

**BYLAWS OF THE
HUNTSVILLE AREA ASSOCIATION OF REALTORS®, INC.
ADOPTED FEBRUARY 4, 2016**

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**BYLAWS OF THE
HUNTSVILLE AREA ASSOCIATION OF REALTORS®, INC.
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ARTICLE I - NAME

SECTION 1. NAME.

The name of this organization shall be the Huntsville Area Association of REALTORS®, Inc., 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 NAR 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 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 Alabama 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®.

SECTION 7.

To assure that the commissions payable for the sale, lease or management of property are not set by the Huntsville Area Association of REALTORS®, Inc., but in all cases are negotiable between the broker and his client.

ARTICLE III - JURISDICTION

SECTION 1.

The territorial jurisdiction of the Association as a Member of the National Association of REALTORS® is all of Madison County, Alabama and the territory within the police jurisdictions of the municipalities of Madison County which lie within adjoining counties; additionally, those territories assumed by HAAR from mergers resulting in chapters. (11-2016)

SECTION 2. Territorial jurisdiction is defined to mean:

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

ARTICLE IV - MEMBERSHIP

SECTION 1. There shall be six (6) classes of Members as follows:

A. REALTOR® MEMBERS. REALTOR® Members, whether primary or secondary shall be:

1. Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Alabama 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/Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate membership as described in Article IV, SECTION 1 (B).

In the case of a real estate firm partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the Board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate membership as described in SECTION 1 (b) of Article IV, (1/05)

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

2. 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 the REALTOR® Member and meet the qualifications set out in Article V.

3. Franchise REALTOR® membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred 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. (Adopted 1/96)
 4. Primary and secondary REALTOR® Members. An individual is a primary Member if the Association pays State and National dues based on such Member. An individual is a secondary Member if State and National dues are remitted through another Board. One (1) 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" Board.
 5. Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one (1) 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 qualification of REALTOR® membership; established in Article V, SECTION 2, of the Bylaws. (Amended 11/11)
- B. INSTITUTE AFFILIATE MEMBERS.** Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council Affiliated with the National Association of REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society, or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership. (1/02)
- C. AFFILIATE MEMBERS.** Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (A) or (B) of this SECTION, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Further, Affiliate membership may be granted to licensed or certified appraisers who, if otherwise eligible do not elect to hold REALTOR® membership in the Board, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property. (11-98)
- NOTE:** The option of holding Affiliate membership is limited to appraisers who are licensed or certified as appraisers, and would not include appraisers who are also licensed as real estate broker or salesperson.
- D. PUBLIC SERVICE MEMBERS.** Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental, or other similar organizations, but are not engaged in the real estate business.
- E. HONORARY MEMBERS.** Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, the Association or for the public.
- F. 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 (2) years of college and at least one (1) 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.

Only those Members who are qualified under SECTION 1 (A) may vote or hold elective office in this Association, with the exception of an elected Affiliate Director with voting privileges as described in Article XI, SECTION 3 (C). (1-98)

ARTICLE V - APPLICATION, QUALIFICATION, AND ELECTION

SECTION 1. APPLICATION.

- A. An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain statements to be signed by the applicant:
 - 1. That applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION of REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the HUNTSVILLE AREA ASSOCIATION OF REALTORS®, the Constitution and Bylaws of the ALABAMA ASSOCIATION OF REALTORS® and the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and if elected a Member, will abide by the Constitution and Bylaws and Rules and Regulations of the HUNTSVILLE AREA ASSOCIATION OF REALTORS®, the ALABAMA ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, 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® (Amended 11/11)
 - 2. The 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, Rules and Regulations, and Code of Ethics referred to above. (9/08)

SECTION 2. QUALIFICATION.

- A. An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager, or Designated REALTOR® shall supply evidence satisfactory to the Association through its Membership Committee or otherwise that he/she:
 - 1. Is actively engaged in the real estate profession.
 - 2. Maintains a current, valid real estate broker's or salesperson's license or be certified by an appropriate state regulatory agency to engage in the appraisal of real property.
 - 3. Has a place of business within the State of Alabama or a State contiguous thereto (unless a secondary Member).
 - 4. Has no record of recent or pending bankruptcy.
 - NOTE:** This is intended to mean that the applicant or real estate firm in which the applicant is or was at the time a sole proprietor, general partner or corporate officer or branch office manager is not involved in any pending bankruptcy or insolvency

proceedings or, has not been adjudged bankrupt in the past three (3) years. Involvement in a recent or pending bankruptcy proceedings does not automatically disqualify an applicant unless the Association establishes that it cannot adequately protect its interests and those of its Members and the public by requiring the applicant to pay cash in advance for dues and services for up to one (1) year from the later of the date of application or discharge from bankruptcy.

