



BYLAWS

OF THE

NORTH CAROLINA ASSOCIATION
OF REALTORS®, INC.

(Revised effective 4-8-25)

Headquarters:
4511 Weybridge Lane
Greensboro, NC 27407-0918
PHONE: (336) 294-1415
FAX: (336) 299-7872

BYLAWS
NORTH CAROLINA ASSOCIATION OF REALTORS®, INC.
(Effective 4-8-25)

Table of Contents

ARTICLE I. NAMES AND OBJECTS; TERMS

	<u>Page</u>
Section 1. Name	1
Section 2. Objects	1
Section 3. Terms	1

ARTICLE II. MEMBERSHIP

Section 1. Members	1
1a. Power to Expel	1
Section 2. Member Boards	1
Section 3. REALTOR® Members	2
3a. Life Members	2
Section 4. Institute Affiliate Members	2
Section 5. Affiliate Members	2
Section 6. Honorary Members	2
Section 7. Public Service Members	2
Section 8. Association Executive Members	2
Section 9. Allied Members	2

ARTICLE III. REGIONS

Section 1. Regions	3
Section 2. Representation	3
Section 3. Changes to Regions/Representation.....	3

ARTICLE IV. ELECTIONS

Section 1. Date, Place and Time	3
Section 2. Application To Run For Elective Position	3
Section 3. Qualifications To Run For Elective Position	3
3a. President-Elect Qualification	4
3b. First Vice President Qualifications.....	4
3c. Treasurer Qualifications.....	5
3d. Regional Vice-President Qualifications	5
3e. Finance Committee Member Qualifications	6
3f. National Association of REALTORS® Director Qualifications	6
Section 4. NAR Regional Vice President Nominee Qualifications	6
Section 5. Election of Directors of National Association of REALTORS®.....	6
5a. Alternate NAR Director; Additional Vacancies.....	6
5b. Increase/Decrease in Directorships.....	6
5c. Duties of NAR Directors.....	6
Section 6. Selection of NAR Regional Vice President Nominee.....	7
Section 7. Voting	7
Section 8. Nominations from the Floor.....	7

ARTICLE V. OFFICERS

Section 1. Officers	7
Section 2. Surety Bonds.....	7
Section 3. Vacancies in Any Office	7

ARTICLE VI. DUTIES OF OFFICERS

Section 1. General Duties	8
Section 2. President	8
Section 3. President-Elect	8
Section 4. First Vice President.....	8
Section 5. Regional Vice-Presidents	8
Section 6. Treasurer	8
Section 7. Chief Executive Officer	9
Section 8. Corporate Secretary	9
Section 9. Compensation	9

ARTICLE VII. BOARD OF DIRECTORS

Section 1. Board of Directors	9
1b. Association Executive Members	9
Section 2. Voting Power	9
Section 3. Duties	9
Section 4. Association Directors	10
Section 5. Resignations/Vacancies	10
Section 6. Directors Meetings	10
Section 7. Qualifications	10
Section 8. Quorum of Board of Directors	10

ARTICLE VIII. EXECUTIVE COMMITTEE

Section 1. Executive Committee	10
1a. Quorum	10
1b. Meetings	10
1c. Powers	11
1d. Chief Executive Officer	11
1e. At-Large Representative	11

ARTICLE IX. COMMITTEES AND ADVISORY GROUPS

Section 1. Finance and Budget Committee	11
1a. Quorum	12
1b. Meetings	12
1c. Vacancies	12
Section 2. Certifying/Recruiting Committee	12
2a. Duties of Certifying/Recruiting Committee	12
2b. Certification and Report	12
2c. Recruiting	12
Section 3. Administrative Committee	12
3a. Duties	13
3b. Quorum	13
3c. Meetings	13
Section 4. Makeup of Professional Standards Committee and Grievance Subcommittee	13
Section 5. Makeup of Bylaws Committee	13
Section 6. Other Committees, Subcommittees, Task Forces and Advisory Groups	13
Section 6a. Makeup of All Other Committees	13
6b. Actions	13
Section 7. Other Committees and Groups.....	14

ARTICLE X. MEMBERSHIP MEETINGS

Section 1. Membership Meetings	14
Section 2. Voting	14
Section 3. Quorum	14

ARTICLE XI. FISCAL YEAR

Section 1. Fiscal Year	14
------------------------------	----

ARTICLE XII. CODE OF ETHICS

Section 1. Code of Ethics	14
---------------------------------	----

ARTICLE XIII. FEES, DUES, ASSESSMENTS

Section 1. REALTOR® Members	14
Section 2. Affiliate and Allied Members	14
Section 3. REALTOR® Emeritus Members.....	15
3a. Life Members	15
Section 4. Institute Affiliate Members	15
Section 5. Responsibility for Dues Payment	15
Section 6. Names	15
Section 7. Time of Payment.....	15
7a. Adjustments.....	15
7b. Delinquent Local Board/Local Association	15
Section 8. Dual Dues	15
Section 9. Other Initiation Fees or Dues	15
Section 10. Nonpayment of Other Financial Obligations	15

ARTICLE XIV. AMENDMENTS

Section 1. Bylaw Amendments	16
1a. NAR Policy Changes	16
Section 2. Amendments Affecting Admission	16

ARTICLE XV. RULES OF ORDER

Section 1. Rules of Order	16
---------------------------------	----

ARTICLE XVI. PROFESSIONAL STANDARDS, ETHICS AND ARBITRATION

Section 1. Obligations	16
Section 2. Jurisdiction	16
Section 3. Procedures	17

ARTICLE XVII. USE OF THE TERM REALTOR® AND REALTORS®

Section 1. The Term REALTOR®/REALTORS®	17
Section 2. REALTOR® Member	17
Section 3. Institute Affiliate Member	17

ARTICLE XVIII. STANDARDS OF ELECTED REPRESENTATIVES

Section 1. Commitment to Standards	17
Section 2. Immediate Removal from Office	18
Section 3. Code of Ethics Violation	18
Section 4. Executive Committee.....	18

ARTICLE XIX. SERVICE STATEMENTS; CONFLICTS OF INTEREST

Section 1. Service Statements	18
Section 2. Violation of Certain Policies.....	18

ARTICLE XX. MISCELLANEOUS

Section 1. Indemnification	19
Section 2. Electronic Transaction of Business.....	19

ARTICLE XXI. DISSOLUTION

Section 1. Dissolution	19
------------------------------	----

BYLAWS
of the
NORTH CAROLINA ASSOCIATION OF REALTORS®, INC.

