

BYLAWS

OF THE

CORPUS CHRISTI

ASSOCIATION OF REALTORS®

Adopted March 21, 2018



**BYLAWS
OF THE
CORPUS CHRISTI ASSOCIATION OF REALTORS®**

ARTICLE I – NAME

SECTION 1. NAME. The name of this organization shall be the Corpus Christi of Association of REALTORS®, Incorporated, hereafter referred to as the “Association.”

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

ARTICLE II – OBJECTIVES

The objectives of the Association are:

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

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

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

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

SECTION 5. To unite those engaged in the real estate profession in this community with the Texas 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 term REALTOR® or REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE III – JURISDICTION

SECTION 1. The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® shall be Jim Wells County, Live Oak County and Nueces County, Texas, including Mustang Island, as officially approved by the Board of Directors of the National Association.

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

ARTICLE IV – MEMBERSHIP

SECTION 1. There shall be the following classes of members:

- (a) **REALTOR® MEMBERS:** REALTOR® members, whether primary or secondary shall be:
1. Individuals who, as sole proprietors, partners, corporate officers or branch 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 located within the State of Texas or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the State of Texas 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. (Amended 1/01).

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

2. Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch managers and who 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 (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to Association mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the Local Association, State Association and National Association.
4. Primary and secondary REALTOR® Members. An individual is a primary member if the Association pays State and National dues based on such member. An individual is a secondary Member if State and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR® Member of the Association in order for licensees affiliated with the firm to select the Association as their “primary” Association.

5. Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The “Designated REALTOR®” must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm’s principal(s) and must meet all other qualifications of REALTOR® membership established in Article V, Section 2, of the Bylaws.
 6. Chief Elected Officer of the State Association. The current chief elected officer of the State Association of REALTORS® shall be a member in good standing without further payment of dues. At the direction of the association, the current chief elected officer of the State Association of REALTORS® may be the delegate who casts the vote for the association at the Annual Meeting of the NATIONAL ASSOCIATION of REALTORS®.
- (b) **INSTITUTE AFFILIATE MEMBERS** Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership.
 - (c) **AFFILIATE MEMBERS** Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraph (a) or (b) of this section, have interests requiring information concerning real estate, and who concur with the objectives of the Association.
 - (d) **PUBLIC SERVICE MEMBERS** Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.
 - (e) **HONORARY MEMBERS** Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.

ARTICLE V – QUALIFICATION AND ELECTION TO MEMBERSHIP

SECTION 1. APPLICATION.

- (a). Application for REALTOR® membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Bylaws, and Rules, Regulations, and Policies of this Association, the State and National Associations,

and if elected a member, will abide by the Constitutions and Bylaws and Rules, Regulations, and Policies of this 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 staff, Board of Directors, or otherwise, may invite and receive information and comment about applicant from any Member or other person, 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, and defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitutions, Rules, Regulations, and Policies, and Code of Ethics referred to above (3) attend Association Membership Orientation within ninety (90) days of application.

SECTION 2. QUALIFICATION.

- (a) An applicant for REALTOR® membership who is a sole proprietor, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association that he 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 state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct,** agrees to complete a course of instruction covering the Bylaws and Rules, Regulations, and Policies of the Association, Constitution and Bylaws of the Texas Association of REALTORS®, and the Constitution, Bylaws, and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree that if elected to membership, he will abide by such Bylaws, Rules, Regulations, and Policies, and Code of Ethics of the Association.

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

Members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing Member initiates bankruptcy proceedings, the Member may be placed on a "cash basis" from the date that the bankruptcy is initiated until one (1) year after 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; or (3) other laws prohibiting unprofessional conduct against the applicant rendered by the courts and other lawful authorities.

- (b) Individuals who are actively engaged in the real estate profession other than as sole

proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® membership shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another 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, Regulations, and Policies of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree in writing that if elected to membership he will abide by such Constitution, Bylaws, Rules, Regulations, and Policies and the Code of Ethics.

- (c) Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:
- (1) All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years;
 - (2) Pending ethics complaints (or hearings);
 - (3) Unsatisfied discipline pending;
 - (4) Pending arbitration requests (or hearings);
 - (5) Unpaid arbitration awards or unpaid financial obligations to any other Association or Association MLS.
 - (6) Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm. (amended 06/2006)

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other Associations or where the applicant for membership has unsatisfied discipline pending in another Association (except for violations of the Code of Ethics; See Article V, Section 2 (a) Note 2 provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that Provisional membership status is approved. Provisional Members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. (Amended 1/01)

SECTION 3. ELECTION TO MEMBERSHIP.