5. Has no record of official sanctions involving unprofessional conduct. The Association will only consider the following:

A. Judgments against the applicant within the past three (3) years of violations 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. Criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from confinement imposed for that conviction, whichever is the later date (Amended 05/07)

NOTE: The Association will only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

6. Agrees to complete the first scheduled orientation within 60 days after application acceptance unless prior approval is given by the Chief Executive Officer. The course of instruction shall cover the Bylaws and Rules and Regulations of the Huntsville Area Association of REALTORS®, the Bylaws of the Alabama Association of REALTORS®, and the Constitution and Bylaws and Code of Ethics of the National Association of REALTORS®. Participants and subscribers who have been inactive for 6 months or more are required to complete an orientation program during the same time frame as required of new applicants. (07-11)

7. Agrees in writing that if elected to membership, he/she will abide by such Bylaws and Rules and Regulations of the Huntsville Area Association of REALTORS®, The Bylaws of the Alabama Association of REALTORS®, and the Constitution and Code of Ethics of the National Association of REALTORS®. (1/05)

B. 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 (03-10)
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 Associations or MLS.
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

C. Provisional membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other Boards/Associations or where the applicant for membership has unsatisfied discipline pending in another Association (except for violations of the Code of Ethics; see NOTE 2 below) 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. (10-02)

NOTE 1: If a Member resigns from another Board/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 Board/Association to which the applicant has made application) and will abide by the decision of the hearing panel.

NOTE 2: Article IV, SECTION 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTORS® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board/Association of REALTORS® for violation of the Code of Ethics. (10-02)

D. Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® membership, shall, at the time of application, be associated either as an employee or an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® of another Board (if a secondary Member), no record of official sanctions involving unprofessional conduct, and must:

1. Maintain a current valid real estate broker's or salesperson's license or be licensed by an appropriate state regulatory agency to engage in the appraisal of real property.
2. Complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the NAR Constitution and Bylaws and Code of Ethics of the National Association of REALTORS®.
3. Agree in writing that if elected to membership, he will abide by the Constitution, Bylaws, and Rules and Regulations, and Code of Ethics of the Huntsville Area Association of REALTORS®, the Alabama Association of REALTORS®, and the National Association of REALTORS®.
4. Complete the first scheduled orientation, unless prior approval is given by the Chief Executive Officer. Failure to attend will result in termination of provisional membership. (1-03) (Amended 6/07)

E. A REALTOR® Member who has qualified for membership under SECTION D above and who later becomes a sole proprietor, principal, partner, corporate officer, branch office manager, trustee, or Designated REALTOR® for the same or another firm shall be required to re-qualify under SECTION A above. The Board of Directors may from time to time adopt a reasonable fee to cover the administrative cost of processing an application for change in membership classification. However, once elected, the Member will not be required to pay a new application fee as required for new membership under Article X, SECTION 1, of these Bylaws.

SECTION 3. ELECTION

The procedure for election to membership shall be as follows:

A. 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 of the Board of Directors. 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, the membership may at the discretion of the Board of Directors, be terminated. Dues shall be computed from the date of application and shall be non-refundable unless the Association's Board of Directors terminates the individual's membership in accordance with SECTION A above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received Association services and any application fees.

- B.** The Board of Directors may not terminate any provisional membership without providing the provisional Member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements, as he/she deems relevant. Such advance notice to be seven (7) calendar days prior to the termination. 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.
- C.** If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the Secretary. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional Member, it may specify that termination shall become effective upon entry in a suit by the Board for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual. (1/05)

SECTION 4. NEW MEMBER CODE OF ETHICS ORIENTATION.

- A.** Applicants for REALTOR® membership and provisional REALTOR® Members shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional Members who have completed comparable orientation in another Association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

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

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS®. (adopted 1/01)

SECTION 5. CONTINUING MEMBER CODE OF ETHICS TRAINING. (5-2017)

REALTORS® are required to complete ethics training of not less than 2 hours, 30 min. of instructional time within a two-year cycle. The training must meet specific learning objectives and criteria established by the National Association of REALTORS®. A new two-year cycle began January 1, 2017 and the deadline for this cycle is December 31, 2018 and it will be for successive two (2) year periods thereafter.

Local REALTOR® associations are required to provide access to ethics training programs that meet this requirement. This can be accomplished in conjunction with other associations or through some other method, such as home study, correspondence, classroom courses or online courses.

New members of local REALTOR® associations must complete similar training when they first join. A new member who has completed the New Member Code of Ethics Orientation shall not be required to complete additional ethics training until the next two-year cycle.

A REALTOR® who has completed the required ethics training within a two-year cycle in one association shall not be required to complete any further ethics training for that same training cycle if the REALTOR® becomes or is a member of another association. In addition, a member may take courses to satisfy this ethics training requirement through any association or outside training facility where the member can provide satisfactory documentation of completion.

