

NOTE: The first occurrence of a change is **boldfaced-underlined-highlight**; thereafter, blue font

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. Officers

- a) The officers of CFR shall be a:
 1. President;
 2. President Elect (~~who shall also serve as President of the Cape Fear REALTORS® MLS, Inc.~~);
 3. Vice President. (~~who shall Chair the Finance Committee~~). ~~Secretary~~
- b) **Application and Qualification for Vice President** ~~an officer position must~~ **All applicants for Vice President shall:**
 1. **complete an application agreeing to both a criminal background check and an inquiry to the appropriate regulatory agency for each license they hold;**
 2. have been a REALTOR® for at least two years prior to taking office; ~~and must~~
 3. have served on the Board of Directors within the last five years.
- c) **Election** **The Board of Directors shall elect the Vice President.**
- d) **Terms** All officers shall serve a one-year term~~s~~.
- e) **Initial and Continuing Qualification** All Officers shall complete the Orientation for the Board of Directors **and shall sign the Service Statement** prior to being installed as an Officer. In order to remain an Officer each shall complete on an annual basis the Orientation for the Board of Directors **and shall sign the Service Statement if it is amended.**
- f) **Succession and Vacancy** The President-Elect shall automatically succeed to the office of the President. The Vice President shall automatically succeed to the office of the President-Elect. **In the event any officer is unable to serve,** the Board of Directors shall fill the vacancy by a simple majority vote. ~~If the office of the President-Elect becomes vacant, the Vice President may become the President-Elect and perform the duties of both offices and, thereby, no vacancy is created for the office of the Vice President.~~
- g) **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 and as specified in the Policy and Procedure Manual.

Section 2. REALTOR®-Elected Directors. REALTOR® Members shall elect six **REALTOR®-Elected Directors** (**“Directors” in this Section 2**) to serve staggered three-year terms. ~~As many~~ Directors shall be elected each year as are required to fill vacancies unless the vacancy is filled by the Board of Directors as described below in **Section 2(a)6.** No director shall serve for more than two consecutive terms.

- a) **Application and Qualification**
 1. At least six (6) months before the annual election, a Recruiting/Certifying Committee of five REALTOR® Members shall be appointed by the President. The Recruiting/ Certifying Committee shall select at least one but no more than three candidates for each ~~office or for each~~ **Director** position ~~created by a vacancy which was not filled by the Board of Directors~~. The Committee shall not submit the name of any REALTOR® so as to permit more than three REALTORS® from the same firm to serve on the Board of Directors (“firm” is defined as an entity whose owners are the same or substantially the same). The Recruiting/Certifying Committee shall send notice to the REALTOR® members setting forth the time, place, and other pertinent conditions of the meeting to elect those

- so noticed on a date at least twenty (20) days prior to the proposed meeting;
2. All applicants shall complete an application agreeing to both a criminal background check and an inquiry to the appropriate regulatory agency for each license they hold;
 3. Applicants for Director must have been a REALTOR® for at least two years prior to taking office.
 4. **Election** Voting for selection of nominees shall be by a secret ballot administered through an Internet voting program. The ballot shall contain the names of all candidates and the **offices length of term** for which **each is** nominated. The election **of officers and directors** shall be by plurality vote. On-line voting shall close just prior to the Annual Meeting. In case of a tie vote, the issue shall be determined by lot. The president shall inform the membership of the results of the balloting.
 5. **Initial and Continuing Qualifications** All Directors shall complete the Orientation for the Board of Directors and shall sign the Service Statement prior to being installed as a Director. In order to remain a Director each shall complete on an annual basis the Orientation for the Board of Directors and shall sign the Service Statement if it is amended.
 6. **Vacancy** If a vacancy arises for any elected **or appointed** position, then said vacancy may be filled by a simple majority vote of the Board of Directors.

Section 3. Executive Roundtable. Two Executive Roundtable Directors ("**Roundtable Director**") shall be elected to staggered two-year terms by the Executive Roundtable subject to the following provisions:

- a) The members of the Executive Roundtable shall be limited to those REALTOR® owners/managers who hold primary or secondary membership in CFR;
- b) Whose firms represent 66% of the total licensees found in all branch offices (where the licensee is either a primary REALTOR® Member of CFR or where the licensee is included in the Designated REALTOR® member's dues paid to **CFR this Association**) as of January 1 of each year
- c) Where several firms would qualify for the last position on the committee, such position(s) will be determined by lot(s) drawn by the Past President in the presence of the CEO.
- d) Each firm shall be entitled to only one vote.
- e) The top five firms shall elect one director; the remaining firms shall elect the other director;
- f) Each **Roundtable** Director must be a REALTOR® principal, or a REALTOR® manager, as evidenced by being the Broker-In-Charge, from among the members of the Executive Roundtable;
- g) All applicants shall complete an application agreeing to both a criminal background check and an inquiry to the appropriate regulatory agency for each license they hold;
- h) The election would be held no later than the annual meeting;
- i) **Initial and Continuing Qualifications** Each **Roundtable** Director shall complete the Orientation for the Board of Directors and shall sign the Service Statement prior to being installed as a Director. In order to remain a Roundtable Director, each Director's firm must remain on the Executive Roundtable and each Roundtable Director shall complete on an annual basis the Orientation for the Board of Directors and shall sign the Service Statement if it is amended.
- j) A special election to fill any vacant seat shall be held as described in subsection "e" above.
- k) The Executive Roundtable Committee shall adopt their own rules for all elections.