ARTICLE I
NAME, OBJECTS AND TERMS

SECTION 1. Name: The name of this organization shall be: NORTH CAROLINA ASSOCIATION OF REALTORS®, INC., hereinafter referred to as the “Association” or “NC REALTORS®”.

SECTION 2. Objects: The objects of this Association shall be to unite Local Board/Local Associations of REALTORS®, their members, and REALTORS® in the State of North Carolina for the purpose of exerting effectively a combined influence upon matters affecting real estate, to elevate the standards of the real estate business throughout the State and the professional conduct of persons engaged therein.

SECTION 3. Terms: The following terms are defined in the article and section of these Bylaws indicated below:

1. “Association” or “NC REALTORS®”: See Article I, Section 1.
2. “Member”: See Article II, Section 1.
3. “Local Board/Local Association”: See Article II, Section 2.
4. “NAR”: See Article II, Section 2.
5. “Region”: See Article III, Section 1.
6. “Elective Position”: See Article IV, Section 1.
7. “Annual Election”: See Article IV, Section 1.
8. “NAR Directors”: See Article IV, Section 5.
9. “Elective Officers”: See Article V, Section 1.
10. “At-Large Representative”: See Article VIII, Section 1e.
11. “Leadership Team”: See Article VIII, Section 1e.

ARTICLE II
MEMBERSHIP

SECTION 1. Members: The Members of the Association shall consist of eight classes: (1) Member Boards, (2) REALTOR® Members, (3) Institute Affiliate Members, (4) Affiliate Members, (5) Honorary Members, (6) Public Service Members, (7) Association Executive Members, and (8) Allied Members.)

SECTION 1a. Power to Expel: The Board of Directors shall have the power to reprimand, fine, suspend or expel any Member Board, or individual member after due process as provided in the Code of Ethics and Arbitration Manual of the Association upon two-thirds vote of a quorum present at a regular or called meeting, provided thirty days' advance notice has been given by registered mail to all parties concerned.

SECTION 2. Member Boards: Member Boards, hereinafter referred to as Local Board/Local Associations, shall include any Board or Association of REALTORS® located in the State of North Carolina including without limitation town, city county or inter-county Boards of REALTORS®. A group of individuals may be admitted as a Local Board/Local Association upon compliance with the requirements for establishing a new Local Board/Local Association as set forth in the *Membership Policy and Board Jurisdiction Manual* of the National Association of Realtors® (hereinafter referred to as the “National Association of REALTORS®” or “NAR”), as the same may be amended from time to time. The Association shall recommend to the National Association of REALTORS® that any such group be admitted as a Local Board/Local Association upon the affirmative vote of two-thirds (2/3) of the Directors present and voting at a duly convened meeting of the Association’s Board of Directors.

SECTION 3. REALTOR® Members: REALTOR® Members shall be individuals who have been granted REALTOR® or REALTOR®-ASSOCIATE membership by a Member Board. Secondary REALTOR® membership shall also be available to individuals who hold primary REALTOR® or REALTOR®-ASSOCIATE membership in a Local Board/Local Association in another state who desire to obtain direct membership in the Association without holding membership in a Local Board/Local Association within North Carolina.

SECTION 3a. Life Members: Life Members shall be individuals who, for at least thirty (30) cumulative years or more, have been actively engaged in the real estate profession as REALTORS® or REALTOR®-ASSOCIATES, and who have distinguished themselves by giving exemplary and meritorious service for the real estate profession, and for the Association, including active service on the Association's Board of Directors, divisions, sections and/or committees for at least ten cumulative years. Such membership may be conferred by the Board of Directors of the Association upon written recommendation from the individual's Local Board/Local Association, accompanied by adequate documentation to support such nomination.

SECTION 4. Institute Affiliate Members: Institute Affiliate Members shall be individuals who hold a professional designation awarded by a qualified 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. Individuals whose places of business are located in an area outside the jurisdiction of a Local Board/Local Association shall be eligible to apply for Institute Affiliate Membership in the Association if they meet the requirements as specified in this Section.

SECTION 5. Affiliate Members: Affiliate Members shall be individuals or firms who are Affiliate Members of Local Board/Local Associations.

SECTION 6. Honorary Members: Honorary Members shall be individuals, not actively engaged in the real estate business, who have performed notable service for the real estate profession, for a Local Board/Local Association within-the State, for the Association, or for the public. Honorary Members shall be elected by the Board of Directors.

SECTION 7. Public Service Members: Public Service Members shall be salaried employees of governmental, educational and similar organizations of a public nature who are not engaged in the real estate profession on their own account or in association with an established real estate office.

SECTION 8. Association Executive Members: Those persons who are employed as Association Executives of Local Board/Local Associations shall be eligible for individual membership without payment of dues and shall be entitled to all rights and privileges of individual membership except the rights to use the term REALTOR® and to hold elective office.

SECTION 9. Allied Members: Allied Members shall be individuals who are not members under any other class of membership described in these Bylaws, and who do not maintain current, valid licenses as real estate licensees or are not licensed or certified to engage in the appraisal of real property.

ARTICLE III
REGIONS AND REGIONAL REPRESENTATION

SECTION 1. Regions: For administrative purposes, the State shall be divided into Regions as established by the Board of Directors.

SECTION 2. Representation: The Regions shall be entitled to and be represented by Regional Vice Presidents as established by the Board of Directors. A Regional Vice President shall either: 1) reside within the boundaries of the Region he/she represents, or 2) be engaged as a real estate broker (or in another recognized branch of the real estate business qualifying him or her for REALTOR® or REALTOR®-ASSOCIATE membership) at an office located within the boundaries of the Region he/she represents according to the records of the North Carolina Real Estate Commission or other appropriate State licensing authority.