Failure to meet the requirement will result in suspension of membership for the first two (2) months (January and February) of the year following the end of any two (2) year cycle or until the requirement is met; whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (5-2017)

SECTION 6. STATUS CHANGES

- A.** REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he 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 requirements 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 Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring their license from one firm composed of REALTORS® to another firm of REALTORS® shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 5 days of the date the board 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.) (5-2017)

- B.** Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee already 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. (1/05)

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

SECTION 1.

The privileges and obligations of Members, in addition to those otherwise provided by 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/or Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of the National Association of REALTORS®. Although Members other than REALTORS® are not subject to the Code of Ethics or its enforcement by the Board, 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® or the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the Association, the Alabama Association of REALTORS®, or the National Association of REALTORS®.

SECTION 3.

Any REALTOR® Member of the Association, whether primary or secondary, 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 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 its *Code of Ethics and Arbitration Manual*.

SECTION 4.

Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if any Member submitting a 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. No refund of dues will be paid to a resigning member.

SECTION 5.

If a member resigns from the association or otherwise causes membership to terminate with an ethics complaint pending, he complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®. (10-17)

- (a) 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®. (Amended 1/00 and 11/11)

SECTION 6. REALTOR® MEMBERS.

REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS®, 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.

- A.** 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 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® or 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 be suspended or terminated 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/her connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Board, whichever may apply.

- B.** In any action taken against a REALTOR® Member, whether primary or secondary, for suspension or expulsion, SECTION 6 (D) below shall apply.
- C.** A REALTOR® (or REALTOR-Associate®, where applicable) who is transferring their license from one (1) firm comprised of REALTORS® 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 five (5) working 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. (3-98)
- D.** If a REALTOR® ceases to hold a valid active real estate license with the state licensing authority, his status as REALTOR® Member of the Huntsville Area Association of REALTORS® ceases and the right to the use of Association facilities and all other Association privileges are withdrawn. If the REALTOR® is also a Designated REALTOR®, the REALTOR® status and membership of the other licensees in his/her firm also ceases unless a new Designated REALTOR® is appointed immediately. No refund of dues will be paid. REALTOR® status may be reacquired upon application in the manner prescribed for new applicants. The application will be reviewed and considered for approval on the same basis as is then in use for new applicants except that the applicant will not be charged annual dues for any year in which annual dues had already been paid by the applicant. Also, no application fee will be required if the reapplication is made within two (2) months of the loss of REALTOR® status.

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 NAR 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® logo; to serve as President of the Local Association; or to be a participant in the Local Association's Multiple Listing Service. (10-02)

SECTION 8. AFFILIATE MEMBERS.

Affiliate Members shall have the 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 prescribed by the Board of Directors.

SECTION 10. HONORARY MEMBERS.

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

SECTION 11. STUDENT MEMBERS.

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

SECTION 12. CERTIFICATION BY REALTOR®.

Designated REALTOR® Members of the Association shall certify to the Association during the month of January on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR®'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.

SECTION 13. HARASSMENT.

Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the Association. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigation team comprised of the President, and President Elect and/or Vice President and one (1) Member of the Board of Directors selected by the highest ranking Officer not named in the complaint, upon consultation with 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 and/or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President, or alternatively, by another Member of the Board of Directors selected by the highest ranking Officer not named in the complaint.

Note: Suggested procedures for processing complaints of harassment are available online at <http://www.realtor.org/mempolweb.nsf/pages/HarassmentProcedure?OpenDocument>. (Amended 05/08)

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 state law.

SECTION 2.

It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of HAAR, the Constitution and Bylaws of AAR and the NAR Constitution and Bylaws, and to abide by the Code of Ethics of the National Association of REALTORS®, including the duty to mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the *Code of Ethics and Arbitration Manual* of this Association from time to time as amended.

SECTION 3.

The Association and Association Members are also responsible for the enforcement of the Code of Ethics, the disciplining of Members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the association, which by this reference is made a part of these Bylaws. (8-97)

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

SECTION 1.

Use of the terms REALTOR® and REALTORS® shall, at all times, be subject to the provisions of the NAR 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 the 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 06/06)

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 of Alabama or state contiguous thereto are REALTOR® Members of the Association or Institute Affiliate Members as described in Article IV, SECTION 1 (B).

- 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. (10-02)

SECTION 4.

Institute Affiliate Member 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 Huntsville Association shall be a Member of the National Association of REALTORS® and the Alabama Association of REALTORS®. By reason of the Huntsville Association's Membership, each REALTOR® Member of the Huntsville Association shall be entitled to membership in the National Association of REALTORS® and the Alabama Association of REALTORS® without further payment of dues.

The Huntsville Association shall continue as a Member of the State and National Associations, unless by a majority vote of all of its REALTOR® Members, the 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 the use of the terms in any form in its name, upon ceasing to be a Member of the National Association, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

SECTION 3.

The Association adopts the Code of Ethics of the National Association of REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the Alabama Association of REALTORS®

ARTICLE X - DUES AND ASSESSMENTS

SECTION 1. APPLICATION FEE.