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 60 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. (Adopted 1/98, Amended 1/05)

SECTION 4. NEW MEMBER CODE OF ETHICS ORIENTATION.

Applicants for REALTOR® membership and provisional REALTOR® members shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is one year or less. Failure to satisfy this requirement within 45 days of the date of application will result in denial of the membership application.

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

SECTION 5. CONTINUING MEMBER CODE OF ETHICS TRAINING.

Effective January 1, 2017 through December 31, 2018, and for successive two-year periods thereafter, each REALTOR® member of the association shall be required to complete ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or

provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time.

REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any two-year cycle shall not be required to complete additional ethics training until a new two year cycle commences. Failure to satisfy this requirement shall be considered a violation of a membership duty.

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) 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. (Amended 11/2016)

SECTION 6. STATUS CHANGES.

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

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

- (c) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.
- (d) Dues shall be prorated from the first day of the month in which the Member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year.

ARTICLE VI – PRIVILEGES AND OBLIGATIONS

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

SECTION 2. VIOLATIONS OF BYLAWS, RULES AND REGULATIONS, AND POLICIES.

Any REALTOR® Member of the Association may be reprimanded, fined, placed on probation, suspended, or terminated by the Board of Directors for a violation of these Bylaws and Association Rules, Regulations, and Policies 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 nor 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 conduct their business and professional practices accordingly. Further, Members other than REALTORS® may upon recommendation of the Board of Directors, 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 non-discriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the Local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 3. CODE OF ETHICS. 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 prescribed 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.

SECTION 4. RESIGNATIONS.

- (a) Resignations of Members shall become effective when received in writing at the Association Office, provided, however, that if any Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association of 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.
- (b) 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 the association (if the respondent continues to 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, one 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 in abeyance until such time as the respondent rejoins an association of REALTORS®.

- (1) 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 5. REALTOR® MEMBERS.

- (a) REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.
- (b) If a REALTOR® Member is a sole proprietor in a firm, partnership, or an officer in a corporation and is suspended or terminated, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Members shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply. If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or terminated, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.
- (c) In any action taken against a REALTOR® Member for suspension or expulsion under Section 5(a) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® Member and they shall be advised that the provisions in Article VI, Section 6(a), shall apply.

SECTION 6. 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 Chairman of the local association; or to be a participant in the local association's Multiple Listing Service.

SECTION 7. AFFILIATE MEMBERS Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

SECTION 8. PUBLIC SERVICE MEMBERS. Public Service Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors.

SECTION 9. HONORARY MEMBERS. Honorary membership shall confer only the right to attend meetings and participate in discussions.

SECTION 10.CERTIFICATION BY DESIGNATED REALTOR®. “Designated” REALTOR® Members of the Association shall certify to the Association during the month of December, on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTORS®’ 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 REALTORS®’ office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-Member licenses, the Designated REALTOR® shall identify the Board 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 individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

SECTION 11. 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 Chairman, and Vice Chairman/Chairman-Elect and/or Vice Chairman 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 Chairman, Vice Chairman/Chairman-Elect or Vice Chairman, they may not participate in the proceedings and shall be replaced by the Immediate Past Chairman 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 responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of members, and the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the Association, as from time to time amended, which by this reference is made a part of these Bylaws.

SECTION 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Bylaws and the Rules, Regulations, and Policies of the Association, 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®, 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 Association as from time to time amended.

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

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

SECTION 1. Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the rules and regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms with 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 Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

SECTION 3. A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation, may use the term 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 Association or Institute Affiliate Members as described in Section 1(b) of Article IV.

(a) In the case of a REALTOR® member who is 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 office, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business. (Amended 1/01)

SECTION 4. Institute Affiliate Members shall not use the terms Realtor® or Realtors®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX – STATE AND NATIONAL MEMBERSHIPS

SECTION 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and of the Texas Association of REALTORS®. By reason of the Association's membership, each REALTOR® Member of the Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Texas Association of REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations, unless by a majority vote of all of its REALTOR® members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

SECTION 2. The Association recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The Association shall discontinue use of the terms in any form in its name, upon ceasing to be a Member of the National Association, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

SECTION 3. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and Policies of the National Association and the Texas Association of REALTORS®.

ARTICLE X – DUES AND ASSESSMENTS

SECTION 1. APPLICATION FEE.

The Board of Directors may adopt an application fee for REALTOR® membership in a reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership, and which shall become the property of the Association upon final approval of the application.

