

BYLAWS OF THE LONGMONT ASSOCIATION OF REALTORS®, INC.

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BYLAWS OF THE LONGMONT ASSOCIATION OF REALTORS®, INC.

(Adopted date 3/29/2021)

ARTICLE I – NAME

Section 1. Name. The name of this organization shall be the Longmont Association of REALTORS®, Inc.¹, hereinafter referred to in these Bylaws as the "Association". The Board of Directors may change the name of this organization in accordance with the policies of the NATIONAL ASSOCIATION OF REALTORS® and Colorado law without the necessity of a membership vote.

Section 2. REALTORS®. 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.

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

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

ARTICLE III – JURISDICTION

Section 1. The territorial jurisdiction of the Association as a member of the NATIONAL ASSOCIATION OF REALTORS® is the following areas:

(a) **The Boulder Area:**

Northern Boundary: Beginning at the northwest corner of Section 13, T2N, R74W, thence east to the northeast corner of Section 13, T2N, R71W, thence south to the southeast corner of Section

¹ In early 2021, the Longmont Association of REALTORS® merged with the Boulder Area REALTOR® Association. These are the Bylaws of the post-merger entity. If the Board of Directors change the name of this Association, then these Bylaws will be updated to reflect the new legal name of the Association.

36, T2N, R71W, thence east to the northeast corner of Section 1, T1N, R69W.

Eastern Boundary: thence south along the Boulder County-Weld County line to the southeast corner of Section 24, T1S, R69W, thence west to the southeast corner of Section 21, T1S, R69W, thence south to the southeast corner of Section 33, T1S, R69W.

Southern Boundary: thence westerly along the Boulder County-Jefferson County and Boulder County-Gilpin County line to the western boundary of Section 28, T1s, R74W.

Western Boundary: thence northerly along the Boulder County-Grand County line to the point of beginning. Including the communities of Boulder, Lafayette, Louisville, Erie, and Nederland.

(b) **The Longmont Area:**

Northern Boundary: Beginning at the Northwest corner of Section 3, T3N, R71W, of the 6th P.M., said point lying on the Larimer-Boulder County line; thence East along said Larimer-Boulder line to the Northeast corner of Section 1, T3N, R69W, said corner being the point of intersection of the Larimer-Boulder-Weld county lines; thence North along the Larimer-Weld County line to the NE corner of Section 3, T4N, R68W, said point being the approximate intersection of Weld County Road 50 and Interstate Highway 52;

Eastern Boundary: Thence south to the Southeast corner of Section 35, T1N, R68W, said point lying on the Weld-Adams County line and being the approximate intersection of Weld County Road 2 and Interstate 25.

Southern Boundary: Thence West along the Weld-Adams County Line to the Southwest corner of Section 31, T1N, R68W, said point being the intersection of Weld, Adams and Boulder Counties; and the approximate intersection of Weld County Road 2 and Weld County Road 1; thence North along the Boulder-Weld County Line to the Southeast corner of Section 36; thence West along the South line of corresponding section lines to the SW corner of Section 31, T2N, R70W at the approximate centerline of Highway 36; thence North to the SW corner of Section 6, T2N, R70W; thence West along the South line of corresponding sections to the Southwest corner of Section 6, T2N, R72W.

Western Boundary: Thence North to the West Quarter corner, Section 6, T2N, R72W; thence East along the centerline of corresponding sections to the West Quarter corner of Section 4, T2N, R72W; thence North to the Northwest corner of said Section 4; thence East to the NE corner of said Section 4; thence North along section lines to the NE corner of Section 15, T3N, R72W; thence east to the NE corner of said Section 15; thence North to the NW corner of Section 11, T3N, R72W; thence East along the North line of corresponding sections to the NE corner of Section 9, T3N, R71W; thence North to the Point of beginning.

Including the communities of Longmont, Lyons, Hygiene, Niwot, and Mead, all within the Counties of Boulder and Weld, State of Colorado.

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

There shall be four classes of members, as follows.