The Board of Directors may adopt an application fee for REALTOR® membership in a reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® Membership. This fee must accompany each application and becomes 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 dues of each 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 licensees and licensed or certified appraisers who are: (1) 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 state or a state contiguous thereto or Institute Affiliate Member of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, Non-Member licensees as defined in SECTION 2 (A), (1), and (2) of this Article shall not be included in the computation of dues if the DR has paid dues based on said Non-Member licensees in another Association in the 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® in the office where the Designated REALTOR® holds membership, and other offices of the firm located within the jurisdiction of this Board. (1/05)

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 state contiguous thereto and who, as a principal, partner, corporate officers, 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 NAR 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 direct or indirect ownership interests 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, or corporate officer or branch manager of the entity. (4-98)

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 lists of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling, or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the Designated REALTOR®. Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm. (11-14)

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 REALTORS® 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 \$35.00 to the account of a Local Association for each Institute Affiliate Member whose office addresses 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 \$35.00 will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other Board. The National Association shall also credit \$35.00 to the account of State Associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the State Association. Local and State Associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe. (Amended 11/2013)

- D. AFFILIATE MEMBERS.** The 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 January. Dues for new Members shall be computed from the date of application and granting of provisional membership. (Adopted 1/98, Amended 1/05)

NOTE: Dues will be waived for all REALTOR® Members who are called to active duty in the military until their return. (12-01)

- 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® (set forth in Article, 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. NON-PAYMENT OF FINANCIAL OBLIGATIONS.

- A.** If dues and assessments are not received by the Association on or before the 15th of January the nonpaying Member will be assessed a \$50 late fee. If not received on or before the end of January, the member is terminated on February 1. The licensee may be reinstated through the end of February by paying full dues and the HAAR late fee. See dues schedule below. (10/14)
- B.** If any other charges are not paid within one (1) month of the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after due date, membership shall automatically terminate. However, the Board of Directors shall have the authority to confirm or adjust the amount owed, which in their sole best judgment is correct and proper.
- C.** The Board of Directors shall have the authority to establish late charges and penalties for any amounts owed the Association or NALMLS.
- D.** A former Member who has had his/her 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 the manner prescribed for new applicants, after making payment in full of all accounts due as of the date of termination. The application will

be reviewed and considered for approval on the same basis as is then in use for new applicants except that the applicant will not be charged annual dues for any year in which annual dues had already been paid by the applicant. Also, no application fee will be required if the reapplication is made within two (2) months of the loss of REALTOR® status. The Board of Directors may, at its discretion, waive the application fee or any portion thereof.

Invoiced	Due	Late fee	Member Terminated	Suggested Time Frame For Broker To Return License To AREC	If Licensee Has Not Been Returned, The Broker Is Billed For Unpaid Active Licensee Dues	If Licensee Reapplies
By November 30	January 1. Broker notified of unpaid licensee.	January 16: Flat \$50 late fee. Broker notified of unpaid licensee and late fee. <u>Reference:</u> HAAR Bylaws, Article X, Section 4.B	February 1: Agent may reinstate through end of February paying full dues and HAAR late fees of \$50. Broker notified of terminated licensee.	Via USPS: Suggested no later than 1 week prior to month end Via electronic method: Suggested no later than the 26 th of the month (These dates should allow the AREC time to inactivate the license and update their website. HAAR staff uses the AREC reports as confirmation.)	March 1: Broker is billed for terminated licensee's unpaid dues and late fee: <ul style="list-style-type: none">• HAAR Dues• AAR Dues• NAR Dues• HAAR Late Fee (per Kate Moore @ NAR, we do not bill the NAR Assessment Fee as the unpaid terminated licensee is now considered a non-member) <u>Reference:</u> <ul style="list-style-type: none">• HAAR Bylaws, Section 3.A• HAAR Bylaws, Section 12	After March 15: Application must be made. Must pay: <ul style="list-style-type: none">• Full year's dues (not prorated)• HAAR Application Fee (appropriate to time inactive)• AAR Application Fee• HAAR Late fee written off If Broker has paid the dues, the following fees are collected: <ul style="list-style-type: none">• AAR Application Fee• HAAR Application Fee (appropriate to time inactive)

SECTION 5. DEPOSIT AND EXPENDITURES

- A.** Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors.
- B.** All expenditures will be authorized by the Board of Directors and evidenced by two (2) authorized signatures. Four (4) authorized signatures are required on the signature card on all bank accounts for the Huntsville Area Association of REALTORS® and the NALMLS. The four (4) shall be the President, Treasurer, Chief Executive Officer, and Office Manager. Two (2) signatures are required for operational and contractual expenses within the parameters established by the annual budget. Any non-budgeted items will require the signature of one (1) Association Officer and one (1) staff member as listed above.
- C.** Any non-budgeted items in excess of \$25,000.00 shall be brought to the general membership for their approval at a duly called membership meeting, except that, on a vote of seventy-five percent (75%) of the Board of Directors that time is critical, a general membership meeting may be called on a twenty four (24) hour notice, notwithstanding the requirements of Article XII, section 5, that notice must be given at least one (1) week preceding a special called membership meeting if such notice is made by phone to Designated REALTORS® and by NAMLS computer message. (10-04)

SECTION 6. SPECIAL ASSESSMENTS.

