Bylaws of the

Cherokee Association of

REALTORS®,

Incorporated

ADOPTED JUNE 12, 1974

LAST REVISED JULY 23, 2009

AMENDED DECEMBER 15, 2010

LAST APPROVED BY NAR MAY 31, 2013

ARTICLE I

NAME

SECTION 1 - NAME

The name of this organization shall be the Cherokee Association of REALTORS®, Incorporated, hereinafter referred to as the "Association".

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 interest of home and other real property ownership.

SECTION 5

To unite those engaged in the real estate profession in this community with the Georgia Association of REALTORS®, Inc. 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, those 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 $^{\text{\tiny (B)}}$ shall include all of Cherokee County, Georgia.

SECTION 2

Territorial jurisdiction is defined to mean:

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

MEMBERSHIP

SECTION 1

There shall be six classes of Members as follows:

- (a) **REALTOR**[®] **Members**. REALTOR[®] Members shall be:
 - (1) Individuals who, as sole proprietors, partners, corporate officers, or branch office manager are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensations, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located within the State of Georgia or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the State of Georgia or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a Board of REALTORS within the State of Georgia or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section I(b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institure Affiliate Membership as described in Section 1(b) of Article IV. (Amended 1/01)

- (2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, branch office managers or, as individuals in positions of management control, and are associated with a REALTOR® Member and meet the qualifications set out in Article V.
- (3) Franchises REALTORS® Members. 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 of the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights and 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; the right to hold elective office in the local Association, State Association and National Association.
- (4) Primary and secondary REALTOR® Members. An individual is a primary member if the Association pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Board or 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.

- (5) Designated REALTOR® Members. Each firm or office shall designate for each office in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership, including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The "Designated REALTOR" must be a sole proprietor, partner, corporate officer, branch manager or any other individual 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) **REALTOR**® **Emeritus.** A REALTOR® Emeritus Member shall be any individual who has been designated "REALTOR® Emeritus" by the Board of Directors of the National Association. Such individual shall automatically become a REALTOR® Emeritus Member of the Cherokee Association of REALTORS®
- (c) **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.
- (d) **Affiliate Members**. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraph (a) or (b) of this Section, have interest requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® Membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.
- (e) **Public Service Members**. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.
- (f) **Honorary Members**. Honorary Members shall be individuals not engaged in the real estate profession who has performed notable service for the real estate profession, for the Association, or for the public.
- (g) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

SECTION 2

No member shall have any right to any interest in the property of the Cherokee Association of REALTORS®

SECTION 3

Fees and Dues. Application fees and dues as may hereinafter be established shall be deemed to have been paid subject to the provisions of the Bylaws and for membership privileges only.

SECTION 4

Suspension and Expulsion. Members shall be suspended or expelled for non-payment of dues as provided in Article X, Section 4 of these Bylaws. Members may be suspended or expelled by a majority action of the Board of Directors for any conduct which discredits this organization or the real estate profession, provided the member shall be given reasonable opportunity to defend himself as provided for in these Bylaws, before action is taken.

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 has or has had access to, has carefully reviewed, and if elected a Member, will abide by the Constitution and Bylaws and the Rules and Regulations of the Cherokee Association of REALTORS® the Constitution and Bylaws of the Georgia Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and if a REALTOR®, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 14 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the National Association, 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, shall receive and acknowledge in writing the receipt of a copy of the Bylaws, Constitution Rules and Regulations, and Code of Ethics referred to above.
 - (a) Time frame for applications.

All Designated REALTORS®/ Brokers must have any and all new agents submit an application with in 30 days of joining their office. Failure to comply with the 30 day time frame will result in the suspension of the entire office from membership in the Cherokee Association of REALTORS®.

SECTION 2 - QUALIFICATION

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

NOTE: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics. (Adopted 1/01)

- (b) Individuals who are engaged in the real estate profession other than as principals, partners, corporate officers or branch 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 REALTOR® Member of this Association and must maintain a current, valid real estate broker's or salesperson's license or is a 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, and Bylaws of the Georgia Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership, he will abide by the code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, Rules and Regulations and the local Association, and the Georgia Association, and the National Association.
- (c) The Cherokee Association of REALTORS® will also consider the following in determining an applicant's qualifications for REALTOR® membership:
 - 1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years.
 - 2. Pending ethics complaints (or hearings)
 - 3. Unsatisfied discipline pending
 - 4. Pending arbitration requests (or hearings)
 - 5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS
 - 6. Any misuse of the term REALTOR or REALTORS in the name of the applicant's firm. (Amended 06/2006)

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

SECTION 3 - ELECTION

The procedure for election to membership shall be as follows:

- (a) The Membership Committee shall determine whether the applicant applying for the appropriate class of membership. Applicants for REALTOR® membership shall 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 subsequent review of the application by the Membership Committee. If one or more REALTOR® members object to the approval of the application, basing such objection on lack of qualification as set forth in these Bylaws, the Membership Committee shall invite any objecting Member to appear and substantiate his objections. Objections, which are not substantiated, shall be totally disregarded. The Membership Committee may not find objections substantiated without:
 - (1) informing the applicant in advance, in writing, of the objections and identifying the objecting Member
 - (2) giving the applicant a full opportunity to appear before the Membership Committee and establish his qualifications. The Membership Committee shall thereafter make a written report of its findings. The Membership Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws of the Cherokee Association of REALTORS®
- (b) Thereafter, prescribed in the Policy and Procedure manual of the Cherokee Association of REALTORS®, the Membership Committee shall report its recommendation to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reasons shall be specifically stated. If any member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the Board of Directors.
- (c) The Board of Directors shall review the qualifications of the applicant and the recommendations of the Membership Committee and then vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he shall be declared elected to membership and shall be advised by written notice.
- (d) The Board of Directors may not reject an application without providing the applicant with advance notice of the findings and recommendations of the Membership Committee; an opportunity to appear before the Board of Directors, to call witnesses on his or her behalf, to be represented by counsel, and to make such statements as he 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 electronically or mechanically record the proceedings.
- (e) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Association Executive (AE). If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

SECTION 4 – NEW MEMBER CODE OF ETHICS ORIENTATION

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

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 - CONTINUING MEMBER CODE OF ETHICS TRAINING

Effective January 1, 2001 through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or an 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 four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed.

Members suspended for failing to meet the requirement for the first four (4) year cycle (2001 – 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership.

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

SECTION 6 - STATUS CHANGE

(a) A REALTOR, who changes the conditions under which he or she holds membership, shall be required to provide written notification to the Association within 30 days. A REALTOR, (NON-PRINCIPAL) who becomes a principal in the firm with which he or she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR, (principal) Members, but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR (Principal). If the REALTOR

(non-Principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

- (b) 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 as 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 not inconsistent with these Bylaws, after a hearing as provided in the <u>Code of Ethics and Arbitration Manual</u> of the NATIONAL ASSOCIATION OF REALTORS®. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Cherokee Association of REALTORS®, 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 Georgia Association, and the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 3

Any REALTOR® of the Cherokee Association of REALTORS® 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 <u>Code of Ethics and Arbitration Manual</u> of the NATIONAL ASSOCIATION OF REALTORS® 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 <u>Code of Ethics and Arbitration Manual</u> of theNATIONAL ASSOCIATION OF REALTORS®.

SECTION 4

Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if the Member submitting the resignations 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 Cherokee Association of REALTORS® or otherwise causes membership to terminate with an ethics complaint pending, the Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he will submit to the pending ethics proceeding and will abide by the decision of the hearing panel;

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

SECTION 6 - REALTOR® MEMBERS

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, or branch office manager 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 or 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 by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his 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 or branch office manager is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

(b) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6 (a) hereof, notice of such action shall be given to all REALTOR® employed by or affiliated as independent contractors with such REALTOR® Member and they shall be advised that the provisions in Article VI, Section 6 (a) shall apply.

SECTION 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 server as president of the local association.

SECTION 8 - AFFILIATE MEMBERS

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

SECTION 9 - PUBLIC SERVICE MEMBERS

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

SECTION 10 - HONORARY MEMBERS

Honorary Membership shall confer only the right to attend meetings and participate in discussions.

SECTION 11 - STUDENT MEMBERS

Student Members shall have rights and privileges and shall be subject to obligations prescribed by the Board of Directors.

SECTION 12 - CERTIFICATION BY REALTOR®

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

SECTION 14 - HARASSMENT

Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment by an 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, President-Elect and one member of the Board of Directors selected by the highest ranking office not named in the complaint, upon consultation with legal counsel for the Association. Disciplinary action may include any sanction authorized in the Association's Code of Ethics and Arbitration manual. If the complaint names the President, President-elect or Vice President, they may not participate in the proceeding and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

ARTICLE VII PROFESSIONAL STANDARDS AND ARBITRATION

SECTION 1

The responsibility of the Cherokee Association of REALTORS® and of the 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 <u>Code of Ethics and Arbitration Manual</u> of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time are amended, which by this reference is adopted as the <u>Code of Ethics and Arbitration Manual</u> for the Cherokee Association of REALTORS® and is thus made a part of these Bylaws.

SECTION 2

It shall be the duty and responsibility of every REALTOR® member of the Cherokee Association of REALTORS® to abide by the Constitution and Bylaws and the Rules and Regulations of the Cherokee Association of REALTORS®, the Constitution and Bylaws of the Georgia 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 transaction as specified by Article 14 17of the Code of Ethics, and as further defined in accordance with the procedures set forth in the <u>Code of Ethics and Arbitration Manual</u> of this Association as from time to time amended.

SECTION 3

The responsibility of the Cherokee Association of REALTORS® and its 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 the Bylaws.

SECTION 4

The Board of Directors may suspend, expel or otherwise discipline a member in accordance with the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®. Members will be suspended or expelled automatically for non-payment of dues as provided in these Bylaws. Section 14-3-621 of the Georgia Non profit Corporation Code, effective July 1, 1991 shall not apply to the Cherokee Association of REALTORS®, Inc or its members.

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®, the use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 06/2006)

SECTION 2

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

a) In the case of a REALTOR® member who is 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. (Amended 1/01)

SECTION 4

Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, or 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 Georgia Association of REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member *Association* shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Georgia Association of REALTORS® without further payment of the 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 its determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

SECTION 3

The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS $^{\$}$ and agrees to enforce the Code among its REALTOR $^{\$}$ Members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NATIONAL ASSOCIATION and the Georgia 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 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 Cherokee Association of REALTORS® 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 Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board by a Designated REALTOR® Member, nonmember licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board. * (Amended 1/01)
 - (1) For the purpose of this Section, a REALTOR® Member of a Member Association shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section I, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (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,

leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

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

- (b) REALTOR® Members. The annual dues of 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.
- (d) Affiliate Members. The annual dues of each Affiliate Member shall be as established annually by the Board of Directors.
- (e) Public Service Members. The annual dues of each Public Service Member shall be as established annually by the Board of Directors.
- (f) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors.
- (g) Student 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 annually in advance on the first day of October. Dues for new members shall be computed from the date of application and granting of provisional membership.

(a) 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 30 days of the notice of termination.

SECTION 4 – FINANCIAL OBLIGATIONS OF NONPAYMENT

If dues, fees, fines, or other assessments including amounts owed to the Board or the Board's Multiple Listing Service 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 his 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 Board 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

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, ASSESMENTS, 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 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 Board is assessed for a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Board. The dues obligation of such individuals to the local Board should be reduced to reflect the reduction in the Board's dues obligation to the National Association. The Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Board's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the Board 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 Board with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not Members of the local Board.

ARTICLE XI OFFICERS AND DIRECTORS

SECTION 1 - OFFICERS

The elected officers of the Association shall be a President, a President Elect Public Services, a First Vice President Member Services, a Second Vice President Government Services and a Secretary/Treasurer. They shall be elected for terms of one year. The office of President Elect Public Services shall automatically advance to the office of President; the office of President will automatically succeed to that of a state director and hold the title of past president.

SECTION 2 - 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. It shall be the particular duty of the Secretary to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Georgia Association of REALTORS® except those duties as assigned to the Association Executive.

SECTION 3 - BOARD OF DIRECTORS

The governing body of the Association shall be a Board of Directors, consisting of the elected officers, local and state directors(a)All officers shall serve a term of one (1) year. Local and State Directors terms shall be for two (2) years. No Director shall serve for more that 6 consecutive years. Time served as officer is not included in the computation.

- (1) The president Elect Public Services by virtue of office shall be a state director for one year.
- (2) State Directors as may be authorized, shall be elected, in such numbers and such terms as may be provided for in the Constitution and Bylaws of the Georgia Association of REALTORS®, The current year President shall be a Director during his term of office and shall not be included in the number of authorized elected Directors for the Cherokee Association of REALTORS®

SECTION 4 - ELECTION OF OFFICERS AND DIRECTORS

(a) At least 60 days before the annual election, the nominating committee consisting of the President, President-Elect Public Services, two past Presidents, and three members at large, (who shall be selected by the current president, with the approval of the Board of Directors,) shall select one candidate for each office. And one candidate for each place to be filled on the Board of Directors. The report of the nominating committee shall be placed on the Association's Web Page at least three weeks preceding the election and a notification mailed to the DESIGNATED REALTOR of record. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least fifteen percent (15%) of the Active Members. The petition shall be filed with the Association's AE at least two weeks before the election. The AE shall immediately place the additional nominations on the Association's Web Site and mail a copy of these additions to the DESIGNATED REALTOR of record for each office.

(b) The Board of Directors shall put in place the capability for the membership to vote via the Association's Web Site or absentee ballot. The members nominated, along with any write-ins shall be listed on the Web Site for at least three weeks prior to the election dates and the same notice will be mailed to the DESIGNATED REALTOR of record. The election will be held open for voting by the active membership for 72 hours.

SECTION 5 – VACANCIES

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

SECTION 6 - REMOVAL OF OFFICERS OR DIRECTORS

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

- (1) 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 disqualified from further service.
- (2) 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.
- (3) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the morning 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 - Association Executives:

There shall be a Chief Executive Officer, appointed by the Board of Directors, who shall be the chief administrative officer of the Board. The CEO 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.

Their may also be an Association Executive (AE) working with, and under the direction of the CEO.

SECTION 8 - GEORGIA ASSOCIATION OF REALTORS - DIRECTORS

- (a) The President, by virtue of the office, shall be a two- (2) year Director to the Board of Directors of the Georgia Association of REALTORS beginning with his or her term.
- (b) Such Directors as may be authorized shall be elected in such numbers and such terms as may be provided for in the Constitution and Bylaws of the Georgia Association of REALTORS. The current year President shall be a Director during his term of office and shall not be included in the number of authorized elected Directors for the Cherokee Association of REALTORS.

ARTICLE XII POLICY AND PROCEDURES

The Board of Directors shall establish and maintain a policy and procedures manual that shall be referenced by these bylaws.

ARTICLE XIII MEETINGS

SECTION 1 - ANNUAL MEETINGS

The meeting of the Cherokee Association of REALTORS® shall be held during **October** of each year, the date, place, and hour to be designated by the Board of Directors.

SECTION 2 - MEETINGS OF DIRECTORS

The Board of Directors shall designate a regular time and place of meetings. Absence from two consecutive regular meetings by a member without an excuse deemed valid by the Board of Directors shall be construed as resignation, except the Board of Directors at its next regular meeting, upon review, may by majority vote, reinstate such member. In the absence of reinstatement by the Board of Directors, the vacancy shall be filled in accordance with the provisions set forth in Article XI, Section, Vacancies, of these Bylaws.

SECTION 3 - 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 10% of the Members eligible to vote.

SECTION 4 - NOTICE OF MEETINGS

Notices of all meetings shall be immediately placed on the Association's Web Site and emailed to the DESIGNATED REALTOR of record. If a special meeting is called it shall be accompanied by a statement of purpose for meeting.

SECTION 5 - QUORUM

The quorum for the Board of Directors shall consist of 51% of the Board of Directors.

The Policy and Procedures Manual of the Cherokee Association shall determine what constitutes a quorum for other councils and committees, but generally stands at 51% of voting members of a committee or council, whose members are determined by the Committee or Council Chair.

SECTION 6 - ELECTRONIC TRANSATION OF BUSINESS

To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

SECTION 7 - ACTIONS 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 forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the *Association Executive* 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 XIV COMMITTEES

SECTION 1 - STANDING COMMITTEES

The President and President Elect Public Services shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

- Communication and Marketing Committee
- Programs and Events Committee
- ♦ Member Outreach Committee
- ♦ Professional Development Committee
- Awards Verification Committee
- ♦ Government Affairs Committee
- Multi-Cultural Committee
- Finance and Building Committee
- Nominating Committee

SECTION 2 - SPECIAL COMMITTEES

The President shall appoint, subject to confirmation by the Board of Directors, special and/or Ad Hoc committees as deemed necessary.

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.

. SECTION 4 - 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 5 - ATTENDANCE BY TELEPHONE

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

SECTION 6 - PRESIDENT, PRESIDENT-ELECT AND VICE-PRESIDENT

The First Vice President Member Services and Second Vice-President Government Services are encouraged to be official members of the committees they administer. The Treasurer/Secretary is encouraged to be an official member of the Councils he/she administers and shall serve as the chairperson of the Nominating Committee. The President Elect Public Services is encouraged to be an official member of all standing committees and councils.

ARTICLE XV FISCAL AND ELECTIVE YEAR

SECTION 1

The fiscal and elective year of the Association shall be the calendar year.

ARTICLE XVI RULES OF ORDER

SECTION 1

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meeting 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

The 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. The Amendment or Amendments shall be plainly stated and presented to the Board of Directors in writing. The Board of Directors shall render a recommendation based on a majority vote of the Board. The Amendment or amendments along with the Board's recommendation shall be placed on the Association's Web Site and mailed to the DESIGNATED REALTOR of record for distribution to their associate members. The information shall remain on the web site for at least two (2) weeks before a call for a vote shall be made

SECTION 2

Notice of all meetings at which amendments are to be considered shall be placed on the Association's Web Site and mailed to the DESIGNATED REALTOR of record at least one (1) week prior to the meeting.

SECTION 3

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

SECTION 4

Any mandate passed down by the National Association of REALTORS® or Georgia Association of REALTORS®, once reviewed by the Board of Directors, will automatically become a part of our bylaws. Each mandate will be posted on the Association website.

ARTICLE XVIII DISSOLUTION

Upon the dissolution or winding up of affairs of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Georgia Association of REALTORS, or, within its discretion, to any other non-profit tax exempt organization.