding on that body. State
Director Candidates must have served as Local Directors or as an elected
Association Officer of the WHATCOM COUNTY ASSOCIATION OF
REALTORS® for at least one (1) year prior to election to candidacy, and
must be a REALTOR® Member of the Association.

Each Member Association may recommend a number of Alternate Directors for a one (1) year term for election at the Annual Meeting. An Alternate Director may substitute for an absent, elected Director from his or her Association at State Board Meetings when designated by the Association President or an Association-designated Representative. These substitutions can be made up to the time the credentials process is closed prior to each WASHINGTON REALTORS® Board Meeting. Newly appointed Alternate Directors must be declared to the WASHINGTON REALTORS® in writing at least seven (7) days prior to a Board of Directors Meeting.

 Any member of the Whatcom County Association of REALTORS® who holds State Directors status by virtue of service as President of Washington Association of REALTORS® shall also be a voting member of the Board.

Section 11.7: Election of Officers and Directors. At least two (2) months before the annual election, a Nominating Committee of fine (5) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall consist of two (2) Past Presidents of the Association and three (3) Members at large who are not Past Presidents of the Association. The current Association President shall serve in an advisory capacity

to said committee. Said committee will select at least one (1) or more candidates for each office, each vacant Local Director position, and each vacant State Director candidate position. The report of the Nominating Committee shall be distributed to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the positions to be filled may be placed in nomination by a petition signed by ten (10) REALTOR® Members in good standing. The petition shall be filed with the Secretary/Executive Officer, and nominations shall be closed ten (10) business days prior to election deadline, and the Secretary shall send notice of such additional nominations to all Members eligible to vote at least one (1) week prior to the election.

<u>Section 11.8: Vacancies.</u> Vacancies among the Association officers, the local Board of Directors, or State Directors shall be filled by Presidential appointment with ratification by the Board of Directors.

<u>Section 11.9: Removal of Officers or Directors.</u> In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected but will not resign from office voluntarily, the Officer or Director may be removed from office under following procedure:

- A petition requiring the removal of an Officer or Director and signed by not less than 10 percent (10%) of the Membership eligible to vote, 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 disqualified from further services.
- Upon receipt of the petition and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sold business of the meeting shall be to consider the charge against the Officer or Director and to render a decision on such petition.
- The special meeting shall be noticed to all voting members at least ten (10) days prior to the meeting and shall be conducted by the President of the Association unless the President's continued service in office is

being considered at the meeting. In such case, the next-ranking Officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths (3/4) vote of Members present and voting shall be required for removal from office.

ARTICLE XII – ELECTRONIC COMMUNICATIONS

<u>Section 12.1: Electronic Communications.</u> All Association Members, committees and staff are authorized to use e-mail to facilitate effective and efficient communication to the extent allowed by law.

Section 12.2: Voting Procedures.

- All elections and votes requiring full membership participation shall be handled via electronic vote. There must be at least ten percent (10%) of REALTOR® members voting in any election/action for the results to be considered valid. Any ballots received after the published deadline for any election/voting procedure will not be counted.
- The annual election of Officers and Directors shall take place during August of each year (Annual Election). Any REALTOR® may vote in the Annual Election via electronic ballot after the report of the Nominating Committee has been filed with the Board of Directors and posted on the WCAR website. To be considered a valid vote, all electronic ballots must be received on or before 31 August of the applicable elections year. In the event of a run-off election, names of candidates shall be posted on website AND communicated via e-mail to all REALTOR® members with appropriate deadlines for receiving the subsequent ballots back to be valid in said run-off election.
- Any other action requiring full REALTOR® Membership approval (as stipulated in WCAR bylaws) shall be communicated to all REALTOR® members via e-mail with appropriate deadlines for receiving completed ballots back to be valid in said action.

If any REALTOR® submits more than one Ballot in any election/voting procedure, all ballots submitted by that REALTOR® shall be void and the REALTOR® will be prohibited from submitting any further ballots in the specific election/voting procedure.