Section 1. REALTOR® Members. REALTOR® Members, whether primary or secondary shall be:

- (a) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting, or leasing, managing, appraising for others for compensation, counseling, building, developing, or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Colorado 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.

NOTE: REALTOR® members may obtain membership in a "secondary" association in another state.

- (b) 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.
- (c) 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.
- (d) 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.
- (e) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the association) pursuant to Article 17 of the Code of Ethics and the payment of association dues 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.
- (f) Chief Elected Officer of the State Association. The current chief elected officer of the COLORADO 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®.

Section 2. Institute Affiliate Members. Institute Affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society, or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership.

Section 3. 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. Affiliate membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

Section 4. 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

Section 1. Application. An application for membership shall be made in such manner and form as may be prescribed by the board of directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant:

(1) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the association, the State and National Associations, and if elected a member, will abide by the Constitutions and Bylaws and Rules and Regulations of the association, State and National Associations and, if a REALTOR® member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate (or to mediate if required by the association) 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. Qualification.

- (a) An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association, through its membership committee or otherwise:
- (i) that they are actively engaged in the real estate profession, and
 - (ii) maintains a current, valid real estate broker's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property,

- (iii) has a place of business within the state or a state contiguous thereto (unless a secondary member),
- (iv) has no record of recent or pending bankruptcy proceeding within three (3) years of the date of the application for membership*,
- (v) has no record of official sanctions involving unprofessional conduct**,
- (vi) 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 by the committee, and
- (vii) shall agree that if elected to membership, they will continuously abide by such *Constitution*, Bylaws, rules and regulations, and Code of Ethics.

* If the applicant or the applicant's real estate firm is named as a debtor in such bankruptcy proceeding, membership may not be denied unless the Association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the applicant pay cash in advance for association dues and MLS fees for up to one (1) year from the date that membership is approved. In the event that an existing member initiates bankruptcy proceeding, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

**No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider:

A. A record of civil judgments imposed within the past seven (7) years involving judgements of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities

B. A record of criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, must provide, and the Association must consider, mitigating factors relating to that criminal history in accordance with the NATIONAL ASSOCIATION OF REALTORS®'s Membership Qualification Criteria for REALTOR® Applicants that are Principals. A crime that "reasonably relates to the real estate business" includes those affecting the applicant's ability to fulfill the responsibilities and obligations of a real estate professional and uphold the REALTOR® Code of Ethics. A crime that reasonably "puts clients, customers, or other real estate professionals at risk" includes those involving dishonest, deceptive, or violent acts.

Article IV, Section 2, of the NAR *Bylaws* prohibits Member Boards from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another association of REALTORS® for violation of the Code of Ethics.

- (b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® membership, shall at the time of application
 - (i) 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
 - (ii) 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,
 - (iii) has no record of official sanctions involving unprofessional conduct*,
 - (iv) 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
- (v) shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the membership committee, and
 - (vi) shall agree in writing that if elected to membership they will abide by such *Constitution*, Bylaws, rules and regulations, and the Code of Ethics.

*No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider:

A. A record of civil judgments imposed within the past seven (7) years involving judgements of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities

B. A record of criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, must provide, and the Association must consider, mitigating factors relating to that criminal history in accordance with the NATIONAL ASSOCIATION OF REALTORS®'s Membership Qualification Criteria for REALTOR® Applicants that are Principals. A crime that "reasonably relates to the real estate business" includes those affecting the applicant's ability to fulfill the responsibilities and obligations of a real estate professional and uphold the REALTOR® Code of Ethics. A crime that reasonably "puts clients, customers, or other real estate professionals at risk" includes those involving dishonest, deceptive, or violent acts.

(c) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in 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 this or any other REALTOR® association or REALTOR® association MLS
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm

"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 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 they will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. Election

- (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 90 days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. 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, they 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 their behalf, to be represented by counsel, and to make such statements as they deem relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- (d) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.
- (e) The chief staff executive shall immediately notify the applicant of the decision of the Board of Directors.