All special assessments from any authority must be approved by a two-thirds (2/3) majority vote of the REALTOR® Members present and qualified to vote at any general membership meeting at which a quorum is present provided the substance of such proposed assessment be plainly stated in the call for the meeting. Failure of a Member to accept and pay special assessments shall be grounds for termination of membership.

ARTICLE XI - OFFICERS AND DIRECTORS

SECTION 1. OFFICERS.

The elected Officers of the Association shall be a President, a First Vice President (who shall be the President Elect), a Second Vice President, and a Secretary/Treasurer. They shall be elected to serve for terms of one (1) year. (7-02) To be considered for position, it is recommended but not required that, the candidate have served as a HAAR Board of Director for one term. (6-18)

SECTION 2. DUTIES OF THE OFFICERS.

- A.** The President shall be the chief elected Officer of the Association and shall preside its meetings and those of the Board of Directors, and shall perform all the duties of President subject to declared policies and as required, subject to confirmation of the Board of Directors.
- B.** The First Vice President shall perform such duties as are assigned by the President and shall preside in the absence of the President. The First Vice President shall review, present and induct new Members. (10-04)
- C.** The Second Vice President shall perform such duties as are assigned by the President and shall preside in the absence of the President and First Vice President. The Second Vice President shall serve as the President of the Multiple Listing Service.
- D.** The books and records of the Association shall be kept under the direction of the Secretary/Treasurer who shall also review all records of receipts and disbursements, and shall provide to all Members of the Board of Directors s quarterly statement of all accounts and financial seal and shall affix the same to all documents properly requiring such seal. It shall be the duty of the Secretary/Treasurer to maintain the records of the meeting of the Association and its Board of Directors. (07-13)

SECTION 3. BOARD OF DIRECTORS.

The governing body of Association shall be a Board of Directors consisting of:

- A.** All the elective Officers.
- B.** The immediate Past President who shall serve for a term of two (2) years.
- C.** An Elected Director shall serve for a term of two years and may serve no more than three consecutive terms and are not eligible to serve again (elected or appointed) for two years. One half of the Directorate shall be elected annually. (07-10) (08-16)
- D.** There shall be one (1) Voting Director from the Affiliate membership (Article IV, section 1 (B) & (C). (10-98)
- E.** The current Presidents, or their appointed representative, of National Association of REALTORS® recognized local councils, institutes, or chapters such as the Huntsville Chapter of the Women's Council of REALTORS®, Huntsville Certified Residential Specialists (CRS) Networking Group, and the Young Professionals Network – Huntsville, during their term of office

shall be ex-officio, non-voting members of the Board of Directors whose appointment will be subject to approval by the Board of Directors. (3-10)

- F. There shall be one (1) non-voting reciprocal Director between the Huntsville Area Association of REALTORS® and the Huntsville/Madison County Builder's Association with each organization selecting such Director. The President Elect shall serve as the Huntsville Area Association of REALTORS® Director for his/her elective year. (12-01)
- G. Additional REALTOR® Members consisting of one (1) Director per one hundred (100) REALTOR® Members as of July 1 of the calendar year next preceding the election year who shall be elected to serve for a term of two (2) years.
- H. See Article XX-Section 3. Director, for information on Chapter Directors (11/2016)

SECTION 4. EXECUTIVE COMMITTEE.

The Officers of the Association and the immediate past president shall constitute an Executive Committee, which shall have such authority as the Board of Directors may from time to time grant it, consistent with these Bylaws. The President shall serve as the Chairman of the Executive Committee. (07-10)

SECTION 5. ELECTION OF OFFICERS AND DIRECTORS.

- A. At least two (2) months before the annual election, the President, with the advice and consent of the Board of Directors, shall appoint the nominating committee. The nominating committee shall be composed of the five (5) most immediate Past Presidents willing to serve and two (2) Members from the general membership at large. The two members from the general membership are to be nominated and voted on at the regular June meeting. The chairman of the Nominating Committee shall be the Past President preceding the immediate Past President. The immediate Past President shall serve as the co-chair of the committee. The two (2) members from general membership cannot be from the same company. The committee shall meet at a designated and announced time and place in order that the Members may appear before them to offer nominations. Five (5) of the seven (7) Members must be present at meeting in order to conduct committee business. (03-12)

NOTE: Membership to be notified 2 weeks prior to the meeting of the Nominating Committee.