Section 4. Board-Elected Director. The Board of Directors may **elect** **appoint** a Director whose firm is not a member of the Executive Roundtable; such director shall serve a one-year term.

- a) Prior to election, the nominee shall complete an application agreeing to both a criminal background check and an inquiry to the appropriate regulatory agency for each license they hold.
- b) Once elected and prior to being installed, such director shall complete the Orientation for the Board of Directors and shall sign the Service Statement.
- c) **Continuing Obligation:** If the Board-**elected****appointed** Director transfers to a firm who is a member of the Executive Roundtable, or if the firm becomes a member of the Executive Roundtable such Board-**elected****appointed** Director automatically forfeits the position. Should the Service Statement be amended, such Director shall sign the amended Service Statement.

Section 5. Council Representatives. Each Council President or their appointee **from each Council** plus one additional one-year director when a Council's membership reaches 150 members.

- a) Each shall complete an application agreeing to both a criminal background check and an inquiry to the appropriate regulatory agency for each license they hold.
- b) Once elected and prior to being installed, such director shall complete the Orientation for the Board of Directors and shall sign the Service Statement.
- c) Should the Service Statement be amended, such Director shall sign the amended Service Statement.

Section 6. Board of Directors.

- a) **Governing Body.** The governing body of CFR shall be a Board of Directors consisting of:
 - 1) **electd** The officers;
 - 2) The most immediate Past CFR President who is able to serve; **and such other directors as specified in this Section.**
 - 3) **The REALTOR®-Elected** ~~Six~~ Directors; **shall be elected to serve staggered three-year terms. As many Directors shall be elected each year as are required to fill vacancies.**
 - 4) The two Executive Roundtable Directors;
 - 5) The Board-elected Director (if any).
 - 6) Each Council-President or their appointee, plus one additional one-year director when a Council's membership reaches 150 members
- b) **Voting** A quorum of the Board of Directors shall be a simple majority of its members. Voting by facsimile or email is permissible when an issue arises that, in the opinion of the President, warrants an immediate response. Any action taken by the Board by facsimile or e-mail must be approved by a majority of the Directors voting with no fewer than a majority of the entire Board participating in the vote. The **Corporate** Secretary shall retain proof of a vote so taken and shall record and report the vote to all board members no later than the next meeting at which time the minutes will reflect a confirmation of the action.

Section 7. Forfeiture of Position. In the event that **an officer or director** **any member of the Board of Directors** is found in violation of the Code of Ethics (unless the **member of the Board of Directors** **officer or director** is the Designated REALTOR® and has been enjoined in a complaint because of the action of a licensee) or is censured or reprimanded or has their license suspended by an appropriate state regulatory agency then that **officer or director** **member of the Board of Directors** automatically

forfeits the position to which they have been elected or appointed.

Any member of the Board of Directors who misses more than two (2) meetings as published in the annual calendar during a calendar year shall be deemed to have resigned, and the vacancy shall be filled as provided in these Bylaws or where appointed according to Policy.

Section 8. Corporate Secretary. ~~It shall be the duty of~~ The Chief Executive Officer shall serve as the non-voting Corporate Secretary. The Corporate Secretary shall:

- a) Attend all Board of Director meetings;
- b) ~~to~~ Keeping the records of CFR;
- c) ~~and to~~ Carrying on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS®, and the NC REALTORS®;
- d) Be the chief administrative officer of CFR;
- e) Have the authority to hire, supervise, evaluate and terminate all other staff, if any; and,
- f) Perform such other duties as prescribed by the Board of Directors.

Section 9. Meetings. The Board of Directors shall meet as published in the Annual Calendar, when deemed necessary by the President, or when requested by one-fourth of the Board except, however, the President may cancel any meeting published in the Annual Calendar when the President determines that the meeting is not necessary. The time and place shall be as determined by the President. The purpose of the meeting shall be clearly stated in the notice of the meeting and only that business and that which logically grows from it shall be considered.

NOTE: These two section are found in Article XII, Section 6 & 7

Section 10. Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors may conduct business by electronic means.

Section 11. Action without a Meeting. Any action required or permitted to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by a majority of the Board of Directors. The action must be evidenced by one or more written acknowledgements signed or electronically acknowledged by each member before or after such action describing the action taken, which consent(s) shall be included in the minutes as described in Article XI, Section 6 (b). Action is effective when member signs or electronically acknowledges the consent, unless the consent specifies a different effective date.

ARTICLE XIII - COMMITTEES

Section 1. Committees. Except as otherwise specified in the Policy and Procedure Manual the President shall appoint Committee Chairs, and Task Force Chairs of CFR from among the REALTOR® Members, subject to confirmation by the Board of Directors. The President shall also appoint Committee members from among all of the members for these Committees and Task Forces. The standing committees are: Grievance, Professional Standards, Finance, and Executive Roundtable Committee.

NOTE (Article XIII, Section 2-5 are unchanged)

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 XX HEADINGS AND TITLES

References to article, section, paragraph headings and titles are for descriptive purposes and convenience of reference only and shall not control, alter or be used to interpret the meaning of these Bylaws.