Section 4. New Member Code of Ethics Orientation

- (a) Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an approved orientation program on the Code of Ethics of four (4) hours of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable, approved orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.
- (b) Failure to satisfy this requirement within 90 days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

Section 5. REALTOR® Code of Ethics Training. Effective January 1, 2019, through December 31, 2021, and for successive three-year periods thereafter, each REALTOR® member of the Association (except for REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three-year cycle shall not be

required to complete additional ethics training until a new three-year cycle commences.

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

Section 6. Status Changes

- (a) A REALTOR® who changes the conditions under which they hold membership shall be required to provide written notification to the association within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which they have been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within sixty (60) 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.

A REALTOR® (or REALTOR-ASSOCIATE®, where applicable) 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 sixty (60) 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.

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

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

ARTICLE VI – PRIVILEGES AND OBLIGATIONS

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

Section 2. Any member of 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 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 membership committee, or upon recommendation by a hearing panel of the professional standards committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with

or adverse to the objectives and purposes of the Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. 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 OF REALTORS®.

Discipline imposed on secondary members may be the same but shall not exceed the discipline that may be imposed on primary members except that direct suspension may also be utilized.

Section 4. Resignations of members shall become effective when received in writing by the Board of Directors, provided, however, that if any member submitting the resignation is indebted to the 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 5. If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Association with respect to disposition of the complaint is final by this Association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all REALTOR® boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

Section 6. 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, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member or unless connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself/herself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply.

Removal of an individual from any form or degree of management control must be certified to the

Association by the member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former member is admitted to membership in the association. The foregoing is not intended to preclude a suspended or expelled member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed or affiliated as independent contractors with the disciplined member shall suspend or terminate during the period of suspension of the disciplined member or until readmission of the disciplined member, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® member (non-principal) elects to sever their connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the Association, whichever may apply.

If a REALTOR® member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® 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 6(b) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® member and they shall be advised that the provisions in Article VI, Section 6(b) shall apply.

Section 7. Institute Affiliate Members. Institute Affiliate members shall have rights and privileges and be subject to obligations prescribed by the board of directors consistent with the *Constitution and Bylaws* of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate members except that no Institute Affiliate member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as Chair of the Association; or to be a participant in the Association's multiple listing service.

Section 8. Affiliate Members. Affiliate members shall have rights and privileges and be subject to obligations 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 REALTOR®. "Designated" REALTOR® members of the Association shall certify to the Association once per year on a form provided by the association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if designated REALTOR® dues have been paid to another association based on said non-member licensees, the designated REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® members shall also notify the association of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

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 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 Colorado law.

Section 2. It shall be the duty and responsibility of every REALTOR® 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, 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. In addition to the Code of Ethics and Arbitration Manual, the Association may prescribe such additional procedures for binding arbitration as are not in conflict with the Manual which procedures shall be in conformance with Colorado law and practice governing arbitration of disputes including, but not necessarily limited to, the Uniform Arbitration Act in Colorado, Rule 109 of the Colorado Rules of Civil Procedure. The Association shall require the Chief Executive Officer to maintain at the Association office a current and complete edition of the Manual and all other documents, forms and correspondence prescribed by either the NATIONAL ASSOCIATION OF REALTORS® or Colorado law for use in professional standards and arbitration matters which shall be available for copying and review by the membership during regular business hours.

Section 3. Optional mediation of arbitrable disputes using the procedures set forth in the current Code of Ethics and Arbitration Manual. The Association has authorized the Chair and Chief Executive Officer to implement mediation procedures by the appointment of such Mediation Officers and commencement of such other procedures as are set forth in the Manual. Mediation Officers appointed by the Chair are REALTOR® members who do not serve as members of the Association's Grievance Committee and who have not previously reviewed the case which is proposed for arbitration. Mediation shall not preclude binding arbitration and shall not be a prerequisite to binding arbitration.

Section 4. The Optional Expedited Administration Procedures set forth in Section 20 (f – q) of the current Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS® have been adopted by the Board of Directors and may be used in appropriate cases.