SECTION 2. DUES. The annual dues of Members shall be as follows:

- (a) The annual dues of all Designated REALTOR® Members shall be in such amount as established annually by the Board of Directors, plus an amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® Members of any Association in the State of Texas or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® member, non-Member licensees as defined in Section 2 (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, provided the Designated REALTOR® notifies the Association in writing of the identity of the Association to which dues have been remitted.
In the case of a Designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR®

holds membership, and any other offices of the firm located within the jurisdiction of this association. (Amended 1/05)

- (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 I, 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 (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.
- (2) 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) **REALTOR® Members.** The annual dues of all REALTOR® Members other than the principal, partner, or corporate officer shall be in such amount as is established annually by the Board of Directors.
- (c) **Institute Affiliate Members.** The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the National Association's REALTORS®

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$105). The National Association shall credit \$35 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35 amount will be credited to the COB, unless the Institute Affiliate Member directs that the

dues be distributed to the other association. The National Association shall also credit \$35 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe. (amended 11/2013)

- (d) **Affiliate Members.** The dues of all Affiliate Members shall be in such amount as established annually by the Board of Directors and will not exceed the dues of a REALTOR® member.
- (e) **Public Service Members.** The dues of all Public Service Members shall be in such amount as established annually by the Board of Directors and will not exceed the dues of a REALTOR® member.
- (f) **Honorary Members.** The dues of all Honorary Members shall be in such amount as established annually by the Board of Directors and will not exceed the dues of a REALTOR®.
- (g) **Realtor® Emeritus.** A Realtor® Emeritus will pay no annual dues to the Corpus Christi Association.

SECTION 3. DUES PAYABLE. Dues for all Members shall be payable annually in advance on the first day of December for the following year's annual dues. Dues are considered one (1) month delinquent if not paid by December 31st. Dues for new members shall be computed from the date of application.

- (a) In the event a sales licensee, licensed or certified appraiser who holds REALTOR® membership is terminated for non-payment of Association dues, and the individual 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 a supplemental non-Member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days of the notice of termination.

SECTION 4. NON-PAYMENT OF FINANCIAL OBLIGATIONS. If dues, fees, fines, and other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within one (1) Month after the due date, the non-paying member is suspended. Two (2) months after due date, membership of the non-paying Member may be terminated at the discretion of the Board of Directors. Three (3) Months after the due date, membership of the non-paying member will automatically be terminated. However, no action shall be taken to terminate a Member for non-payment of disputed amounts until the Board of Directors has confirmed the accuracy of the amount owed. Once a Member has been placed on suspension, all amounts due the association must be paid in full in order to reinstate Member services. A former Member who has had his membership terminated for non-payment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules, Regulations, and Policies 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. If a terminated Member wants to join the Association, he must bring all accounts current and in addition, any funds paid on behalf of attorneys or collection agents.

Section 5. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the board of directors. (Amended 1/05)

SECTION 6. NOTICE OF DUES, FEES, FINES, ASSESSMENTS AND OTHER FINANCIAL OBLIGATIONS OF THE MEMBERS. All dues, fees, fines, assessments or other financial obligations to the Association or MLS shall be sent to the delinquent Association Member in writing setting forth the amount owed and due date.

SECTION 7. The dues of REALTOR® Members who are REALTOR® Emeritus (as recognized by the National Association), Past Chairmen of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

Section 8. Audit. At the end of each year, and at any other time that the Directors may determine, the accounts shall be audited by Certified Public Accountants as designated by the Directors.

ARTICLE XI – OFFICERS AND DIRECTORS

SECTION 1. BOARD OF DIRECTORS. The Governance of the Association and the management of its affairs shall be vested in a Board of Directors of the Association who are elected by the general membership, or who have been appointed to fill a vacancy pursuant to Article XI, Section 8, of these Bylaws shall be entitled to vote. Any ex-officio member(s), as appointed by the Chairman and ratified by the Board of Directors, shall not be eligible to vote nor hold elective office in this board. As many Directors shall be elected each year as are required to fill vacancies.

- (a) In order for a Member to be eligible to serve on the Board of Directors, a Member must meet the following criteria:
- (1) Be a Member in good standing of any REALTOR® association for at least two (2) years immediately prior to the date of assuming the position of Director.
 - (2) Be a REALTOR® Member of the Association.
 - (3) Be actively engaged in the real estate business at the time of his or her election and must currently serve on a CCAR committee.
 - (4) Must attend at least two (2) Board of Director's meetings prior to election.
 - (5) Current Directors with an expiring term must apply in order to be considered for a second term.
 - (6) Qualified candidates must submit an application to the President/CEO during the months of May or June.
- (b) Not more than two Members from a given brokerage (not counting Ex Officio Directors) shall be allowed to serve on the Board of Directors at a given time. Members from the same brokerage who serve on the Board of Directors shall not be related by blood or

marriage. If an Officer/Director transfers his license from one brokerage to another during his term in office, with the result that the maximum number of two Members from a given brokerage is exceeded, that Officer or Director shall resign from their elected office effective immediately.

SECTION 2. OFFICERS. The Officers, who shall be REALTOR® members, shall be a Chairman of the Board, Chairman-Elect, Secretary/Treasurer, and Immediate Past Chairman. The Chairman and Immediate Past Chairman shall be voting Ex-Officio Directors. The Chairman shall vote only to break ties. All officers shall serve for a term of one year and may not serve more than two (2) consecutive terms in the same office.

SECTION 3. DIRECTORS. The Governance of the Association and the management of its affairs shall be vested in a Board of Directors consisting of thirteen (13) REALTOR® Members of the Association. Of the thirteen (13) Directors eleven (11) will be Regular Directors. As used herein the term Regular Director shall be defined to mean any Director with the right to vote other than the Chairman or Immediate Past Chairman. The Chairman and Immediate Past Chairman will be voting Ex-Officio Directors. Eleven (11) Regular Directors shall be REALTOR® Members and shall hold office for a three-year term or until their successors are elected and installed. Of the eleven (11) Regular Directors, one (1) will be elected from the Alice REALTORS® Committee for a full three-year term starting in 2017. Directors, as many as needed to fill vacancies, shall be elected each year at an election held for such purpose. No elected Director shall be eligible for election to more than two consecutive full terms as a Director. Any Regular Director who during his term of office becomes Chairman of the Association shall be deemed thereby to have resigned his/her office as a Regular Director and will become an Ex-Officio Director. He/she may not be re-elected as a Regular Director until he/she ceases to hold office.

SECTION 4. AUTHORITY OF OFFICERS AND DIRECTORS. There shall be no distinction between the rights and privileges of Regular Directors and voting Ex-Officio Directors. The Board of Directors is charged with the general supervision and control of the Association, a Corporation. This includes but is not limited to the formulation of matters of policy, approval of an annual budget, hiring, firing, defining the duties of, establishing the compensation of the President/CEO and other professionals such as attorney and CPA. The Association President/Chief Executive Officer and one other Officer shall countersign all checks, except when the President/Chief Executive Officer is unavailable, then two officers shall sign them.

SECTION 5 OFFICERS ELECTION AND TERM OF OFFICE. The officers of the Association shall be elected annually during the annual membership meeting. Terms of all Officers shall be one calendar year beginning on January 1st following the election at which officers are elected. No elected Officer shall be eligible for election to more than two consecutive full terms in the same office.

SECTION 6 REMOVAL OF OFFICERS OR DIRECTORS. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

- (a) A petition requiring the removal of an Officer or Director and signed by not less than 20 percent of the voting membership of the Association or a majority of all Directors shall be filed with the Chairman or if the Chairman is the subject of the petition, with the next ranking officer, and shall specifically set forth the reasons the subject thereof is deemed disqualified from further service.

- (b) Upon receipt of the petition, and not less than twenty (20) days nor more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held and the sole business of the meeting shall be to consider the charge against the Officer or Director who is the subject of the petition and to render a decision on such petition.
- (c) Notice of the special meeting shall be sent to all voting Members of the Association by mail, email or fax at least ten (10) days prior to the meeting and the meeting shall be conducted by the Chairman of the Association, unless the Chairman'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. A three-fourths vote of members present and voting shall be required for the position to be declared vacant.

SECTION 7. DUTIES OF OFFICERS.

- (a) Chairman of the Board: The Chairman shall preside over all meetings of the Board of Directors, the Management Team, and overall business meetings of the membership; shall, with the consent and approval of the Board of Directors, appoint all standing committees; execute any authorized deed, deed of trust, other documents of conveyance or debt regarding real property and other notes and liens, as needed. In the event there is a tie vote in a Board of Directors meeting, the Chairman shall cast a vote to break the tie.
- (b) Chairman-Elect: The Chairman-Elect shall when necessary perform the duties of the Chairman and shall succeed to the Chairmanship in the event of the death, disability, removal from office or resignation of the Chairman. The Vice Chairman/Chairman-Elect shall succeed to the office of Chairman upon completion of his or her elective year unless he or she has succeeded to the office of Chairman through the failure of the Chairman to fill his or her term of office for any reason, which in such case he or she shall fill the unexpired term of the Chairman and in addition shall then succeed to the office of the Chairman for a full term.
- (c) Secretary/Treasurer: The Secretary/Treasurer shall be responsible for reviewing and approving all minutes of all Directors meetings and Members meetings as prepared under the direction of the President/Chief Executive Officer; shall review financial records of the Association and present monthly financial reports to the Directors and to the members upon request; shall be responsible for ascertaining that the Association staff sends appropriate notices of meetings and elections to Directors and members.
- (d) Immediate Past Chairman: The Immediate Past Chairman is defined as being the person who last served as Chairman prior to the current Chairman, he or she shall serve on the Management Team as a voting Member and shall be a voting Ex-Officio Member of the Board of Directors, and shall have such other duties as are delegated to him or her by the Chairman or by the Board of Directors. The Immediate Past Chairman is considered an officer of the Association. The Immediate Past Chairman shall chair the Nominating Committee.