SECTION 3. Changes to Regions/Representation: Periodically, the Board of Directors shall, in accordance with the Association's Policy Manual, consider whether changes to the number and/or boundaries of the Regions or the number and/or distribution of Regional Vice Presidents should be made.

ARTICLE IV
ELECTIONS

SECTION 1. Date, Place and Time: An annual election to all the positions set forth in this Article IV ("Elective Position") shall be held at such time and in such manner as shall be prescribed in the Association's Policy Manual ("Annual Election"), as approved by the NC REALTORS® Board of Directors, except that a NAR Regional Vice President nominee shall be selected as set forth in Section 6 below. Those elected shall take office on January 1 of the year following election for the term(s) hereinafter provided. No later than October 1 each year, the Corporate Secretary shall cause notice to be made to the Members of the Elective Positions to be filled during the immediately following year. The notice shall be made in such manner as the Corporate Secretary, in his/her sole discretion, determines to be appropriate, and shall set forth the date(s) by which applications for any such positions must be received and describe the manner in which applications may be obtained.

SECTION 2. Application To Run For Elective Position: Any individual seeking an Elective Position shall file an application in form prescribed in the Association's Policy Manual. The application must be received by the General Counsel of the Association no less than one hundred fifty (150) days prior to the date of the Annual Election, except that an application for the position of NAR Regional Vice President must be received no later than November 15th of the year preceding the year in which the selection will be made as set forth in Section 6 below. The application shall include any Service Statement prescribed by the Association's Policy Manual, which shall be signed by the individual seeking an elective position as a prerequisite to running for such position. Notwithstanding the foregoing, an individual seeking an Elective Position may, in his/her discretion, obtain consideration of his/her application by the Certifying/Recruiting Committee prior to the deadline for submitting applications, as set forth in the Association's Policy Manual.

SECTION 3. Qualifications To Run For Elective Position:

(a) General Qualifications for All Candidates: Satisfactory evidence must be provided to the Certifying/Recruiting Committee that a candidate meets the following general qualifications:

(1) The candidate must be in good standing with the Association and the National Association of REALTORS® and with their Local Board/Local Association;

(2) The candidate's principal residence must be located in North Carolina, and the candidate must be engaged as a real estate licensee (or in another recognized branch of the real estate business qualifying him or her for REALTOR® or REALTOR®-ASSOCIATE membership) at an office located within the boundaries of the State according to the records of the North Carolina Real Estate Commission or other appropriate State licensing authority;

(3) Neither the candidate nor any real estate firm in which the candidate is sole proprietor, general partner, or corporate officer, is involved in any bankruptcy or insolvency proceedings, or has been adjudicated bankrupt in the past three (3) years; and

(4) In the past three (3) years, the candidate has not been found by a court, licensing authority or other lawful authority to be in violation of any civil rights laws, any real estate/appraisal license/certification laws, other laws prohibiting unprofessional conduct, and/or the REALTORS® Code of Ethics if such violation resulted in the suspension or expulsion of the candidate from a Local Board/Local Association.

(b) Statement of Support: A candidate must submit a written statement of support for their candidacy from the current board of directors or other duly authorized body of their Local Board/Local Association. The statement must be submitted with the application and dated no earlier than sixty (60) days of the date the application is submitted, except as may otherwise be prescribed in the Association's Policy Manual.

(c) Specific Qualifications: Any candidate for an office must meet the specific qualification criteria set forth below for the office he/she is seeking. For purposes of applying said criteria:

(1) positions whose terms end after the date that candidate applications must be received as set forth in Section 2 of this Article, but before the date that a candidate will assume an office to which he/she has been elected, shall be considered; provided, if a candidate is elected and thereafter fails to successfully complete the term of a position required for the office to which he/she was elected, the office shall be considered vacant and shall be filled in accordance with Article V, Section 3 below.

(2) the phrase "elected or appointed officer or director of a Local Board/Local Association" shall include a position as an officer or director of a subsidiary, division, section or other subdivision thereof.

SECTION 3a. President-Elect Qualifications:

1. Successful completion of term as an elected or appointed officer or director of a Local Board/Local Association; and
2. Successful completion of term of any two of the following positions:
 - a. NC REALTORS® Treasurer
 - b. NAR Regional Vice-President
 - c. NC REALTORS® Regional Vice President or Executive Committee member
 - d. NC REALTORS® and/or NAR Committee Chairperson
 - e. NC REALTORS® and/or NAR Director
 - f. NC REALTORS® and/or NAR Finance Committee member
 - g. NC REALTORS® Subsidiary, Division or Section Chairperson and/or President
 - h. NAR Institute, Society or Council Officer, and/or Chapter Officer
 - i. NAR Officer
 - j. NAR Committee Member
 - k. Graduate of any NC REALTORS®, NAR, local or regional REALTOR® leadership academy.

If, as a result of election to any of the above-referenced positions, a person is automatically entitled to serve in another of the above-referenced positions, the position to which the person is automatically entitled to serve shall not count for purposes of determining whether that person has met this criterion.

SECTION 3b. First Vice President Qualifications:

1. Successful completion of term as an elected or appointed officer or director of a Local Board/Local Association; and
2. Successful completion of term of any two of the following positions:
 - a. NC REALTORS® Treasurer
 - b. NAR Regional Vice-President
 - c. NC REALTORS® Regional Vice President or Executive Committee member
 - d. NC REALTORS® and/or NAR Committee Chairperson
 - e. NC REALTORS® and/or NAR Director
 - f. NC REALTORS® and/or NAR Finance Committee member

- g. NC REALTORS® Subsidiary, Division or Section Chairperson and/or President
- h. NAR Institute, Society or Council Officer, and/or Chapter Officer
- i. NAR Officer
- j. NAR Committee Member
- k. Graduate of any NC REALTORS®, NAR, local or regional REALTOR® leadership academy.

If, as a result of election to any of the above-referenced positions, a person is automatically entitled to serve in another of the above-referenced positions, the position to which the person is automatically entitled to serve shall not count for purposes of determining whether that person has met this criterion.

SECTION 3c. Treasurer Qualifications:

- 1. Successful completion of term of any one of the following positions:
 - a. NC REALTORS® or NAR Finance Committee member
 - b. Treasurer of a Local Board/Local Association, NAR or other organization, or
 - c. In lieu of the above, have a financial background as CFO and/or accounting manager, or hold a financial/accounting or equivalent degree; and,
- 2. Successful completion of term of any two of the following positions:
 - a. Elected or appointed officer or director of a Local Board/Local Association
 - b. NAR Regional Vice-President
 - c. NC REALTORS® Executive Committee member
 - d. NC REALTORS® and/or NAR Committee Chairperson
 - e. NC REALTORS® and/or NAR Director
 - f. NC REALTORS® Subsidiary, Division or Section Chairperson and/or President
 - g. NAR Institute, Society or Council Officer, and/or Chapter Officer
 - h. NAR Officer
 - i. NAR Committee member
 - l. Graduate of any NC REALTORS®, NAR, local or regional REALTOR® leadership academy

If, a result of election to any of the above-referenced positions, a person is automatically entitled to serve in another of the above-referenced positions, the position to which the person is automatically entitled to serve shall not count for purposes of determining whether that person has met this criterion.

SECTION 3d. Regional Vice-President Qualifications:

- 1. Successful completion of term as an elected or appointed officer or director of a Local Board/Local Association; and
- 2. Successful completion of term of any one of the following positions:
 - a. NC REALTORS®/NAR Committee Chairperson
 - b. NC REALTORS®/NAR Committee Vice-Chairperson
 - c. NC REALTORS®/NAR Task Force Chairperson
 - d. NC REALTORS®/NAR Task Force Vice-Chairperson
 - e. NAR Presidential Advisory Group ("PAG") Chairperson
 - f. NAR PAG Vice-Chairperson
 - g. NC REALTORS®/NAR Director
 - h. NC REALTORS® Subsidiary, Division or Section Chairperson or President
 - i. NAR Institute, Society or Council Officer, or Chapter Officer
 - j. NAR Officer
 - k. NC REALTORS® Executive Committee member
 - l. Graduate of any NC REALTORS®, NAR, local or regional REALTOR® leadership academy

SECTION 3e. Finance Committee Member Qualifications:

1. Successful completion of term of any one of the following positions:
 - a. An elected or appointed officer or director of the State and/or a local Board/Local Association
 - b. Finance Committee member of a Local Board/Local Association
 - c. Treasurer of an outside organization

SECTION 3f. National Association Of REALTORS® Director Qualifications: The qualifications for any NAR Director nominee shall be as prescribed by the National Association of REALTORS®

SECTION 4. NAR Regional Vice President Nominee Qualifications: The qualifications for any NAR Regional Vice President nominee shall be as prescribed by the National Association of REALTORS®.

SECTION 5. Election of Directors of National Association of REALTORS®: The NAR directors to which the Association is entitled according to the NAR Constitution (“NAR Directors”) shall be determined in accordance with this Section. The NAR small association directorship and the NAR medium association directorship shall be for a term of two years. All other NAR directorships shall be for terms of three years; provided, that one of said directorships shall be filled each year by the then-current NC REALTORS® First Vice President, one of said directorships shall be filled each year by the then-current President-Elect, and one of said directorships shall be filled each year by the then-current Past President. The Immediate Past President of NC REALTORS® shall also serve a two-year term as an NAR Director immediately following his/her term as Immediate Past-President. All other NAR directorships to be filled for the year immediately following the Annual Election shall be filled by those candidates for the position of NAR Director receiving the greatest number of votes in the Annual Election. If multiple NAR Directors are to be elected to directorships of varying lengths, the person(s) receiving the greatest number of votes from among the candidates elected shall fill the directorship(s) of the greatest duration.

SECTION 5a. Alternate NAR Director; Additional Vacancies: The person receiving the greatest number of votes from among those candidates not elected to fill a directorship shall be an alternate NAR Director. The alternate NAR Director shall fill any vacancy occurring in an NAR directorship between the date of the Annual Election at which he/she was elected and the next Annual Election. If at any time there is a vacancy in more than one NAR directorship, the President shall appoint a successor to fill any such vacancy until the next Annual Election.

SECTION 5b. Increase/Decrease in Directorships:

1. If, prior to the Annual Election but after the date that applications to run for elective office must be filed in accordance with these Bylaws, the Association becomes entitled to any additional NAR directorships, the additional directorships shall be filled in the Annual Election as provided in Section 5 above from among the candidates for the position of NAR Director. However, if the number of such candidates is less than the total number of NAR directorships to be filled (including the alternate NAR Director position), the Certifying/Recruiting Committee shall have the duty to recruit and certify additional candidates in accordance with Article IX, Section 2c of these Bylaws.

2. If, as a result of a decrease in the number of NAR directorships to which the Association is entitled, the Association is prohibited from filling a directorship reserved in Section 5 above for a person holding a specified position, the most recently elected NAR Director (or the NAR Director receiving the fewest votes, if more than one was elected at the same time) shall be removed and replaced by the person(s) holding the specified position. If, during the balance of the replaced Director’s term, the number of directorships increases, then the removed Director shall complete the balance of his/her term.

SECTION 5c. Duties of NAR Directors: It shall be the duty of each of the Association’s NAR Directors to attend all meetings of the NAR Directors, and to be actively involved in the affairs of the National Association of REALTORS® during their tenure as an NAR Director, including, but not limited to, service on NAR committees/task forces or attendance at NAR forums.

SECTION 6. Selection of NAR Regional Vice President Nominee: Any NAR Regional Vice President nominee shall be selected by majority vote of those Executive Committee members and those NAR Directors representing North Carolina (including those Directors representing a Local Board/Local Association or a firm located in North Carolina) present and voting at a joint meeting of the Executive Committee and the NAR Directors representing North Carolina. Each Executive Committee member and each NAR Director representing North Carolina shall have one vote only, and proxy voting shall not be allowed. The meeting shall be held on such date and at such time and place as the President shall designate; provided, if feasible, the meeting shall be held in conjunction with the Association's traditional Inaugural Meetings. Notice of the meeting shall be given to all persons entitled to attend no less than fifteen (15) days in advance, and shall include the names of all persons certified to run for the position. The selection shall be made in accordance with any applicable requirements imposed by NAR and the NAR region to which the Association belongs relating to the selection process.

SECTION 7. Voting: The Annual Election shall be conducted in the manner prescribed by the Board of Directors in the Association's Policy Manual. Only candidates who have met the qualification criteria as established in this Article and who have been certified to by the Certifying/Recruiting Committee shall be listed on the ballot. Except as may otherwise be specifically provided herein, only REALTOR® Members in good standing in the Association shall have the right to vote in any Annual Election. REALTOR® Members holding membership in more than one Local Board/Local Association in North Carolina shall be considered members of the Local Board/Local Association in which they hold primary membership for voting purposes. REALTOR® Members holding membership in a board located in more than one Region shall be considered members of the Region in which their office is located, according to the records of the North Carolina Real Estate Commission or other appropriate state licensing authority, for voting purposes. Tie votes shall be broken by a method of random selection to be determined by the President.

SECTION 8. Nominations From the Floor: Nominations "from the floor" or by any means other than as outlined in this Article IV and as outlined in Article IX Section 2c as related to recruiting of candidates by the Certifying/Recruiting Committee shall not be accepted.

ARTICLE V **OFFICERS**

SECTION 1. Officers: The Officers of the Association shall be the President, the President-Elect, the First Vice President, the Regional Vice President(s) for each Region, the Treasurer, the Corporate Secretary, two Assistant Secretaries, and the Chief Executive Officer. The President-Elect, Regional Vice Presidents, and the Treasurer shall be known as the "Elective Officers." The President-Elect, the First Vice President, and the Treasurer shall be elected by a majority vote of the REALTOR® Members voting in the Annual Election, and the Regional Vice-Presidents shall be elected by a majority vote of the REALTOR® members from their respective regions voting in the Annual Election. The Chief Executive Officer, who shall be elected by the Executive Committee as provided for in Article VIII, Section 1d hereof, and the Treasurer may succeed themselves to office, except that the Treasurer will be limited to two (2) consecutive two-year terms. The Chief Executive Officer shall serve as the Association's Corporate Secretary, and the President-Elect and the Treasurer shall serve as Assistant Secretaries. The terms of the Regional Vice Presidents shall be staggered, and each Regional Vice President shall serve for a term of two (2) years.

SECTION 2. Surety Bonds: Any officer directed to do so by the Board of Directors shall furnish a surety bond insuring the Association against losses attributable to dishonest acts committed in such capacity, in such amount as the Board of Directors deems appropriate. The cost of any such bond shall be paid by the Association.

SECTION 3. Vacancies in Any Office: In the event any elected office becomes vacant for any reason, except as otherwise specifically provided in these Bylaws, the President shall appoint a successor to serve until the next Annual Election. An appointee shall provide satisfactory evidence to the Certifying/Recruiting Committee that he/she meets the general qualifications required of all candidates for elective office, as well as the specific qualifications required of a candidate for the office to which he/she is being appointed. All appointments shall be approved by the Executive Committee. Any person elected in the Annual Election to hold an elected office which

has become vacant for any reason shall serve for the remaining term of the person who had previously been elected to hold such office.

ARTICLE VI

DUTIES OF OFFICERS

SECTION 1. General Duties: The duties of the Officers shall be such as their titles, by general usage, would indicate, and such as may be assigned to them respectively by the Board of Directors from time to time, and such as required by law.

SECTION 2. President: It shall be the duty of the President to preside at the meetings of the Association's Membership, the meetings of the Executive Committee, and the meetings of the Board of Directors, and to act as principal officer of the Board of Directors and of the Association under control of the Board of Directors. In the event of a vacancy in the position of CEO, the President shall appoint a search committee in accordance with Article VIII, Section 1d of these Bylaws, subject to the approval of the Executive Committee. The President shall be a voting member of all Association Committees, except that he/she shall not be a member of the Certifying/Recruiting Committee or the Finance and Budget Committee.

SECTION 3. President-Elect: It shall be the duty of the President-Elect to assist the President, preside at the meetings of the Association's Membership, meetings of the Executive Committee and meetings of the Board of Directors in the absence of the President, to attend all Executive Committee and Board of Directors meetings, and serve on the State Forum Committee of the National Association of REALTORS. The President-Elect shall succeed to the office of President. If the office of the President should become vacant between elections, the President-Elect shall fill the vacancy and complete the unexpired term. The President-Elect who fills a vacancy in the office of President shall automatically become President for a full term after completion of the unexpired term. The President-Elect shall be a voting member of the Executive, Administrative and Finance Committees, and a non-voting member of all other Committees, except that he/she shall not be a member of the Certifying/Recruiting Committee. The President-Elect shall also serve as an Assistant Secretary of the Association.

SECTION 4. First Vice President: It shall be the duty of the First Vice President to assist the President and President-Elect, preside at the meetings of the Association's Membership, meetings of the Executive Committee and meetings of the Board of Directors in the absence of the President and President-Elect, to attend all Executive Committee and Board of Directors meetings, and serve on the State Forum Committee of the National Association of REALTORS. The First Vice President shall succeed to the office of President-Elect. If the office of the President-Elect should become vacant between elections, the First Vice President shall fill the vacancy and complete the unexpired term. The First Vice President who fills a vacancy in the office of President-Elect shall automatically become President-Elect for a full term after completion of the unexpired term. If the office of the First Vice President should become vacant between elections, a special election shall be held at the earliest possible date to fill the vacancy. The person who fills the vacancy in the office of the First Vice President shall automatically succeed to President-Elect the following year. If the First Vice President vacancy occurs due to a vacancy in the office of the President that the President-Elect fills, the First Vice President shall become President-Elect for the unexpired term and the office of the First Vice President shall remain vacant for the unexpired term. The First Vice President shall be a voting member of the Executive, Administrative and Finance Committees, and a non-voting member of all other Committees, except that he/she shall not be a member of the Certifying/Recruiting Committee.

SECTION 5. Regional Vice Presidents: The Regional Vice Presidents shall serve the Association in their respective Regions and shall supervise and coordinate the work of the Association in that Region. They shall act as liaison between the Local Board/Local Associations in their Region and the Association, and for that purpose shall contact each Local Board/Local Association at frequent intervals.

SECTION 6. Treasurer: The Treasurer shall keep full and accurate accounts of the receipts and disbursements of the Association, in books to be furnished by and belonging to the Association. He/she shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depository as may be

designated by the Executive Committee, or the President, and make proper vouchers for disbursements. He/she shall render to the Board of Directors whenever it may require, an account of all transactions as Treasurer and the financial condition of the Association in each year. He/she shall present a written report for the fiscal year, shall see that an annual audit of the books is made by a C.P.A., and shall serve as Chairperson of the Finance and Budget Committee. In the event of death, resignation, or incapacity of the President, President-Elect and First Vice President, the Treasurer shall perform those duties delegated to the President-Elect as set forth in Article VI, Section 3. The Treasurer shall also serve as an Assistant Secretary to the Association.

SECTION 7. Chief Executive Officer: The Chief Executive Officer shall serve as Manager and Chief Administrative Officer of the Association; keep the records of the Association; shall serve as Corporate Secretary and conduct the affairs of the Association in accordance with the reasonable wishes of the Executive Committee or President.

SECTION 8. Corporate Secretary: The Corporate Secretary shall keep the records and seal of the Association and perform such other duties as are customary to the office, including acting as secretary for the Board of Directors and the Executive Committee. An Assistant Secretary shall, in the absence of the Corporate Secretary, perform the duties of the Corporate Secretary.

SECTION 9. Compensation: No officer of the Association other than the Chief Executive Officer shall receive any compensation for his/her services rendered as such, except by special arrangements made and approved in advance by the Board of Directors.

ARTICLE VII **BOARD OF DIRECTORS**

SECTION 1. Board of Directors: The Association's Board of Directors shall consist of:

1. The President and all the Elective Officers;
2. one (1) Director from each Local Board/Local Association with ten (10) or more REALTOR® members;
3. An additional Director from each Local Board/Local Association for each whole percentage that NC REALTORS®'s total number of REALTOR Members is comprised of REALTOR Members from the Local Board/Local Association;
4. The Immediate Past President and Three (3) other Past-Presidents of the Association;
5. the At-Large Representative;

all of whom shall be voting members. The Chief Executive Officer shall be a non-voting member of the Board of Directors.

SECTION 1b. Association Executive Members: Association Executive Members shall be entitled to attend all meetings of the Board of Directors in an advisory capacity to their Association Director(s). Association Executive Members may also attend executive sessions of the Board of Directors except for any such session or portion thereof that may pertain to personnel issues, provided they sign a service statement in form prescribed in the Association's Policy Manual.

SECTION 2. Voting Power: Each Director shall be entitled to one vote only. Proxy voting shall not be permitted.

SECTION 3. Duties: All corporate powers shall be exercised by or under the authority of, and the affairs of the Association managed under the direction of, the Board of Directors. The Board of Directors shall administer the finances of the Association and shall have sole authority to appropriate money. When the financial status of the Association reasonably requires additional funds, the Board of Directors shall have the authority to impose an assessment in such amounts as are reasonably required for the Association, such assessment to be imposed equally upon each REALTOR® Member. The Board of Directors shall also approve the Association's Strategic Plan, annual budget, and any amendments to these Bylaws.

SECTION 4. Association Directors: Each Local Board/Local Association shall designate a REALTOR® Member(s) from their Local Board/Local Association for their Association Director(s). Notification of the designated Director(s) to the Association shall be made as provided in the Association's Policy Manual.

SECTION 5. Resignations/Vacancies: Vacancies by resignation or otherwise on the Board of Directors of a Director(s) representing a Local Board/Local Association shall be filled by that Local Board/Local Association for the balance of the term.

SECTION 6. Directors Meetings: The Board of Directors shall hold at least one regular meeting each year, and such other additional meetings as may be called for by the President. Special meetings may be called by the President; or upon the written request of at least ten percent (10%) of the Directors with at least ten percent (10%) of the Local Board/Local Associations represented in the request; or in the absence of the President or due to his/her disability or refusal to act, the Chief Executive Officer shall call a special meeting of the Board of Directors. Any request for a special meeting shall be in writing, specify the purpose(s) for which the meeting is being called, and be submitted to the Corporate Secretary. Upon receipt of a request for a special meeting, the Corporate Secretary shall schedule the meeting within not less than fifteen (15) nor more than thirty (30) days from the date of receipt of the request. The meeting shall be held on such date and at such time and location as the Corporate Secretary shall designate. A minimum of ten (10) days notice (based on date of mailing) shall be provided to all Officers and Directors. The "Notice of Special Meeting" shall include the date, time and location and shall state the purpose for which the meeting is being held.

A Director's absence from two consecutive Directors' meetings without an excuse deemed valid as defined in the NC REALTORS® Policy Manual and so recorded by the Board of Directors or the Executive Committee shall be construed as a resignation, and a replacement shall be made as provided for in Section 5 of this Article.

SECTION 7. Qualifications: All Directors other than the Chief Executive Officer shall be REALTOR® Members of the Association in good standing. Only a duly elected Director shall have the right to vote.

SECTION 8. Quorum of Board of Directors: One-third (1/3) of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. All directors shall be required as a condition of service as a director to attend an orientation program in accordance with the NC REALTORS® Policy Manual.

ARTICLE VIII

EXECUTIVE COMMITTEE

SECTION 1. Executive Committee: There shall be an Executive Committee of the Board of Directors consisting of the President, the President-Elect, the First Vice President, the Treasurer, the Regional Vice Presidents, the Immediate Past President, and one at-large representative. The Corporate Secretary shall be a non-voting member of the Executive Committee. The Board of Directors shall certify the election or appointment, as the case may be, of each of the individuals filling the positions enumerated in this Section by officially appointing them to the Executive Committee no later than the first meeting of the Directors following such election or appointment. The term "Immediate Past President" shall mean the most recent past President who is able to serve in such capacity.

SECTION 1a. Quorum: A quorum shall be a majority of the total Committee membership.

SECTION 1b. Meetings: The Executive Committee shall meet upon the call of its Chairperson. An Executive Committee member's absence from two consecutive Executive Committee meetings without an excuse deemed valid as defined in the NC REALTORS® Policy Manual and so recorded by the Executive Committee shall be construed as a resignation, and a replacement shall be made as provided for in Article V, Section 3 of these Bylaws.

SECTION 1c. Powers: The Executive Committee shall conduct the affairs of the Association in accordance with the policies and instructions of the Board of Directors. Except for those responsibilities specifically given in these Bylaws to the Board of Directors, and except as may otherwise be provided by law, the Executive Committee shall have authority to act for the Board of Directors and shall report any and all matters executed by said Committee at the next regular meeting of the Board of Directors. The Executive Committee shall have the authority in any fiscal year to approve unbudgeted expenditures not exceeding five percent (5%) of the total amount of the Association's annual budget, excluding expenditures pertaining to the Issues Mobilization Fund. The Executive Committee shall consider the budget submitted by the Finance and Budget Committee, and shall present the budget with any recommended changes to the Board of Directors for consideration and approval at its meeting held in conjunction with the Annual Convention. The Executive Committee may adopt and amend Association policies consistent with the authority granted to it under this Section. Representative members of the Executive Committee appointed in accordance with the NC REALTORS® Policy Manual shall serve on the Strategic Planning Committee.

SECTION 1d. Chief Executive Officer: The Executive Committee is empowered to elect and employ the Chief Executive Officer, and shall prescribe functions and duties, fix compensation including benefits, assign title, and evaluate the annual performance of the Chief Executive Officer. Employment decisions shall take into consideration the recommendations of a search committee, the selection and duties of which shall be prescribed in the Association's Policy Manual.

SECTION 1e. At-Large Representative: Following the Annual Election, the President shall, subject to the approval of the Executive Committee, appoint one (1) At-Large Representative on the Committee. The appointee shall be required to submit an application to the Certifying/Recruiting Committee for its determination of his/her eligibility to serve on the Executive Committee in accordance with Article IX, Section 2a. The name of any individual appointed as an At-Large Representative shall be submitted by the President to the Association's Corporate Secretary no less than thirty (30) days prior to January 1st of the following year. The term of an individual filling the position of At-Large Representative shall be for one (1) year, and shall commence on January 1st of the year following their appointment. An At-Large Representative may succeed himself/herself to such position, but may not serve in such capacity for more than two (2) consecutive years. In such event, or if for any other reason such individual is unable to complete his/her full term, the President shall appoint a successor to serve the remainder of the unexpired term.

It shall be the duty of the At-Large Representative to serve on the Executive Committee and attend all meetings thereof. The At-Large Representative shall act as liaison to such committees of the Association as the President deems appropriate, and report the activities of any such committees to the Executive Committee. The At-Large Representative shall also perform such other duties as may be assigned to him/her by the President.

ARTICLE IX

COMMITTEES AND ADVISORY GROUPS

SECTION 1. Finance and Budget Committee: This Committee, in an advisory role only, shall consider and recommend ways and means to properly finance the Association, and submit to the Executive Committee at its meeting held before Annual Convention a budget of estimated receipts and expenditures for the following year. The Committee shall also review Association financial reports and budget variances on a regular basis.

The Finance and Budget Committee shall consist of six (6) elected members, one (1) appointed member, the President-Elect, the First Vice President, the Immediate Past President and the Treasurer, who shall serve as Chairperson. The elected and appointed members shall serve two-year staggered terms. An elected or appointed member of the Committee may serve two (2) consecutive 2-year terms, except when a member of the Committee runs for and wins the position of Treasurer in which case the candidate could serve for eight consecutive years (2 two-year terms on the Committee followed by 2 two-year terms as Treasurer). The elected positions shall be filled by those candidates receiving the greatest number of votes in the Annual Election, and the appointed position shall be filled by the President, subject to approval of the Executive Committee. If a member

misses more than two (2) consecutive meetings, he/she may be replaced at the discretion of the President, and the President shall have the power to appoint a replacement.

SECTION 1a. Quorum: A quorum shall be a majority of the total Committee membership.

SECTION 1b. Meetings: The Finance and Budget Committee shall meet upon the call of its Chairperson.

SECTION 1c. Vacancies: In the event any member of the Finance and Budget Committee dies or resigns, or for any other reason a vacancy occurs, the President of the Association, with the consent of the Executive Committee, shall appoint a successor to serve until the next Annual Election. Any person elected in the Annual Election to hold a seat on the Finance and Budget Committee which has become vacant for any reason shall serve for the remaining term of the person who had previously been elected to hold such seat.

SECTION 2. Certifying/Recruiting Committee: There shall be a Certifying/Recruiting Committee consisting of one member from each Region of the Association and a past NC REALTORS® President as Chairperson. The members of the Committee shall serve two-year staggered terms and shall be appointed by the President, subject to approval of the Executive Committee. No member of the Certifying/Recruiting Committee shall be eligible for certification by the Certifying/Recruiting Committee.

SECTION 2a. Duties of Certifying/Recruiting Committee: It shall be the duty of the Committee to certify and/or recruit candidates for all the Elective Positions set forth in Article IV, and to approve persons for any other positions that require approval of the Committee according to these Bylaws. With respect to candidates for the positions of President-Elect, First Vice President, Treasurer and Regional Vice-President and other persons from whom applications are specifically required by these Bylaws who seek a position on the Executive Committee, the Committee shall, in addition to determining if any such person meets any general and specific qualifications set forth in these Bylaws for the position he/she seeks, determine whether, in the opinion of the Committee, there are any past matters of a legal or financial nature involving the person that could reasonably represent a source of embarrassment or liability to the Association, or that would present a conflict with the policies of the Association which the person would be called upon to uphold and promote in the position which he/she seeks to serve. The content of the application and the manner in which it is reviewed shall be prescribed in the Association's Policy Manual. The Corporate Secretary shall notify any candidate not certified by the Committee in writing immediately. The candidate may appeal an adverse decision of Committee to the Executive Committee in accordance with procedures adopted by the Executive Committee and set forth in the Association's Policy Manual. The decision of the Executive Committee with respect to any such appeal shall be final.

SECTION 2b. Certification and Report: All persons who apply and are qualified for the position they seek shall be certified by the Committee. A report of all candidates for Elective Positions will be made in such manner as may be set forth in the Association's Policy Manual.

SECTION 2c. Recruiting. The Committee shall have the duty to recruit and certify a candidate or candidates to run for any Elective Position for which no qualified person has applied. Prior to the date that the Committee submits its report to the President (as outlined in Section 2b. above), the Committee shall be obliged to consider all applications which may be submitted with respect to any Elective Position for which no qualified person has applied. If, following certification by the Committee of a candidate (or candidates) for a particular Elective Position, the candidate (or all of the candidates, if there is more than one) becomes unable for any reason to run for such position, the Committee shall have the duty to recruit and certify another candidate or candidates to run for such position, and to submit a report containing the names of such candidate or candidates to the President as expeditiously as possible. Prior to the date that the Committee submits such report, it shall be obliged to consider all applications that may be submitted with respect to such position.

SECTION 3. Administrative Committee: There shall be an Administrative Committee consisting of the President, President-Elect, First Vice President, immediate Past-President, Treasurer, and three members from the general membership. Each incoming President shall appoint a member from the general membership to serve a three-year term, subject to approval of the Executive Committee. In the event that any of the general membership appointed

positions becomes vacant, the President shall appoint a member from the general membership to complete the unexpired term. The Chairperson shall be appointed annually by the President.

SECTION 3a. Duties: The Committee shall conduct performance reviews of the Chief Executive Officer no less frequently than annually and shall report its findings to the Executive Committee together with any recommendations regarding the Chief Executive Officer's compensation and other terms of employment. The Committee shall also review and make recommendations to the Chief Executive Officer and Executive Committee on other matters pertaining to the administrative operation of the Association.

SECTION 3b . Quorum: A quorum shall be a majority of the total Committee membership.

SECTION 3c. Meetings: The Committee shall meet at the call of the President, Chief Executive Officer, Chairperson, or a majority of its members.

SECTION 4. Professional Standards Committee and Grievance Subcommittee: There shall be a Professional Standards Committee consisting of a maximum of thirty (30) members, excluding chairperson and vice chairperson. Members of the Committee shall serve three-year terms, which shall be staggered so that the terms of one-third (1/3) of the members will expire each year. The positions of those members whose terms will expire at the end of a given year shall be filled by the incoming President, subject to approval of the Executive Committee. The President shall seek representation from each Region and appoint a Regional Vice President as a non-voting member of the Committee. A Grievance Subcommittee consisting of ten (10) members of the Committee shall be appointed by the chairperson of the Committee. Neither the President, President-Elect or First Vice President shall be eligible to consider a complaint or arbitration request as a member of a Grievance Committee or hearing panel.

SECTION 5. Bylaws Committee: There shall be a Bylaws Committee consisting of a maximum of eight (8) members, excluding chairperson and vice chairperson. Members of the Committee shall serve two-year terms, which shall be staggered so that the terms of one-half (1/2) of the members will expire each year. The positions of those members whose terms will expire at the end of a given year shall be filled by the incoming President, subject to approval of the Executive Committee.

SECTION 6. Other Committees, Subcommittees, Task Forces and Advisory Groups: In addition to the Committees identified in Sections 1 through 5 of this Article, the President shall appoint, subject to the approval of the Executive Committee, and publish to the membership not later than January 15th the following Standing Committees: Diversity, Equity and Inclusion (DEI) and Legislative. The President shall appoint other committees, subcommittees, task forces and advisory groups as the members of the Association or the Board of Directors may deem wise. The President shall have the power, subject to the approval of the Executive Committee, to appoint such additional committees, subcommittees, task forces and advisory groups as, in his/her judgment, may be necessary to conduct the affairs of the Association. Any committee, subcommittee, task force or advisory group appointed by the President under this Section 6 shall meet upon the call of its chairperson or the President. Vacancies on any such committee, subcommittee, task force or advisory group may be filled by the President in the President's discretion.

SECTION 6a. Makeup of All Other Committees: All other committees shall consist of such number of members as the President may determine necessary, and shall be appointed for a term of one (1) year, or until their successors have been appointed. A Regional Vice President shall be appointed as a member of each standing committee, may be appointed to such other committees as the President deems appropriate, and shall be a voting member of any committee on which he/she serves. He/she shall be responsible for reporting its activities to the Executive Committee.

SECTION 6b. Actions: All actions of committees shall be subject to the approval of the Board of Directors or the Executive Committee.

SECTION 7. Other Committees and Groups: In addition to any committees or other groups that may be appointed pursuant to this Article, there shall be such committees or other groups as are set forth in the Association's Policy Manual, as the same may be amended from time to time.

ARTICLE X **MEMBERSHIP MEETINGS**

SECTION 1. Membership Meetings: The Annual Membership Meeting shall be held each year on a designated day during the Annual Convention. The time and place of the Convention is to be designated by the Board of Directors who shall be authorized to approve arrangements up to five years in advance. The Executive Committee may call a general membership meeting if the need arises, but must give at least 30 days notice of such meeting to the membership.

SECTION 2. Voting: Each REALTOR® Member of the Association in good standing shall be entitled to one vote at any general membership meeting.

SECTION 3. Quorum: A quorum in the transaction of business at any membership meeting will consist of those REALTOR® Members present.

ARTICLE XI **FISCAL YEAR**

SECTION 1. Fiscal Year: The fiscal year of the Association shall be the calendar year.

ARTICLE XII **CODE OF ETHICS**

SECTION 1. Code of Ethics: The Code of Ethics of the National Association of REALTORS® is adopted as the Code of Ethics of the Association, and shall be considered as part of its Rules and Regulations, and the Code of Ethics and the Rules and Regulations of the Association shall, in the future, be deemed to be amended and changed whenever said Code of Ethics is amended or changed by the National Association of REALTORS®.

ARTICLE XIII **FEES, DUES, ASSESSMENTS**

SECTION 1. REALTOR® