
BYLAWS OF THE OUTER BANKS ASSOCIATION OF REALTORS[®], INC.

The Outer Banks Association of REALTORS[®] Bylaws is the primary governing document of the Association. These Bylaws may only be changed by a Vote of REALTOR[®] members at a meeting properly called, with a qualifying quorum present.

(National Association of REALTORS[®] mandatory bylaws language is highlighted in yellow)

Last Revision November 2020

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BYLAWS OF THE OUTER BANKS ASSOCIATION OF REALTORS®, INC.

ARTICLE I - NAME

Section 1 Name. The name of this organization shall be the Outer Banks Association of REALTORS®, Incorporated, hereinafter referred to as the "Association".

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 North Carolina Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

Section 6. To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® and REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE III - JURISDICTION

Section 1 Territorial Jurisdiction of the Association. The territorial jurisdiction of the Association as a member of the NATIONAL ASSOCIATION OF REALTORS® is: NORTHERN BOUNDARY - Beginning at the Currituck Sound and proceeding across the boundary line where the Poplar Branch Township Outer Banks limits meets the Fruitville Township line to the Virginia state line; EASTERN BOUNDARY - The Atlantic Ocean; SOUTHERN BOUNDARY - The Southernmost Boundary of Dare County; WESTERN BOUNDARY - The Westernmost Boundary of Dare County proceeding north up the Currituck Sound to the western boundary of the Currituck area of the Fruitville Township.

Section 2. Within the territorial jurisdiction:

The Association shall have 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

There shall be three classes of members as follows:

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

(1) Individuals who, as sole proprietors, partners, or 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 in the state of North Carolina or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® membership only, and each is required to hold REALTOR® membership (except as provided in the following paragraph) in an Association of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate membership 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 Association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate membership as described in Section 1(b) of Article IV.

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

(2) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR *Constitution and Bylaws*. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to Association-mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local Association, state Association and National Association.

(3) Primary and Secondary REALTOR® Members. An individual is a primary member if the Association pays state and National dues based on such member. An individual is a secondary member if state and National dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as their "primary" Association.

(4) 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 mediate and 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 for REALTOR® membership established in Article V, Section 2, of the Bylaws.

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

ARTICLE V - QUALIFICATION AND ELECTION

Section 1 Application.

An application for membership shall be made in such manner and form and shall contain such representation 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 of membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitution, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and, if elected a member, will abide by the Constitution 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 mediate and 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 applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2 Qualifications.

(a) An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association, through its membership committee or otherwise, that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's-in-charge or broker's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® membership, shall at the time of application be associated either as an employee or as an independent contractor with a Designated REALTOR® member of the Association or a Designated REALTOR® member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

(c) The Association, through its Board of Directors 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 this or any other REALTOR® 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
7. Any misrepresentation made on the application

Section 3 Election. The procedure for election to membership shall be as follows.

(a) Applicants for REALTOR® membership shall be granted membership immediately upon submission of a completed application form, remittance of applicable Association dues, and application fee. Applicants shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. 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 including completion of the orientation course and induction into membership within sixty (60) days from the Association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated.

(b) The annual dues shall be prorated from the first day of the month in which application is made and shall be non-refundable unless the Association's Board of Directors terminates the individual's membership in accordance with Subsection (a) above. 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.

(c) The Board of Directors may not terminate any membership without providing the member with advance notice, 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 membership should be terminated, it shall record its reasons with the Executive Officer. If the Board of Directors believes that termination of membership may become the basis of litigation and a claim of damage by a member, it may specify that termination 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 termination violates no rights of the individual.

Section 4 New Member Code of Ethics Orientation. Applicants for REALTOR® membership shall complete an orientation program on the Code of Ethics of not less than two (2) hours and (30) thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership who have completed comparable orientation in another Association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within sixty (60) days of the date of application will result in denial of the membership application or termination of membership.

Section 5 Continuing Member Code of Ethics Training. Effective January 1, 2019 through December 31, 2021, and for successive three-year periods thereafter, each REALTOR® member of the Association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another

REALTOR® Association, the NORTH CAROLINA ASSOCIATION OF REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another Association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three (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) 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.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

Section 2 Privileges of REALTOR® Members. REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS®; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

Section 3 Obligations of Members. It shall be the duty and responsibility of every REALTOR® member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, and 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 mediate and 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 the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended.

Section 4 Discipline of Members. Any REALTOR® member of the Association may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the *Code of Ethics and Arbitration Manual* of the Association, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.

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 Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics of 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 Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 5 Resignations of Members. Resignations of members shall become effective when received in writing by the Board of Directors, provided, however, that if any member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries,

the Association may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed.

Section 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®. No Institute Affiliate member may be granted the right to use the term REALTOR® or use the REALTOR® logo, to serve as President of the Association, or to be a Participant in the 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 Certification by REALTOR®. "Designated" REALTOR® members of the Association shall certify to the Association during the month of September, and at other times as requested by the Association, on a form provided by the Association, a complete listing of all individuals licensed or certified with the REALTOR®'s firm(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s firm(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 the firm(s) within thirty (30) days of the date of affiliation or severance of the individual. A fine may be imposed, as determined by the Board of Directors, on any Designated REALTOR® that fails to meet these requirements.

Section 9 Lifetime Members. A REALTOR® who has been a member of the Association for a minimum of twenty-five years (25) will be considered a "Lifetime REALTOR® member" and recognized as such at a regularly scheduled General Membership Meeting. Recognition will include presentation of a 25 Year Service Pin, and as a special guest at that same meeting, no entry fee will be charged for their meeting attendance. Any REALTOR® so qualified will retain all rights and obligations of REALTOR® membership, with the additional qualification of having now met the Association's Lifetime Member requirements. *(Amended 11/2014)*

Section 10 Harassment. Any member of the Association may be reprimanded, placed on probation, suspended, or expelled for harassment of an Association or MLS employee or Association officer or director after an investigation in accordance with the procedures of the Association. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President Elect and 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, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

ARTICLE VII - ENFORCEMENT OF THE CODE

Section 1. The responsibility of the Association and of Association members relating to the enforcement of the Code of Ethics, the disciplining of members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Section 2. 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, which by this reference is made a part of these Bylaws.

ARTICLE VIII – REALTOR TRADEMARK®

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

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

Section 2. REALTOR® members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

Section 3. A REALTOR® principal member may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members as described in Section 1(b) of Article IV.

In the case of a REALTOR® principal member whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

Section 4. Institute Affiliate members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

Section 1. The Association shall be a member of the NATIONAL ASSOCIATION OF REALTORS® and the North Carolina Association of REALTORS®. By reason of the Association's membership, each REALTOR® member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the North Carolina 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 its members agree to abide by the *Constitution*,

Bylaws, Rules and Regulations, and policies of the National Association and the North Carolina 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 reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the Association upon final approval of the application.

Section 2 Dues.

(a) Designated REALTOR® Members Dues. The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any Association in the state or contiguous state thereto or Institute Affiliate members of the Association. In calculating the dues payable to the Association by a designated REALTOR® member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the designated REALTOR® has paid dues based on said non-member licensees in another Association in the state or a state contiguous thereto, provided the designated REALTOR® notifies the Association in writing of the identity of the Association to which dues have been remitted. In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.

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

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the Association on a form approved by the Association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, renting, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes for this Section and shall not be included in calculating the annual dues of the designated REALTOR®. Designated REALTORS® shall notify the Association within three (3) days of any change in status of licensees in a referral firm.

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

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

(b) REALTOR® Members Dues. The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the Board of Directors.

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

(d) Affiliate Members Dues. The annual dues of each Affiliate member shall be as established annually by the Board of Directors.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1 Officers. The elected officers of the Association shall be: A President, a President Elect, a Secretary, and a Treasurer. They shall be elected for terms of one (1) year.

Section 1.1 Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. The President shall be an ex-officio member of all standing committees and shall be notified of their meetings.

Section 2 Executive Committee. The Executive Committee shall be made up of the President, President Elect, Immediate Past President, Secretary and Treasurer.

Section 2.1 Duties of the Executive Committee. The duties of the Executive Committee are to advise and assist the President; to perform research for the Board, as requested. The Executive Committee shall be responsible for overseeing the performance and continued employment of the Executive Officer.

Section 3 Board of Directors. The governing body of the Association shall be a Board of Directors consisting of the elected officers, the Immediate Past President of the Association, six (6) elected REALTOR® At Large member Directors, one (1) elected Property Manager Director, and one (1) elected Tourism Board Member Director. The Property Manager Director shall serve a one (1) year term. The Tourism Board Member Director shall serve a two (2) year term. REALTOR® At Large Directors shall serve staggered terms of two (2) years. All Directors shall be REALTORS® who have, within the past seven years (7), served on either a committee or on the Board of Directors of a REALTOR® Association.

Section 3.1 Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors. Capital expenditures in excess of 5% of the annual budget may not be made unless authorized by a majority vote of a quorum of the Association members.

Section 4 Election of Officers and Directors.

a) At least two (2) months before the annual election, a Certifying and Recruiting Committee of seven (7) REALTOR® members shall be appointed by the President with the approval of the Board of Directors. No member of the Certifying and Recruiting Committee may run for an officer or director position. At least three (3) weeks prior to the Certifying and Recruiting Committee's first meeting, a request for applicants for open positions on the Board shall be sent out to all members. The Certifying and Recruiting Committee shall certify candidates for each officer and director position to be filled on the Board. Tourism Bureau Director candidates will be determined by the number required by the Dare County Commissioners. The report of the Certifying and Recruiting Committee shall be mailed, via mail, e-mail, or fax, to each member eligible to vote at least four (4) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least ten per cent (10%) of the REALTOR® members eligible to vote. The petition shall be filed at least two (2) weeks before the election with the Executive Officer, who shall certify all signatures and candidate qualifications in accordance with these Bylaws and the Policies of the Association. The Executive Officer shall send notice of such additional nominations to all members eligible to vote before the election.
(Amended 11/2019)

(b) The election of Officers and Directors shall take place in conjunction with the annual meeting, or where permitted by state law, and in accordance with applicable state requirements, election of officers and Directors may be conducted by electronic means, in accordance with procedures established by the Board of Directors.