- B. The Nominating Committee shall select one (1) or more nominees for each office and each position to be filled on the Board of Directors. There shall be no required or implied right of succession from one (1) office to another, with the exception of the office of the First Vice President, which is also the office of the President Elect. However, no individual may be placed in nomination unless and until that individual has approved such nomination and has agreed to serve if elected. The report of the Nominating Committee shall be electronically transmitted to each Member eligible to vote at least 3 weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least five percent (5%) of the REALTOR® Members. Not more than fifty percent (50%) of required signatories may be Members of the same company. The petition shall be filed with the Chief Executive Officer at least two (2) weeks before the election, with at least one (1) week written notification to the membership.
- C. The election of Officers shall take place beginning 9 a.m. on the Friday preceding the annual meeting and ending at 5 p.m. on Monday preceding the annual meeting. Election shall be online or by paper ballot, except where there is no contest. Online balloting shall be available to Members during the entire election period. Paper balloting shall be available during the Association's normal business hours on Friday and Monday. The ballot shall contain the names of all nominees and the offices for which they have been nominated, and each office shall be voted on separately. If more than two (2) names are placed in nomination for an office and no one

receives a majority of the votes cast, there will be a re-balloting for that office between the two (2) nominees receiving the highest number of votes. If there is a tie for the second place on the ballot, the names of the nominees tying will also be entered in the re-balloting. Re-balloting will be held on Wednesday prior to the annual meeting with a twenty four (24) hour notice given to membership. Re-balloting will continue as necessary until one (1) nominee is elected by receiving a majority of the votes cast. (4-03)

- D. The election of Directors shall take place beginning 9 a.m. on Friday and ending 5 p.m. on Monday preceding the next general meeting after the annual meeting or at a meeting called for that purpose during the Association's regular business hours. Those nominees, equal to the number of positions to be filled, receiving the highest number of votes will be elected to these positions. In the event there is a tie vote for the last position to be filled, there will be a re-balloting held on Wednesday prior to the meeting with a twenty four (24) hour notice given to membership. The nominee receiving the highest number of votes will be elected to the last position. Election shall be online or by paper ballot, except where there is no contest. Online balloting shall be available to Members during the entire election period. Paper balloting shall be available during the Association's normal business hours on Friday and Monday. The ballot shall contain the names of all the nominees. Names on voting ballots shall be in alphabetical order. No ballot shall be counted unless the number of individuals voted for equals the number of Directors to be elected. This information is to be noted on the ballot. (4-03)
- E. The President, with the approval of the Board of Directors, shall appoint an Election Committee of three (3) REALTOR® Members to conduct the election.

SECTION 6. APPOINTMENT OF AFFILIATE DIRECTOR.

The Nominating Committee shall appoint one (1) or more Affiliate Member nominees to present to the Board of Directors for appointment to the Board. (1-98)

SECTION 7. VACANCIES.

Vacancies among the Officers and Directors shall be filled by the Board of Directors until the next annual election, or at its option, a special election may be called to fill the vacancy.

Any appointment to an unexpired Director position that exceeds 12 months shall fall under the definition of term limits as stated under Article X1 Section 3 C. (07-10)

SECTION 8. CHIEF EXECUTIVE OFFICER

The Board of Directors may employ and fix the salary of a Chief Executive Officer, who may in turn employ one (1) or more assistants. In addition to his/her other duties, the Chief Executive Officer shall keep the records of the Association and carry on all necessary correspondence with the National Association of REALTORS® and the Alabama Association of REALTORS®. The Chief Executive Officer shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. (1/05)

SECTION 9. REMOVAL OF OFFICERS OR DIRECTORS.

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

- A. A petition requesting the removal of an Officer/Director, signed by not less than one-third (1/3) 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 for disqualification of further service.
- B. Upon receipt of the petition the Board of Directors shall select a committee of five (5) elected Officers/Directors to serve as a Hearing Panel. Their duty shall be to study the charges as set forth

in the petition to determine the validity of such charges. The person who is the subject of the petition shall have the right to be heard by the Hearing Panel. Upon hearing the charges, the Hearing Panel may do one (1) of the following:

1. Dismiss the charges that the Hearing Panel deems to be unjustifiable, or
 2. Send the petition to the membership for their action as outline in (C) and (D) below.
- C.** Not less than twenty (20) days nor more than forty-five (45) days after the decision of the Hearing Panel, 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 charges against the Officer/Director who is the subject of the petition and to render decision on such petition.
- D.** The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting and shall be conducted by the President of the Board, unless the President's continued service in the office is being considered at the meeting. In such case, the next ranking Officer will conduct the meeting. Provided a quorum is present, a three-fourths (3/4) vote of the Members present and voting shall be required for removal from office.

SECTION 10. STATE DIRECTORS.

The incoming President/President-Elect, with the advice and consent of the Board of Directors, shall designate such Directors of the Alabama Association of REALTORS® as may be permitted and authorized by the Bylaws of the said Alabama Association of REALTORS®. State Directors and State Chairpersons are not, by virtue of their state appointments, Members of the Board of Directors of the Huntsville Area Association of REALTORS®.

VACANCY: Events resulting in an AAR State Director vacancy, which may include but not limited to illness, death, resignation or election to the position of Board President or AAR officer, shall have the vacated position filled by the President with the advice and consent of the Board of Directors. (03-10)

SECTION 11. NATIONAL DIRECTORS.

The Nominating Committee shall submit candidates to the Board of Directors for recommendation to the National Association of REALTORS®. Those eligible to serve as a National Director are those persons who have been a primary REALTOR® Member of the Huntsville Area Association of REALTORS® (HAAR) for at least three (3) consecutive years immediately prior to election and who have certified in writing or will do so, a desire to serve as a Director of the National Association of REALTORS® and who meet the requirements set by the HAAR Board of Directors. Any vacancy occurring for any reason during a one (1) year term of office shall be filled by the Directors by electing a qualified Member to fill the unexpired term only.

ARTICLE XII - MEETINGS

SECTION 1. ANNUAL MEETINGS.

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

SECTION 2. MEMBERSHIP MEETINGS.

The monthly meetings of the Association shall be held on a date, hour, and at a place designated by the Board of Directors.

SECTION 3. MEETINGS OF DIRECTORS.

The Board of Directors shall designate a regular time and place of meetings. Absence from three (3) regular meetings, without an excuse deemed valid by the Board of Directors, shall be construed as resignation from that point forth. A majority of Directors shall constitute a quorum. (07-11)

Notices of absences, late arrivals or early departures to be reported (by email or phone call) as soon as possible to one of the following:

- The Chief Executive Officer
- President of the HAAR and/ or the President of NALMLS.
- Staff Liaison to the Officers and Directors

Excused absences to include emergencies relating to:

- Family
- Personal
- Medical
- Exceptions to the above at the discretion of the Executive Committee.

SECTION 4. OTHER MEETINGS.

Meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten percent (10%).

SECTION 5. NOTICE OF MEETINGS.

Written notice shall be given to every member entitled to participate in the meeting at least 7 days preceding all meetings. In the event of a special called meeting, the notice shall contain a statement of the purpose of the meeting. Written notice shall be considered given to every Member the day after a notice is mailed or delivered electronically to the Designated REALTOR® Members of the Association at most current addresses of their various offices and, unless directed otherwise by the Board of Directors, placed upon the computer system bulletin board. (07-13) (2-18)

SECTION 6. QUORUM.

A quorum for the transaction of business at a general or called membership meeting will be the REALTOR® Members present at regular or called meeting.

SECTION 7. ELECTRONIC TRANSACTION OF BUSINESS.

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

SECTION 8. ACTION WITHOUT MEETING.

Unless specifically prohibited by the article 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 (1) or more written approvals, each of which sets forth action taken and bears the signature of one (1) or more Directors. All the approvals evidencing the consent shall be delivered to the Chief Executive Officer to be filed in the corporate records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date.

ARTICLE XIII - COMMITTEES

SECTION 1. STANDING COMMITTEES.

- A. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following committees: (5-2017)
- | | |
|------------------|------------------------|
| Finance & Budget | Education |
| Grievance | Orientation |
| REALTOR Party | Personnel Policy |
| ARPAC | Professional Standards |
| Bylaws | Caravan |
| Forms | Realtor Expo |

- B. **The Finance and Budget Committee** shall be composed of the President Elect, the President of the Multiple Listing Service, the Secretary/Treasurer, and six (6) REALTOR® Members who shall be appointed to serve for three (3) year terms and staggered so that two (2) members are appointed each year. The Secretary/Treasurer shall serve as Chairman of the Finance and Budget Committee.

- C. **The Professional Standards Committee** shall be composed of up to fifty (50) members from whose membership hearing panels will be selected in accordance with the procedures established within the *Code of Ethics and Arbitration Manual* as said manual may, from time to time, be amended.

- D. **The Grievance Committee** shall be composed of up to nine (9) members and function in accordance with the procedures established within the *Code of Ethics and Arbitration Manual* as said manual may, from time to time, be amended. Appointments will be for three (3) year terms with appointments staggered so that approximately one-third (1/3) of the committee membership is appointed each year.

- E. **The Bylaws Committee** will be composed of the Secretary/Treasurer, the Second Vice President and other members willing to serve.

- F. **The Personnel Policy Committee** will be structured and function as follows:
The Personnel Policy Committee shall consist of five (5) Members, who shall be appointed by the President and approved by the Board of Directors. Members of the committee shall elect a chairperson during January of each year.

Committee Position	Source of Appointment	Term of Appointment
1	MLS President	For Term of Office
2	Elected Directors	For Term of Office
3	General Membership	Two (2) Years
4	General Membership	Two (2) Years
5	A Past President	Two (2) Years

The President shall be an ex-officio, non-voting member of this committee. (02-13)

- G. Committee Chairman will be limited to two (2) consecutive years (4-97)

- H. Past Presidents are a special resource and shall serve as advisors to the President, Association leadership, and staff, and shall meet as needed. (11-01)

SECTION 2. SPECIAL COMMITTEES.

