

MONMOUTH COUNTY ASSOCIATION OF REALTORS®

BYLAWS

ARTICLE I – NAME

Section 1. Name. The name of this organization shall be the Monmouth County Association of REALTORS® Inc., hereafter referred to as the "Association," whose current official place of business is One Hovchild Plaza, 4000 Route 66, Tinton Falls, NJ 07753.

Section 2. REALTORS® Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the Association shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® as from time to time amended.

ARTICLE II – OBJECTIVES

The objectives of the Association are:

Section 1. To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

Section 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

Section 4. To further the interests of home and other real property ownership.

Section 5. To unite those engaged in the real estate profession in this community with the New Jersey 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, those individuals authorized to use the terms REALTOR®, REALTORS®, AND REALTOR-ASSOCIATE® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE III – MEMBERSHIP

There shall be nine classes of Members as follows:

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

- a. Individuals who, as sole proprietors, principals, partners, corporate officers, trust officers, trustees or are 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 maintains or is associated with an established Real Estate office. 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 unless otherwise qualified for Institute Affiliate Membership as described in Section 3 of Article III.

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 other qualified for Institution Affiliate Membership as described in Section 3 of Article III.

- b. Individuals who are engaged in the real estate profession other than as sole proprietors, principals, partners, corporate officers, trust officers, trustees, or branch office managers and are associated with a REALTOR® member and meet the qualifications set out in Article IV.
- c. Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to board 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 board, state association and National Association. (Rev. 9/05)
- d. Primary and secondary REALTOR® Members. An individual is a primary member if the Board 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 of the principals in a real estate firm must be a Designated REALTOR® member of the Board in order for licensees affiliated with the firm to select the Board as their "primary" Board. (Rev. 9/05)

- e. Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article IX of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article IV, Section 2, of the Bylaws. (Rev. 9/05)

Section 2. REALTOR-ASSOCIATE® Members. REALTOR-ASSOCIATE® Members shall be individuals who are engaged in the real estate profession other than as sole proprietors, principals, partners, corporate officers, or trustees and do not qualify for or seek REALTOR® Membership as described in Article IV, Section 2(b). Salespeople and other associates of a real estate office shall be eligible for REALTOR-ASSOCIATE® membership if they are employed by, or affiliated as an independent contractor, with a REALTOR® Member, as provided in this Article. REALTOR-ASSOCIATE® members may transfer to REALTOR® membership by meeting the requirements for such membership set out in Article IV.

Section 3. 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.

Section 4. 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), (b) or (c) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association.

Section 5. Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

Section 6. Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association or for the public.

Section 7. Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or are not associated with an established real estate office.

Section 8. Life Members. Life Members shall be individuals selected and approved by the Board of Directors, meeting the qualification of Honorary Members, except engaged in the real estate profession, including inactive, retired status and special respect as may be from time to time established, who agree to support and adhere to the Code of Ethics.

Section 9. REALTOR® Emeritus. A REALTOR® Member who has held membership in the NATIONAL ASSOCIATION OF REALTORS® as a REALTOR® or REALTOR-ASSOCIATE® or both for a cumulative period of forty (40) years, upon certification by the Board of Directors. (Rev. 9/05)

ARTICLE IV – QUALIFICATION AND ELECTION

Section 1. Application

An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations Of the Board, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Board, State and National Associations, and the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Board, 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 Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification

- (a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that he is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy, has no record of official sanctions involving unprofessional conduct, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he will abide by such

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

- (b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, branch office managers in order to qualify for REALTOR® membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® member of the Board or a Designated REALTOR® Member of another Board (if a secondary member), shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the National Association of REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.
- (c) An applicant for REALTOR-ASSOCIATE® Membership shall supply evidence to the Membership Committee that he is actively engaged in the real estate profession and is employed by a REALTOR® or affiliated with a REALTOR® as an independent contractor, must maintain a current valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Local Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Committee, and shall agree in writing that if elected to membership, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws and Rules and Regulations of the Local Association, the State Association, and the National Association.
- (d) 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 any other association within the past three (3) years.
 - 2. Pending ethics complaints (or hearings)
 - 3. Unsatisfied discipline pending
 - 4. Pending arbitration requests (or hearings)
 - 5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS.