SECTION 8. MANAGEMENT TEAM.

Management Team. The Management Team shall be composed of the Chairman, Vice Chairman/Chairman-Elect, Secretary/Treasurer, Immediate Past Chairman, and the President/Chief Executive Officer. The Management Team shall have the authority to

- (a) Develop the agenda for the Board of Directors meetings;
- (b) Act for the Board of Directors in accordance with the general guidelines and policies set forth by the Board of Directors from time to time and in accordance with specific tasks;
- (c) Advise the President/Chief Executive Officer on programs, policies, and other issues.
- (d) Appoint task forces, study groups, and other groups; and
- (e) Expend up to \$5,000.00 of unbudgeted funds on one item or program with an annual limit of \$10,000.00 of unbudgeted funds.

SECTION 9. PRESIDENT/CHIEF EXECUTIVE OFFICER. The Board of Directors shall appoint a President/Chief Executive Officer to administer and supervise the business affairs, the policies of this Association, the procedures of the office, and the other functions of the Association of REALTORS® in accordance with directions from the Board of Directors. The President/Chief Executive Officer shall serve for such term and shall perform such duties and receive such compensation, as the Board of Directors shall from time to time determine. The President/Chief Executive Officer shall serve as an ex-officio Member of each committee and of the Board of Directors. It shall be the particular duty of the President/Chief Executive Officer to keep the records of the Association which shall be housed in the Association office and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Texas Association of REALTORS®. The Chief Staff Executive shall have the authority to hire, supervise, evaluate, and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors.

SECTION 10. VACANCIES AMONG THE BOARD OF DIRECTORS. Vacancies of any Officer or Director position shall be filled by appointment. The Chairman shall expeditiously recommend a candidate to fill the unexpired term of the vacant position subject to approval by the Board of Directors, except for a vacancy of the Chairman, Vice Chairman/Chairman-Elect, Secretary/Treasurer or Past Chairman. If the office of Chairman becomes vacant, the Chairman -Elect shall automatically succeed to the position of Chairman for the balance of the term. Should the office of Vice Chairman/Chairman-Elect or Secretary/Treasurer become vacant, the Board of Directors shall nominate and elect a replacement as outlined in Article XI, Section 11. Should the office of the Past Chairman become vacant, said office shall remain vacant until the next election year. Any appointee named to fill a vacancy on the Board of Directors or as an Officer shall meet the qualifications required by these Bylaws for such position.

SECTION 11. NOMINATING COMMITTEE

- (a) A local nominating committee will consist of nine (9) members. These 9 members will be selected by the Chairman of the Board, Chairman-Elect and President/CEO. They shall select two (2) members from the current Board of Directors and six (6) from the general membership. The Immediate Past Chairman will serve as the Chairman of the committee and only vote when there is a tie.
- (b) The members appointed to serve on the Nominating Committee from the Board of Directors and general membership shall not consist of more than one agent from the same brokerage, nor shall any members be related to each other. The Committee shall be ratified by the Board of Directors during the May meeting. In the event a nominated

committee member declines, the replacement committee nominee would be selected by the same process. Nominating committee members must complete and sign a confidentiality agreement and a conflict of interest statement. Members who are on the Nominating Committee are not eligible to be considered for Director or Officer positions. The Nominating Committee must interview all applicants during the first three (3) weeks of July and submit their recommended slate of candidates to the Board of Directors before the July meeting.

SECTION 12. ELECTION OF OFFICERS AND DIRECTORS

- (a) The Nominating Committee shall select one (1) candidate for each office and one (1) candidate for each vacancy to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed or, where permitted by state law, electronically transmitted to each member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least 25% of the REALTOR® members eligible to vote. Only those members who meet the criteria, filled out an application, and interviewed in front of the Nominating Committee are eligible to file a petition. The petition shall be filed with the President/CEO at least two (2) weeks before the election. The President/CEO shall send notice of such additional nominations to all members eligible to vote before the election.
- (b) The election of officers and directors shall take place at the annual membership meeting to be held during the month of August or September. Where permitted by state law, and in accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors.