The President shall appoint, subject to confirmation by the Board of Directors, such special committees as he/she may deem necessary.

SECTION 3. ORGANIZATION.

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

SECTION 4. PRESIDENT.

The President shall be an ex-officio, non-voting member of all standing committees except the Nominating, Professional Standards, and Grievance Committees and shall be notified of their meetings. (02-13)

SECTION 5. ACTION WITHOUT MEETING.

Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one (1) or more written approvals, each of which sets forth the action taken and bears the signature of one (1) or more of the Members of the committee.

SECTION 6. ATTENDANCE BY TELEPHONE.

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

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

SECTION 1.

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

SECTION 2.

The Area Association office will be closed: New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, and the Friday following, and Christmas Day.

ARTICLE XV - RULES OF ORDER

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

ARTICLE XVI - AMENDMENTS

SECTION 1.

These Bylaws may be amended by a two-thirds (2/3) majority vote of the REALTOR® Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment shall be plainly stated in the call for the meeting. Article IX may be amended only by a majority vote of all REALTOR® Members.

SECTION 2.

Notice of all meetings at which such amendments are to be considered, shall be given to every REALTOR® Member at least one (1) week prior to the time of the meeting.

SECTION 3.

Amendments to these Bylaws affecting the admission or qualification of REALTOR® Members, the use of terms REALTOR® or REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval by the Board of Directors of the National Association of REALTORS®.

ARTICLE XVII - DISSOLUTION

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

ARTICLE XVIII - LOCKBOX SYSTEM

SECTION 1. AUTHORITY.

The Board of Directors shall have the authority to establish a lockbox system and shall adopt and publish such Rules and Regulations as are necessary for the proper administration of the system. The lockbox system may be administered by the Association or an outside vendor, but shall be considered an Association activity conducted for the benefit of the Members in the conduct of their real estate business.

SECTION 2. SECURITY.

The Rules and Regulations of the lockbox system shall, as a minimum, conform to the security requirements of the National Association of REALTORS®.

Note: See HAAR Policy Manual, HAAR Rules & Regulations regarding Lock Box and Key Control (11/15)

ARTICLE XIX - MULTIPLE LISTING SERVICE

SECTION 1. AUTHORITY.

The Huntsville Area Association of REALTORS® shall have a wholly owned subsidiary corporation for the purpose of maintaining a Multiple Listing Service for the use of its Members, the North Alabama Multiple Listing Service (NALMLS). NALMLS shall be subject to the Bylaws of the Huntsville Area Association of REALTORS® and to such Rules and Regulations as may hereinafter be adopted, subject to approval by the Board of Directors. The Second Vice President of the Association shall serve as President of NALMLS.

SECTION 2. PURPOSE.

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities as defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease). (Amended 11/04)

SECTION 3. PARTICIPATION.

Participation shall be as defined in Article 4 of the NALMLS Bylaws.

SECTION 4. ACCESS TO COMPARABLE AND STATISTICAL INFORMATION.

Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in NALMLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by NALMLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individual affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in NALMLS Rules and Regulations.

Association Members who receive such information, either as an Association service or through the Association's NALMLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in NALMLS or not. (11-98)

ARTICLE XX - CHAPTERS

SECTION 1. DEFINITION.

A chapter is a sub-group of the Huntsville Area Association of REALTORS® that designates a geographic area that was previously under the National Association of REALTORS® jurisdiction of another local association but has merged with HAAR. Chapters exist only upon the approval of the Huntsville Area Association of REALTORS® Board of Directors and must adhere to the rules established by the Board of Directors.

SECTION 2. FORMATION PROCESS

Upon the effective date of the Association mergers, the Members of a chapter shall be Members of Huntsville Area Association of REALTORS®, Inc., of the same classification. The conversion of membership as provided by the chapter agreement shall occur automatically upon the effective date without further action by the Members thereof. Additionally, upon the merger becoming effective, a Chapter of the Huntsville Area Association of REALTORS®, Inc. will be formed and will consist of all members of HAAR who live or work in the assumed jurisdiction. As such, the Chapter will maintain all history, etiquette, and tradition of the former association or board.

SECTION 3. DIRECTOR

Annually the chapter will appoint/elect an ex officio voting member to serve a one year term on the Huntsville Area Association of Realtors board of directors. As the liaison between the Board of Directors and the Chapter, the Chairman will ensure effective communication within the Association.

SECTION 4. MEETINGS

Chapters will have no less than 4 (four) membership meetings in a calendar year (11-2016)

REVISION DATES:

1-99, 3-00, 9-00, 7-01, 11-01, 12-01, 7-02, 10-02, 1-03, 4-03, 10-04, 12-06, 10-08, 08-09, 03-10, 6-10, 7-11, 03-12, 07-13, 02-15, 06-15, 2-16, 11-16, 5-17, 10-17, 2-18