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

In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® 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 COLORADO 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 COLORADO 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 OF REALTORS®, or upon a determination by the NATIONAL ASSOCIATION OF REALTORS®'s board of directors that the Association 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 OF REALTORS® and the COLORADO 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. The annual dues of members shall be as follows.

- (a) **REALTOR® Members.** The annual dues of each designated REALTOR® member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any association in the state or a state contiguous thereto or Institute Affiliate members of the Association. In calculating the dues payable to the Association by a designated REALTOR® member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state

contiguous thereto, provided the designated REALTOR® notifies the Association in writing of the identity of the association to which dues have been remitted. In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.

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

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

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

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

- (b) **REALTOR® Members.** 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.** The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: The Institutes, Societies, and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate members (\$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.

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

(e) **Honorary Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 3. Dues Payable. Dues for all members shall be payable as established in the Association policies.

In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the designated REALTOR®'s firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2 a) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days of the notice of termination.

Section 4. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Association are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had their membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other rules and regulations of 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.

Section 5. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors.

Section 6. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the Association shall be noticed to the delinquent association member in writing setting forth the amount owed and due date.

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

NOTE: A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the Association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the National Association), past Chairs and past treasurers of the NATIONAL ASSOCIATION OF REALTORS®, and recipients of the Distinguished Service Award of the NATIONAL ASSOCIATION OF REALTORS®, who are REALTOR® members of the Association. The dues obligation of such individuals to the local association should be reduced to reflect the reduction in the Association's dues obligation to the NATIONAL ASSOCIATION OF REALTORS®. The Association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the Association to the State Association are

reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the Association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the local association.

Section 8. Assessments for Operating Activities. In addition to the dues provided for herein, the Board of Directors is authorized to impose such special assessments, applicable for the that calendar year (or the remainder thereof) only, as the Board of Directors in its sole and absolute discretion, may deem necessary for the purpose of defraying, in whole or in part, the corporation's operating expenses in fulfillment of the objectives of the corporation and its membership as those objectives are generally set forth in Article II. Such assessment(s) for operating activities may be imposed by the Board of Directors only upon the affirmative vote of not less than a three-fourths (3/4) majority of all Directors. The assessment shall be uniform as to all members, regardless of category (except affiliate and honorary, which categories shall not be subject to the assessments provided for in this Section 4), specify the reason therefore and establish a due date for payment thereof. Prior to imposing an assessment for operating activities, the Board of Directors shall provide the membership with written notice of its meeting to consider the assessment at least fifteen days in advance of the meeting wherein the assessment will be considered and voted upon by the Directors.

Section 9. Transfer Fee. A Transfer Fee, established annually by the Board of Directors, shall be assessed all members who transfer from one firm to another.

Section 10. Reinstatement Fee. A Reinstatement Fee, established annually by the Board of Directors, shall be assessed all member who requests reinstatement after having been suspended from membership for any reason.

Section 11. Delinquencies. All monies owed the Association, except annual dues, shall be considered delinquent thirty (30) days after the date of the initial invoice.

Section 12. Notice of Dues, Fees, Fines, Assessments and Other Financial Obligations of Members. All dues, fees, fines, assessments or other financial obligations to the Association shall be invoiced to the delinquent member in writing setting forth the amount owed and due date.

ARTICLE XI – DIRECTORS AND OFFICERS

Section 1. Board of Directors. The governing body of the Association shall be a Board of Directors comprised of at least nine (9) and no more than thirteen (13) Directors, inclusive of the Chair, Chair-Elect, and Immediate Past Chair, that shall be elected as described in this article.

- (a) **Terms.** Directors shall be elected to serve for terms of three (3) years, except that at the Association's formation, one-third of the Directors shall be elected for terms of one (1), two (2), and three (3) years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, each year, the number of elected will be the amount required to fill the vacancies.
- (b) **Qualifications.** Each Director must be an active member, in good standing, of the Association, and must meet any other qualifications for eligibility as determined by the Board of Directors and described in the Association policies.
- (c) **Geographic representation.** The Board of Directors must be comprised of three directors per each of the three geographic regions described in Article III Section 1 of these Bylaws.
- (d) **Election.** A nominating committee shall select directors according to procedures the Board of Directors adopts, after which the Board of Directors shall elect those directors.