(c) The President, with the approval of the Board of Directors, may appoint an Election Committee consisting of three (3) active Past Presidents of the Association, who are not candidates in the election, to conduct the election. In case of a tie vote, the issue shall be determined by lot.

(d) The President Elect shall succeed to the office of President. The President Elect shall perform the duties of the President in the event of his/her absence or disability and shall have such other powers and duties as may be prescribed by the Board of Directors, the Executive Committee, or the President. The President shall succeed to the office of Immediate Past President. In the absence of the President and President Elect, the Immediate Past President would assume all duties.

Section 5 Vacancies.

(a) In the event of a vacancy in the office of the President, the President Elect shall fill the vacancy and complete the unexpired term. The President Elect who fills a vacancy in the office of President shall automatically become President for a full term after completion of the unexpired term.

(b) In the event of a vacancy in the office of Immediate Past President, the President, with the approval of a majority of the remaining members of the Board of Directors, may appoint a former President who meets the qualifications for service on the Board of Directors.

(c) All other vacancies among the officers and the Board of Directors shall be filled by members that qualify for the position and a simple majority vote of the Board of Directors until the next annual election.

Section 6 Removal of Officers and 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 one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the officer or director, and to render a decision on such petition.

(c) The special meeting shall be noticed to all voting members at least ten (10) days prior to the meeting, and shall be conducted by the President of the 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 vote of members present, and voting shall be required for removal from office.

Section 7 Executive Officer. There shall be an Executive Officer who shall be the chief administrative officer of the Association. The Executive Officer 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. The Executive Officer shall keep in Association with the Secretary of the Association, all records of the Association and shall carry on all necessary or appropriate correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the North Carolina Association of REALTORS®.

ARTICLE XII - MEETINGS

Section 1 Annual Meetings. The annual meeting of the Association shall be held during October of each year, the date, place, and hour to be designated by the Board of Directors.

Section 2. Other Meetings. Meetings of the members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least ten per cent (10%) of the members eligible to vote.

Section 3. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings. Absence from three regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation. Meetings of the Board of Directors may be held at other times as the President may determine, or upon the written request of at least four (4) Directors and/or officers. Notice of such a meeting, including a statement of purpose of the meeting, shall be given to all Directors and officers at least one (1) week preceding such meetings.

Section 4 Notice of Meetings. Written notice via mail, e-mail, fax, or calendar listing on the Association's website, shall be given to every REALTOR® member entitled to participate in the meeting at least ten (10) days preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 5 Quorum. A quorum for the transaction of business shall consist of ten per cent (10%) of the members eligible to vote.

Section 6 Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

Section 7 Action without Meeting. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors. The consent shall be evidenced by one or more written approvals, each of which sets for the action taken and bears the signature of one or more Directors. All the approvals evidencing the consent shall be delivered to the Executive Officer to be filed in the corporate records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date.

ARTICLE XIII - COMMITTEES

Section 1 Committees. The President shall appoint from among the REALTOR® members, enough committees and committee members to carry out the objectives and programs of the Association subject to confirmation by the Board of Directors.

Section 2 Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, special committees and their chairs as deemed necessary. Each Chair shall appoint, subject to confirmation by the President, members for their committee consistent with the Bylaws and Policies of the Association.

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

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

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

ARTICLE XV - RULES OF ORDER

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 a quorum is present, 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 that are mandated by NAR policy.

Section 2. Notice of all meetings at which amendments are to be considered shall be delivered, via mail, e-mail, or fax, to every member eligible to vote at least ten (10) days prior to the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate members, the use of the 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®.

ARTICLE XVII - DISSOLUTION

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

ARTICLE XVIII - MULTIPLE LISTING

Multiple Listing Service Operated as a Committee of the Association

Section 1 Authority. The Outer Banks Association of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be subject to the Bylaws of the Outer Banks Association of REALTORS® and such Rules and Regulations 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 the other Participants (acting as subagents, buyer agents, or in other agency or non-agency 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 data bases; 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® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm 'offers or accepts cooperation and compensation' means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going 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.

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 on a nondiscriminatory manner to all Participants and potential Participants.

Section 4 Supervision. The activity shall be operated under the supervision of the Multiple Listing Committee, in accordance with the Rules and Regulation, subject to approval of the Board of Directors.

Section 5 Appointment of Committee. The President shall appoint, subject to confirmation by the Board of Directors, a Multiple Listing Committee of a minimum of nine (9) members or the number that is equivalent to one per cent (1%) of total membership. (11/2013)

Section 6 Vacancies. Vacancies in unexpired terms shall be filled as in the case of original appointees.

Section 7 Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.