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article IV, Section 2(a) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that

provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. Election

The procedure for election to membership shall be as follows:

- (a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. It shall then give written notice to the REALTOR® members of such application and invite written comment. If one or more of the REALTOR® members object to the approval of the applicant, basing such objection on lack of qualification as set forth in these Bylaws, the Committee shall invite any objecting member to appear and substantiate his objections. Objections, which are not substantiated, shall be totally disregarded. The Committee may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting member, and (2) giving the applicant a full opportunity to appear before the Committee and establish his qualifications. The Committee shall thereafter make a written report of its findings. The Membership Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws of the local Association.
- (b) Thereafter, within sixty (60) days, the Membership Committee shall report its recommendation to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reasons shall be specifically stated. If any member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the Board of Directors.

Section 4. New Member Code of Ethics Orientation

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less. Failure to satisfy this requirement within 60 days of the date of application (or, alternatively, the date that provisional membership was granted) will result in denial of the membership application or termination of provisional membership.

Section 5. Continuing Member Code of Ethics Training

Effective January 1, 2001 through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation

that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences. Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed.

Members suspended for failing to meet the requirement for the first four (4)-year cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4)-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any for (4)-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. (Rev. 9/06)

ARTICLE V – PRIVILEGES AND OBLIGATIONS

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

Section 2. Any member of the local Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and local Association Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual. Although members other than REALTORS® and REALTOR-ASSOCIATES® are not subject to the Code of Ethics nor its enforcement by the local Association, such members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, Members other than REALTORS® and REALTOR-ASSOCIATES® 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®, REALTORS® or REALTOR-ASSOCIATES®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Any REALTOR® or REALTOR-ASSOCIATE® member of the local Association may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration manual, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION.

Section 4. Resignations of members shall become effective when received in writing by the Board of Directors, provided, however, that if any member submitting the resignation is indebted to the local Association for dues, fees, fines or other assessments of the local Association or any of its services, departments, divisions, or subsidiaries, the local Association may condition the right of the resigning member to reapply for membership upon payment in full of all such moneys owed.

Section 5. If a member resigns from the local Association or otherwise causes membership to terminate with an Ethics complaint pending, that Board of Directors may condition the right of the resigning member to reapply for membership upon the applicant's certification that he will submit to the pending ethics or arbitration proceeding, and will abide by the decision of the hearing panel

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

Section 6. REALTOR® Members

- (a) Primary and secondary REALTOR® members in good standing whose financial obligations to the local Association are paid in full shall be entitled to vote and to hold elective office in the local Association.
- (b) REALTOR® members may use the terms REALTOR®, or REALTORS®, which use shall be subject to the provisions of Article VIII.
- (c) REALTOR® members have the primary responsibility to safeguard and promote the standards, interests and welfare of the local Association and the real estate profession.
- (d) If a REALTOR® member is a principal in a firm, partnership, or 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, 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, whichever may apply. Further the membership of the REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined member shall suspend or terminate during the period of suspension of the disciplined member or until readmission of the disciplined member or until connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the Board, whichever may apply. If a REALTOR® member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

- (e) In action taken against a REALTOR® member for suspension or expulsion under Section 6(d) hereof, notice of such action shall be given to all REALTORS® and/or REALTOR-ASSOCIATES® employed by or affiliated as independent contractors with such REALTOR® member and they shall be advised that the provisions in Article V, Section 6(d) and 7(d) shall apply.

Section 7. REALTOR-ASSOCIATE® Members

- (a) REALTOR-ASSOCIATE® members shall have the right to use the term REALTOR-ASSOCIATE® subject to Article VII, and shall have all the rights and privileges of the Association except the right to use the term REALTOR® or REALTORS®, to vote, or to hold elective office in the Association, except for the REALTOR-ASSOCIATE® appointed by the President.
- (b) REALTOR-ASSOCIATE® members shall promote the interests and welfare of the local Association and the real estate profession.
- (c) REALTOR-ASSOCIATE® members shall maintain the same high standards of ethical conduct in their real estate business as is required of REALTOR® members.
- (d) The membership of a REALTOR-ASSOCIATE® member shall suspend or terminate during the period of suspension or termination of a REALTOR® member or until readmission of the disciplined REALTOR® member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR-ASSOCIATE® member elected to sever his connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the local Association, whichever may apply.