Section 2. Officers. The Officers of the Company will be the Chair, Chair-Elect, and Immediate Past Chair. The Officers shall be elected for terms of one year. The chief staff executive will serve in ex-officio, non-voting role as the Secretary/Treasurer of the Association. 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 and as described in these Bylaws, and the Association policies.

- (a) **Chair.** The Chair will serve as the President of the Association for state law purposes and will preside at meetings of the Directors and carry out the duties specified described in these Bylaws and as may be assigned or delegate to the Chair by the Board of Directors. The Chair shall automatically succeed to the office of Immediate Past Chair upon completion of their term as Chair.
- (b) **Chair-Elect.** The Chair-Elect shall be elected by the Directors from among the Directors currently serving on the Board as of the date of the election. The Chair-Elect shall automatically succeed to the office of Chair upon the completion of their term as Chair-Elect. In the absence of the Chair, the Chair-elect shall exercise the duties and prerogatives of the Chair.
- (c) **Immediate Past Chair.** In the event the Immediate Past Chair is unavailable to serve, the current Chair may appoint a Past Chair to perform the duties of the Immediate Past Chair. The appointment shall be subject to the approval of the Board of Directors.
- (d) **Secretary/Treasurer.** The Secretary/Treasurer will keep and maintain, or cause to be kept and maintained, full and accurate books and records of the Association; carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the COLORADO ASSOCIATION OF REALTORS®, and) in general, perform all other duties assigned from time to time by the Chair or by the Board of Directors.

Section 3. Authority as Agent Limited. No Director or Officer shall be an agent of the Board of Directors or of the Association, except to the extent that the Board of Directors has expressly authorized the agency. Unless otherwise specifically directed and authorized by the Directors, the spokesperson for the official policy of the Association shall be vested solely in the office of the Chair. Neither Director members, salaried employees, nor Officers other than the Chair shall have express, implied or apparent authority to speak publicly on policy matters on behalf of the Association.

Section 4. Vacancies. In the event of any vacancy on the Board of Directors, whether due to resignation, death, or removal, the Board of Directors shall fill the vacancy by a simple majority vote. The Director selected to fill the vacant seat shall serve out the remaining term of the Director who previously held the same seat or office.

Section 5. Resignation. A Director may resign at any time upon written notice to the Association. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time was specified, then at the time of receipt by the Board of Directors. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. The vacancy shall be filled in accordance with Section 4 of this Article.

Section 6. Removal of Officers and Directors.

- (a) **By Membership.** 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:
 - (i) 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 Chair, or if the Chair 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.
 - (ii) 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.

(iii) 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 Chair of the association unless the Chair'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.

- (b) **By the Directors.** The Directors may remove any Director or Officer, with or without cause, by a three-fourths majority vote, subject to this section. Directors and Officers may only be removed for cause after specific allegations are provided in writing to the Director of Officer, adequate notice is provided, and the Director or Officer is provided with opportunity to refute or explain the allegations.

Section 7. Chief Staff Executive. The Board of Directors shall appoint, and the Association shall employ a chief staff executive, who shall be the chief administrative officer of the Association. The chief staff executive will be responsible for the day-to-day operations of the Association and 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 chief staff executive must not be a Director.

ARTICLE XII – MEETINGS OF THE DIRECTORS

Section 1. Meetings of Directors. The Board of Directors shall designate a regular time and place of board meetings. The Directors shall meet at a frequency to be determined by the Board of Directors. Meetings may be called by (i) the Chair, (ii) the Chief Staff Executive, or (iii) five (5) or more Directors.

Section 2. Notice of Meetings. Notice of the time and place of meetings shall be given to each Director in accordance with Association policies.

Section 3. Quorum. A quorum for the transaction of business shall be at least two-thirds of all Directors then in office, except as may otherwise be required by state law.

Section 4. Other Meetings. Other meetings of the Directors, including special or emergency meetings, may be called on no less 24 hours' prior notice, to all Directors, provided at least three-fourths of all Directors then in office must be present to convene such a meeting. The only business properly before this type of meeting is that business disclosed in the notice of the meeting, except in that a majority of Directors may consent to consider other business.