The Chairman, with the approval of the Board of Directors, shall appoint an election committee of two (2) REALTOR® members to certify the results of the election. In case of a tie vote, the issue shall be determined by lot.

SECTION 13. INDEMNIFICATION OF DIRECTORS.

The Association of REALTORS® shall indemnify each Director, Officer and President/Chief Executive Officer of the Association against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such director or officer, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence of willful misconduct in performance of duty, but such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under any Bylaw, agreement, vote of member, or otherwise.

ARTICLE XII – MEETINGS

SECTION 1. ANNUAL MEETINGS. An annual meeting of the Association will be held during the month of August of September. The Board of Directors shall designate the date, place, and hour of the annual meeting.

SECTION 2. FINANCE COMMITTEE BUDGET MEETINGS. In the last quarter of every year, the Finance Committee develops the budget for the upcoming year. A copy of the proposed budget shall be provided to REALTOR® members upon request. Comments from membership are welcome.

SECTION 3. MEETINGS OF DIRECTORS. In January the Board of Directors shall designate a time and place for its regular meetings. Meeting dates are subject to change at the discretion of the Chairman. A Director may be absent from two (2) regular or called meetings. Absence from three (3) regular or called meetings in a calendar year shall be construed as resignation. Excused absences will only be granted to those who are attending TAR or NAR approved functions.

SECTION 4. COMMITTEE MEETINGS. Meetings of committees shall be held on call by their Chairmen. A quorum shall constitute those Members present, providing adequate notice of such meeting has been given. The Board of Directors shall determine committee size unless otherwise specifically stated in these Bylaws. The Chairman with the approval of the Board of Directors shall make Committee appointments at the beginning of the year. The Chairman shall fill vacancies on committees during the year as soon as possible.

SECTION 5. CALLED MEMBERSHIP MEETINGS. Called membership meetings may be held at such other times as the Board of Directors may determine, or upon the written request of at least ten percent (10%) of the REALTOR® Members eligible to vote under the terms of these Bylaws.

SECTION 6. NOTICE OF MEMBERSHIP MEETINGS. Prior to all membership meetings, written or electronic notice shall be published for every Member entitled to participate in the meeting. If a special meeting, it shall be accompanied by a statement of purpose of the meeting. Voting Members shall receive five (5) days written notice of any amendments to these Bylaws or of any other meetings at which a vote is to be taken. Such written notice shall be either by e-mail, publication in the Association newsletter (bulletin) or by letter sent to each voting member. If the notice is e-mailed, it shall be conclusively presumed that such notice was received within twenty-four (24) hours after the e-mail was sent. If such notice is sent in the Association newsletter, it shall be conclusively presumed that such notice was received within twenty-four (24) hours after the newsletter is sent. If such notice is mailed by United States mail, it shall be conclusively presumed that such notice was received by such Member within forty-eight (48) hours after such notice is deposited in the United States mail, postage prepaid, addressed to the last known address of such member. Electronic notice can be by Fax, Website posting, Bulletin Board or Email.

SECTION 7. QUORUM. A quorum for the transaction of business at a meeting of the membership shall consist of those REALTOR® Members in attendance at any regular or special meeting, providing notice of such meeting shall have been given as required.

SECTION 8. OVERTURNING DIRECTORS' DECISIONS. Actions taken or policies established by the Board of Directors, not normally requiring general membership approval, may be overturned at any general membership meeting by a vote of two-thirds (2/3) of those Members voting.

SECTION 9. VOTING. Notices for all membership meetings in which a vote will be taken shall include a ballot that may be cast by the eligible Member at the membership meeting or may be mailed by United States Mail to the Association office or may be cast by electronic voting. If written ballots are used, they must be received at the Association office by 5:00 p.m. on the 2nd business day after the membership meeting.

SECTION 10. CALLED BOARD OF DIRECTOR'S MEETING. The Chairman, Management Team or majority of Board of Directors members may call a special meeting of the Board of Directors with at least twenty-four hours (24) notice.

ARTICLE XIII – COMMITTEES

SECTION 1. STANDING COMMITTEES. The incoming Chairman shall appoint during the month of December, subject to confirmation by the Board of Directors, the following standing committees:

Finance Committee Multiple Listing Service Committee Governmental Affairs Committee
TREPAC Committee Education Committee Public Relations Committee
Alice REALTORS Committee

The incoming Chairman selects committee Members and designates all chairmen, subject to confirmation by the Board of Directors.

SECTION 2. ORGANIZATION. All committees shall be such size and shall have such duties, functions, and powers as may be assigned to them by the Chairman or Board of Directors, except as otherwise provided for in these Bylaws. The Chairman and Board of Directors shall establish lines of authority each year, except as otherwise provided for in these Bylaws. Association Members who are serving on State committees shall be appointed to the equivalent Association committee with the exception of the Nominating Committee.

SECTION 3. EX-OFFICIO MEMBERS. The Chairman and President/Chief Executive Officer shall be ex-officio Members of all committees and shall be notified of their meetings.

SECTION 4. AUTHORITY. No action of any committee shall be binding on the Association on any matter unless and until the Board of Directors thereon has approved the action of the committee.

SECTION 5. ACTION WITHOUT MEETING. Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee.

SECTION 6. ATTENDANCE by TELEPHONE. Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the Chairman and shall constitute presence at the meeting.

ARTICLE XIV – FISCAL AND ELECTIVE YEAR

SECTION 1. The fiscal year of the Association shall be January 1 through December 31.

SECTION 2. The elective year of the Association shall be January 1 through December 31.

ARTICLE XV – RULES OF ORDER

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

ARTICLE XVI – AMENDMENTS

SECTION 1. These Bylaws may be amended by a majority vote of the Members present and qualified to vote at any meeting at which proper notice has been given according to Article XII, Section 9, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

SECTION 2. Notice of all meetings at which amendments are to be considered shall be mailed by United States mail, e-mailed, or sent by other electronic transmission to every Member eligible to vote at least five (5) days prior to the meeting. Written notice of meetings at which Bylaw amendments will be voted on, whether special or regular, shall be given to each Member entitled to participate in such meeting. The notice shall state the place, day, and hour of the meeting, and shall be delivered either personally or delivered by United States mail, e-mail, or by other electronic transmission. If mailed by United States mail, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon paid.

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

SECTION 4. Amendments to these Bylaws shall be proposed for membership vote by resolution of the Board of Directors by simple majority or by the written petition of at least one-third (1/3) of all REALTOR® members, addressed to the Board of Directors, requesting that a stated amendment be submitted for vote.

ARTICLE XVII – DISSOLUTION

SECTION 1. 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 Texas Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

ARTICLE XVIII – MULTIPLE LISTING SERVICE

SECTION 1. AUTHORITY. The Association of REALTORS® shall maintain for the use of its Members a Multiple Listing Service which shall be subject to the Bylaws of the Association of REALTORS® and such Rules, Regulations, and Policies as are currently enforced or as may be hereinafter adopted.

SECTION 2. PURPOSE. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

SECTION 3. PARTICIPATION.

Any REALTOR® Member of this or any other Association who is a principal, partner, or corporate officer, or branch manager acting on behalf of the principal, without further qualification, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereto and to pay the charges incidental thereto. Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within 30 days after access has been provided. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other participants or are licensed or certified by an appropriate State regulatory agency to engage in the appraisal of real property. Association of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS "Participant". If each principal is defined as a "Participant," then each shall have a separate vote on MLS matters. Brokers or salespersons other than principals are not considered "Participants" in the Service, but have access to and use of the Service through the principal(s) with whom they are affiliated. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation," or "membership" or any right of access to information developed or published by an Association Multiple Listing Service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

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

SECTION 4. SUPERVISION. The Multiple Listing Service shall be operated under the supervision of the Multiple Listing Committee, in accordance with the Rules and Regulations, subject to approval by the Board of Directors of the Association of REALTORS®.

SECTION 5. APPOINTMENT OF COMMITTEE. The Chairman shall appoint, subject to the confirmation of the Board of Directors, a Multiple Listing Committee of fifteen (15) REALTOR® members, at least seven (7) of which shall be Designated REALTORS® and MLS Participants and the remainder shall be REALTORS® and subscribers. The committee Members shall serve three (3) year terms. The Chairman shall designate the chairman of the committee and any needed successor chairman shall be appointed in the same manner. He/she shall cast no vote except in case of a tie vote of those present.

Members of the Multiple Listing Service Committee shall be appointed for a three (3) year term beginning on the first day of the calendar year.

The Service shall be administered by the President/Chief Executive Officer of the Corpus Christi Association under the direction of the MLS Committee according to the Rules and Regulations as adopted, subject to the approval of the Board of Directors

SECTION 6. VACANCIES. The Chairman shall fill vacancies in un-expired terms.