Section 8. Institute Affiliate Members. Institute Affiliate members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®. NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local association; or to be a participant in the local association's Multiple Listing Service.

Section 9. Affiliate Members. Affiliate members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 10. Public Service Members. Public Service members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 11. Honorary Members. Honorary members shall only have the right to attend meetings and participate in discussion.

Section 12. Student Members. Student members shall have such privileges and rights and shall be subject to such obligations as may be prescribed by the Board of Directors.

Section 13. Life Members. Life members shall only have the right to attend meetings and participate in discussion.

Section 14. REALTOR®-Emeritus. REALTOR®-Emeritus membership shall only have the right to attend meetings and participate in discussion, except that if a REALTOR®-Emeritus is still actively engaged in the real estate profession, he shall retain all of the privileges and obligations of his classification of membership within the local Association.

Section 15. Certification by REALTOR®. "Designated" REALTOR® Members of the Board shall certify to the Board during the month of January on a form provided by the Board, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Board 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 Board based on said non-member licensees, the Designate REALTOR® shall identify the Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article IX, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Board of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

ARTICLE VI – PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The responsibility of the local Association and of the local 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 from time to time amended, which by this reference is made a part of these Bylaws.

Section 2. It shall be the duty and responsibility of every REALTOR® and REALTOR-ASSOCIATE® member of this Association to abide by the Bylaws and the Rules and Regulations of the local Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended.

ARTICLE VII – USE OF THE TERMS REALTOR®, REALTORS® AND REALTOR-ASSOCIATE®

Section 1. Use of the terms REALTOR®, REALTORS®, AND REALTOR-ASSOCIATE® by members shall, at all times, be subject to the provision of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction.

Section 2. REALTOR® members of the Local 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 the Association so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

Section 3. A REALTOR® member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto the Association are REALTOR® members of the local Association.

- 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.

Section 4. REALTOR-ASSOCIATE® members of the local Association shall have the right to use the term REALTOR-ASSOCIATE® so long as they remain REALTOR-ASSOCIATE® members in good standing and the REALTOR® member with whom they are associated as independent contractors or by whom they are employed is also a REALTOR® member in good standing.

Section 5. An Institute Affiliate Member shall not use the terms REALTOR®, REALTORS®, or REALTOR-ASSOCIATE® and shall not use the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE VIII – STATE AND NATIONAL MEMBERSHIPS

Section 1. The local Association must be a member of the NATIONAL ASSOCIATION OF REALTORS® and the New Jersey Association of REALTORS®. By reason of the local Association's membership, each REALTOR® and REALTOR-ASSOCIATE® member of the local Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the New Jersey Association of REALTORS® without further payment of dues. The local Association shall continue as a Member of the State and National Associations, unless by a majority vote of all of its REALTOR® members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2. The local Association recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR®, REALTORS®, and REALTOR-ASSOCIATE®. The local Association shall discontinue use of the terms in any form in its name, upon ceasing to be a member of the National Association or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

Section 3. The local Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® and REALTOR-ASSOCIATE® members. The local Association and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the national Association and the New Jersey Association of REALTORS®.

ARTICLE IX – FEES, DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTOR® membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the Association upon final approval of the application.

Section 2. Dues. The annual dues of members shall be as follows:

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

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

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

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

- (b) The annual dues of each REALTOR® member other than principal, partner or corporate officer shall be in such amount as established annually by the Board of Directors.
- (c) REALTOR-ASSOCIATE® Members. The annual dues of each REALTOR-ASSOCIATE® member shall be in such amount as established annually by the Board of Directors.
- (d) Institute Affiliate Members. The annual dues of each Institute Affiliate Member shall be in such amount as established annually by the Board of Directors. 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 (\$75.00). The National Association shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount 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 \$25.00 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.
- (e) Affiliate Members. The annual dues of each Affiliate member shall be in such amount as established annually by the Board of Directors.
- (f) Public Service Members. The annual dues of each Public Service member shall be in such amount as established annually by the Board of Directors.
- (g) Honorary Members. Dues are waived.

- (h) Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.
- (i) Life Members. Dues are waived.
- (j) REALTOR®-Emeritus. Dues are waived.