Section 5. Actions. Except as otherwise provided in these Bylaws, all actions and decisions by the Directors shall be by affirmative vote of a majority of the Directors present or taking part in the decision. Each Director shall cast one vote, including the Chair.

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

Section 7. Meetings Not in Person. Directors may participate in any meeting through the use of a conference telephone, video/virtual conferencing technology, or similar means so long as all persons participating in the meeting can participate and hear each other. Such participation shall be at the discretion of the Chair and shall constitute presence at the meeting.

ARTICLE XIII – MEETINGS OF THE MEMBERS

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

Section 2. Other Meetings. Any other meetings of the members may be held at other times as the Chair or the Board of Directors may determine, or upon the written request of at least 10% of the members eligible to vote.

Section 3. Notice of Meetings. Written notice shall be given to every member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 4. Electronic Transaction of Business. To the fullest extent permitted by law, the members may conduct business by electronic means.

Section 5. Quorum for Membership Meetings. A quorum for the transaction of business at general and/or special meetings of the membership shall consist of 5% of the members eligible to vote, except as may otherwise be required by state law.

Section 6. Meetings Not in Person. Members may participate in any meeting through the use of a conference telephone, video/virtual conferencing technology, or similar means so long as all persons participating in the meeting can participate and hear each other. Such participation shall be at the discretion of the Chair and shall constitute presence at the meeting.

Section 6. Notices. To the fullest extent permitted by law, where any notice to members is required in these Bylaws electronic communications are sufficient.

ARTICLE XIV – COMMITTEES

Section 1. Committees. The Chair shall appoint, subject to confirmation by the Board of Directors, any committees as deemed necessary.

Section 2. Organization. All committees shall be of such size and shall have duties, functions, and powers as assigned by the Chair or the Board of Directors except as otherwise provided in these Bylaws. The Chair shall be an *ex-officio* member of all committees and shall be notified of their meetings.

Section 3. 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 4. Meetings not in Person. Members of a committee may participate in any meeting through the use of a conference telephone, video/virtual conferencing technology, or similar means so long as all persons participating in the meeting can participant and hear each other. Such participation shall be at the discretion of the Chair and shall constitute presence at the meeting.

ARTICLE XV – FISCAL AND ELECTIVE YEAR

Section 1. Fiscal Year. The fiscal year of the Association shall be October 1 to September 30.

Section 2. Elective Year. The elective year of the Association shall be October 1 to September 30.

ARTICLE XVI – 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 XVII – AMENDMENTS

Section 1. By the Members.

- (a) 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.
- (b) Notice of all meetings at which amendments are to be considered shall be provided to every member eligible to vote at least one (1) week prior to the meeting.
- (c) 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 2. By the Board of Directors.

- (a) These Bylaws may be amended by a majority vote of the Board of Directors at any regular or special meeting of the Board of Directors at which a quorum is present. The Association shall provide notice of any amendments to the Bylaws in a regular or special membership communication.
- (b) When Bylaws amendments are mandated by NAR policy, the Board of Directors may at any regular or special meeting of the Board of Directors at which a quorum is present, amend the Bylaws to reflect the mandate as of the effective date of the mandatory policy authorized by the NATIONAL ASSOCIATION OF REALTORS®. The Association shall provide notice of that change in a regular or special membership communication.

ARTICLE XVIII – ASSOCIATION POLICIES

Section 1. Policies. Only the Board of Directors may adopt policies and procedures that are consistent with these Bylaws and the Articles of Incorporation of the Association. Such policies and procedures are adopted pursuant to Articles 121 to 137 of Colorado Revised Statutes Title 7 Nonprofit Corporations (the “Act”), and in the event of conflict between the Act and the policies, the policies will prevail to the extent permitted by law.

ARTICLE XIX – 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 COLORADO ASSOCIATION OF REALTORS® or, within the Board of Director’s discretion, to any other non-profit tax-exempt organization.