SECTION 7. ATTENDANCE. Any committee member, who fails to attend three (3) regular or special meetings of the committee in one calendar year, shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointees.

SECTION 8. ACCESS TO COMPARABLE AND STATISTICAL INFORMATION.

Association Members who are actively engaged in real estate brokerage, management, fee appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

SECTION 9. SUBSCRIBERS. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.

CORPUS CHRISTI ASSOCIATION OF REALTORS®

(The following policy statements are informational, and not part of the Bylaws.)

Statements of Membership Policy Related to Implementation of Board of Choice that, effective upon approval by the Board of Directors, the following statements of membership policy and amendments to the Model Board Bylaws to implement the board of choice proposal be adopted.

The primary board of affiliation elected by a REALTOR® must be in the state where the REALTOR® is licensed and maintains his/her principal place of business. Licensees affiliated with a REALTOR® firm may choose as their "primary" board any board in the state where the firm maintains a "Designated" REALTOR®.

Membership shall be available in a secondary board on terms and conditions no more stringent than the requirements established in the board's Bylaws for REALTOR® and (REALTOR-ASSOCIATE® where applicable) membership. The privileges of membership shall be the same including the right to vote and hold office.

Membership will be granted to individuals who hold REALTOR® or REALTOR-ASSOCIATE® membership in their primary board without any requirement that the Designated REALTOR® they are licensed or affiliated with hold membership in the secondary board. However, MLS services will only be available if the Designated REALTOR® participates in the MLS. Board dues shall not include a national allocation since NAR dues have been paid through the member's primary board. A state allocation may only be included if the member's primary board is located in a different state.

REALTORS® shall be entitled to purchase services from boards other than their primary board without the necessity of holding membership in those boards. The individual boards will determine service fees. However, the board may require that a REALTOR® (principal) be licensed in the state as a condition of MLS participation. (Adopted 2/94; amended 11/96)

Concerning Board of Choice Across State Lines

That the membership choices currently provided under Board of Choice be expanded across state lines as follows:

Members may join a primary board across contiguous state lines. State association membership would be in the state where primary board membership is held. To become effective July 1, 1996, with optional local board adoption sooner. (Adopted 11/95)

Portability of Membership Records (Files)

In order to facilitate timely processing of applications for membership and to assist associations in determining an applicant's qualification for REALTOR® or REALTOR-ASSOCIATE® membership, associations shall, based on a request from another association, share information about current or former members. Minimum "core" member information shall include:

Previous applications for membership

All final findings of Code of Ethics violations and violations of other membership duties within the past three (3) years (when available) Pending complaints alleging violations of the Code of Ethics or alleging violations of other membership duties Incomplete or (pending) disciplinary measures Pending arbitration requests (or hearings) Unpaid arbitration awards or unpaid financial obligations to the association or its MLS

An association may, at its discretion, consider information received from other associations when determining whether an applicant satisfies the association's membership requirements as established in the association's bylaws (not to exceed NAR's Membership Qualification Criteria). (Adopted 2/96)

Clarification of the Term "Principal"

The term "principal" as used in the NAR Constitution and Bylaws and in other relevant policies, includes licensed or certified individuals who are sole proprietors, partners in a partnership, officers or majority shareholders of a corporation, or office managers (including branch office managers) acting on behalf of principals of a real estate firm. (Adopted 11/96)

Secondary Membership in a Board/Association

When a member has joined a primary association and paid local, state, and national dues, secondary membership may be held in a local association in another state (provided the applicant meets all of the qualifications for membership) without holding membership in that state association, or alternatively, secondary membership may be held directly in the state association without holding membership in a local association in that state. (Adopted 11/96)

Membership Requirements Related to Multiple Office Locations

When considering an applicant for REALTOR® membership who is a principal in a real estate firm, associations have an obligation to determine that all of the principals of the real estate firm who are actively engaged in the real estate business in the state are either applying for or already hold REALTOR® membership (or Institute Affiliate membership, if applicable) in a board or association. (Adopted 11/96) If an association (local, state, national) is notified by another association that a REALTOR® member has an office location elsewhere in the state that is not functioning as a "REALTOR®-office" (i.e., licensees affiliated with the office are not members or are not accounted for under the DR dues formula) the association where the REALTOR® holds primary membership shall be responsible, in cooperation with the state and national associations, for ensuring compliance with applicable membership policies (i.e., that said licensees hold membership in the REALTOR®'s primary association - or some other association in the state where the firm maintains a designated REALTOR® presence - or that dues have been paid to an association based on non-member licensees affiliated with the office. (Adopted 11/96)