Section 3. Dues Payable. Dues for all members shall be payable annually in advance of the first day of January. Dues shall become payable on the first day of the month in which a member shall be notified of election and shall be prorated for the year. The local Association will pay the dues to the NATIONAL ASSOCIATION OF REALTORS® and to the State Association. These dues are also due and payable annually in advance of the first day of January. If a REALTOR® member should succumb during the first six months, the local Association will refund the prorated amount upon written request on behalf of his estate or beneficiaries; otherwise dues are not refundable. In calculating the dues payable to NJAR and/or the NATIONAL ASSOCIATION OF REALTORS® by a member board, no member belonging to another member board shall be considered, provided such member has notified the State Association, and each local board to which he belongs of the identity of the member board where he holds primary membership.

Section 4. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the local Association or the local Association's Multiple Listing Service are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, fines or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the local Association or any of its services, departments, divisions, or subsidiaries, may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 5. Deposit. All monies received by the local Association for any purpose shall be deposited to the credit of the local Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. Expenditures. The Board of Directors shall administer the day-to-day finances of the Association. Capital expenditures in excess of \$100,000 may not be made unless authorized at a general membership meeting, at which there is a quorum, by a majority vote of the Association members present who are eligible to vote.

Section 7. Notice of Dues, Fees, Fines, Assessment, and other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the local Association or local Association Multiple Listing Service shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

Section 8. The dues of REALTOR® or REALTOR-ASSOCIATE® members who are Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

ARTICLE X – OFFICERS AND DIRECTORS

Section 1. Officers. The elected Officers of the local Association shall be: a President, Senior Vice President, 1st Vice President, 2nd Vice President, a Secretary and a Treasurer. They shall be elected for a term of one year which period shall be from January 1 to December 31. (Rev. 9/05)

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:

- (a) The President shall be the principal officer of the Monmouth County Association of REALTORS® and shall preside at its meetings, and between the sessions of which the President shall represent the Association and act in its name, subject only to its declared policies. The President shall appoint all Committees, including the assignment of Liaison Officers to each Committee of the Association; shall be an ex-officio member of all Committees, except the Nominating Committee; and shall perform all other duties usual to such office. The President shall meet the qualification of at least having served as (1) a Director; (2) Committee Chair; (3) one year as a member of the Multiple Listing Service Committee or Budget and Finance Committee. The President is a member of the State Association's Board of Directors, and as such, has the power to vote in all Directors' meetings of that Board.
- (b) The Senior Vice President shall have the same qualifications as the President and shall perform the duties of the President in the event of the President's temporary absence or disability and shall perform such other duties as may be delegated to the Senior Vice President by the Board of Directors or the President. (Rev. 9/05)
- (c) The First (1st) Vice President may have overall supervision of the work of the various Committees of the Association and act as representative of the President in such matters as may be assigned to the First Vice President by the President.
- (d) The Second (2nd) Vice President may overview, at the discretion of the President, the work of the Association Administration and office and act as representative of the President in such matters as may be assigned to the Second Vice President by the President.
- (e) The Treasurer shall be the custodian of all funds and securities of the Association, and shall deposit the funds and securities in depositories carrying Federal Deposit Insurance, subject to the approval of the Board of Directors
- (f) The Secretary shall make a record of all meetings of the Board of Directors, Executive/Personnel Committee and of the Annual Meeting and shall keep all the said records at the Association office and perform such duties customary to that office.

Section 3. Board of Directors. The governing body of the Association shall be a Board of Directors consisting of the six (6) elected officers, three (3) immediate past presidents, one of whom shall be the Governor/Board Director, 15 REALTOR® members and one REALTOR-ASSOCIATE® member appointed by the President for one year. Directors shall be elected to serve for terms of three years. Thereafter, as many Directors shall be appointed by the President as are required to fill vacancies.