ARTICLE XIII – MEETINGS

<u>Section 13.1: Annual Election Meetings.</u> The Annual Election of the Association shall be held during August of each year, with the date(s) to be designated by the Board of Directors.

<u>Section 13.2: Meeting of Directors.</u> The Board of Directors shall designate a time and place for regular Board Meetings. Absence from three (3) regular Board of Directors Meetings without an excuse deemed valid by a majority of the Board of Directors (Member in question still have no vote) shall be construed as resignation.

<u>Section 13.3: Other Meetings.</u> Meetings of the Members may be held at other times the President or the Board of Directors may determine, or upon written request of at least 10 percent (10%) of the Members eligible to vote.

<u>Section 13.4: Notice of Meetings.</u> Written notice shall be given to every Member entitled to participate in the meeting at least one (1) week preceding all special meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose for the meeting.

Section 13.5: Quorum:

- <u>General Membership Meetings.</u> At all General Membership meetings, a quorum for the transaction of business shall consist of ten percent (10%) of the members of the Association eligible to vote.
- <u>Board of Directors Meetings.</u> At the Board of Directors meetings held for the transaction of business, a quorum will consist of 50% plus 1 Members of the Board of Directors.

<u>Section 13.6: Electronic Communications.</u> All Association Members, committees and staff are authorized to use e-mail to facilitate effective and efficient communication to the extent allowed by law.

ARTICLE XIV – COMMITTEES

Section 14.1: Standing Committees.

- The Board of Directors shall establish such standing Committees as are required by the NAR or necessary to the operation/activities of the WCAR.
- The President shall appoint standing Committee Chairpersons from among Members, subject to confirmation by the Board of Directors.
- <u>Section 14.2: Special Committees.</u> The President shall appoint, subject to confirmation by the Board of Directors, Special Committees as deemed necessary.
- <u>Section 14.3: Organization.</u> All committees shall be of a size and shall have duties, functions, and powers as assigned by the President or the Board of Directors, except as otherwise provided by these Bylaws.
- <u>Section 14.4: President.</u> The President shall be an ex-officio member of all standing committees and shall be notified of the meetings.
- Section 14.5: Board Finance Committee. The Board Finance Committee shall work with the Board Officers and Committees in establishing an annual budget for an annual program of activities to be prepared by the Officers and Committees. This program of activities and budget shall be presented to the Board/Membership per Article 10.3 (a). The Board Finance Committee shall also prepare, or cause to be prepared, an annual audit at the end of each year.

<u>ARTICLE XV – FISCAL AND ELECTIVE YEAR</u>

<u>Section 15.1:</u> The fiscal and elective year of the Association shall be January 1 to December 31.

ARTICLE XVI – RULES OF ORDER

<u>Section 16.1:</u> Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors, and Committees and in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XVII – AMENDMENTS

<u>Section 17.1:</u> These Bylaws may be amended by a majority vote of the members present and qualified to vote. (See Article 12 Section 2(b))

<u>Section 17.2:</u> Notice of all pending Bylaw and Amendment changes to be considered shall be made available to every member eligible to vote in the following manner:

- Copy to be mailed to each Designated Broker at least one (1) week prior to the vote.
 - Copies to be available at regular REALTOR® meetings at least two (2) weeks

prior to the vote.

 Copies to be posted on secure, members-only website of WHATCOM COUNTY

ASSOCIATION OF REALTORS® at least two (2) weeks prior to the vote.

<u>Section 17.3:</u> Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

<u>Section 17.4:</u> Amendments to these Bylaws required by action of the NAR shall be automatically added within 30 days of becoming effective by said NAR action.

<u>ARTICLE XVIII – DISSOLUTION</u>

<u>Section 18.1:</u> Upon the dissolution or winding up of affairs of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the WASHINGTON ASSOCIATION OF REALTORS® or, within its discretion, to any other non-profit, tax-exempt organization.