Section 4. Election of Officers and Directors

- (a) At least four months before the annual election, a Nominating Committee consisting of a Chairperson who is a Past President and/or member of the Board of Directors, three members from the Board of Directors, one Past President and one member at large, not on the Board of Directors, (that is an active, full time member of the association for the past 3 years). In addition, there are to be 2 alternate committee members, one from the Board of Directors and one member at large (that is an active, full time member of the association for the past 3 years). Alternate committee members will attend all meetings and will only vote in the absence of a sitting member of the committee. All members shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed to each REALTOR® member eligible to vote at least eleven (11) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least twenty percent of the REALTOR® members eligible to vote. The petition shall be filed with the Secretary of the Board of Directors, at the official place of business of the Association at least three (3) weeks before the election. The said Secretary shall, within 24 hours, deliver to the Executive Vice President, the original petitions as filed with the Secretary of the Board of Directors, for immediate transmittal to all REALTOR® members eligible to vote. (Rev. 9/05)
- (b) The election of Officers and Directors shall take place at the annual meeting. Election shall be by ballot and all votes shall be cast in person. The ballot shall contain the names of all candidates and the offices for which they are nominated.
- (c) Three weeks prior to the General Election, upon request, any voting member may request from the principal MCAR office an absentee ballot with instructions, to be sent by mail or picked up in person. The ballot must be notarized and returned in a sealed envelope setting forth the name of the member and his office, and must be addressed to the Election Committee. The envelope containing the absentee ballot will be DATE stamped when received and not opened until the day of the election at which time the Election Committee will open it and register the vote. For purposes of calculating whether a quorum exists for the meeting, votes made by absentee ballot will be counted. All ballots must be received either by mail or personal delivery to an Association employee, at Monmouth County Association of Realtors office, One Hovchild Plaza, 4000 Route 66, Tinton Falls, NJ 07753 by the close of business, 4:30 pm, on the day before the General Election. (Rev. 9/05)

- (d) The President, with the approval of the Board of Directors, shall appoint an Election Committee of three REALTOR® members to conduct the election. In case of a tie vote, the candidates involved shall be determined by another vote among the REALTOR® members present during the Annual Meeting.

Section 5. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by the President and approved by the Board of Directors for the balance of the unexpired term.

Section 6. The Account of the Treasurer shall be audited annually by a Certified Public Accountant selected by the Board of Directors. Said audit to be submitted to the President, Treasurer and Chairperson of the Budget and Finance Committee for review prior to submittal to the Board of Directors. File copy shall remain at the Association Office under the supervision of the Executive Vice President for permanent file.

Section 7. The immediate Past President shall become the Governor/Board Director and shall be a member of the Board of Directors

Section 8. There shall be an Administrative Officer of the Association who shall be employed by and shall serve at the pleasure of the Board of Directors, and who shall perform such duties as directed by the Board of Directors. The Administrative Officer shall be titled Executive Vice President of the Association, and shall have administrative responsibility of the staff, including hiring and dismissal, subject to the approval of the Executive/Personnel Committee. The Executive Vice President shall have administrative responsibility of maintaining permanent records and overall administrative procedures of and coordination of all policies of Association activities.

Section 9. Removal of Officers and Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

- (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking Officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.
- (c) The special meeting shall be noticed to all voting members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the meeting. In such case, the next ranking Officer will conduct the meeting of the hearing by the member. Provided a quorum is present, a three-fourths vote of members present and voting shall be required for removal from office.

Section 10. The State Association Director shall be the Senior Vice President who shall, with the President, attend all State Association functions as a representative of the Association.

ARTICLE XI – MEETINGS

Section 1. Annual Meeting. The annual meeting of the Monmouth County Association of REALTORS® members, shall be held during September of each year; the date, place and hour shall be designated by the Board of Directors.

Section 2. Meetings of Directors. The Board of Directors shall designate regular time and place of meetings. Any Board of Director member absent from 3 regular Board of Directors meetings shall be immediately referred to the Executive Committee for review of continuance for their BoD position. (Rev. 9/07)

Section 3. Other Meetings. Meetings of the Membership may be held at such times as the President and/or the Board of Directors may determine, or upon written request of at least twenty percent of the REALTOR® members.

Section 4. Notice of Meetings. Written notice & electronic mail shall be given to every REALTOR® member entitled to participate and vote, at least one week preceding all meetings. If a special meeting is called it shall be accompanied by a statement of the purpose of the meeting. (Rev. 9/05)

Section 5. Quorum. A quorum for the transaction of business for annual/general membership meetings shall consist of 15% of the REALTOR® members eligible to vote. A quorum for Board of Directors meetings shall consist of 50% of Officers and Directors.

ARTICLE XII – COMMITTEES

Section 1. Executive/Personnel Committee shall consist of the President as Chairperson and all Officers of the Association, MLS Chairperson, and two (2) immediate Past Presidents.

Section 2. Other Standing Committees. The President shall appoint from among the REALTOR® and REALTOR-ASSOCIATE® members, subject to confirmation by the Board of Directors, the following standing committee Chairs and Co-Chairs. The Chairs and Co-Chairs will then select the members of their committees: Affiliates, Associates, Budget and Finance; Bylaws; Circle of Excellence Verification Committee; Commercial, Industrial, Investment (CII); Education; Equal Opportunity; Grievance; Insurance; Legislative/Political Affairs; Managers Committee; Mediation Committee; Membership; Multiple Listing Service; Nominating; Professional Standards; Public Relations; RPAC. (Rev. 9/07)

Section 3. Mediation Committee. Membership requires certificate of completion by NJAR®, NAR or a State Judiciary body prior to appointment. (Rev. 9/07)

Section 4. Special Committees. The President may appoint, subject to confirmation by the Board of Directors, such special Committees, as the President may deem necessary.

Section 5. Organization. All Committees shall be of such size and shall have such duties, function and powers as may be assigned to them by the President or the Board of Directors, except as otherwise provided in these Bylaws.

Section 6. Absence from 30% of any committee meetings shall be construed as a resignation there from. (Rev. 9/07)

Section 7. A quorum for the transaction of business shall consist of a simple majority of the Committee Members present at each meeting.

Section 8. The President shall be an ex-officio member of all Committees and shall be notified when they meet. (Rev. 9/05)

ARTICLE XIII – FISCAL AND ELECTIVE YEAR

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

ARTICLE XIV – RULES OF ORDER

Section 1. Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors and Committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XV – AMENDMENTS

Section 1. These Bylaws may be amended by 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 amendments shall be plainly stated in the call of the meeting.

Section 2. Notice by mail & electronic mail of all meetings at which such amendments are to be considered shall be given to every REALTOR® member eligible to vote at least one week prior to the time of meetings. (Rev. 9/05)

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR®, REALTORS®, REALTOR-ASSOCIATES®, and Institute Affiliate Members, the use of the terms, REALTOR®, REALTORS®, and REALTOR-ASSOCIATES®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVI – DISSOLUTION

Section 1. Upon the dissolution or winding up of the affairs of this Association, the Board of Directors after providing for the payment of all obligations, shall distribute any remaining assets to the New Jersey Association of REALTORS® or, within its discretion, to any other nonprofit tax exempt organization.

ARTICLE XVII – MULTIPLE LISTING

Section 1. Authority. The Association of REALTORS® shall maintain for the use of its members a Multiple Listing Service (hereinafter referred to as “MLS”) which shall be subject to the Bylaws of the Association of REALTORS® and such Rules and Regulations as may be hereinafter adopted.

Section 2. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisal analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker’s performance as a procuring cause of the sale (or lease).

Section 3. Participation. Any REALTOR® member of this or any other Board who is a principal, partner, or corporate officer, or branch manager acting on behalf of the principal, without further qualification, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service “membership” or “participation” unless they hold a current, valid real estate broker’s license and are capable of offering and accepting compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “participation” or “membership” or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

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

Section 5. Appointment of MLS Committee. The President shall appoint, subject to confirmation by the Board of Directors, an MLS Committee of 15 REALTOR® members. Members of the Committee shall consist of seven MLS participants and seven REALTOR® members. The Chairperson shall be a broker/owner or broker/ manager appointed for a one-year term by the President and shall be selected from the Board of Directors. The MLS Chairperson shall not serve more than two consecutive one-year terms. The Committee members shall serve two-year terms. (Rev. 9/05)

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

Section 7. Any MLS Committee member who fails to attend three regular, including special meetings of the Committee, without an excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the MLS Committee and the vacancy shall be filled as herein provided for original appointments.

Section 8. Access to Comparable and Statistical Information. Members who are actively engaged in real estate brokerage, management, appraising, land development or building, but who do not participate in MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provide in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not. (Rev. 12/05)

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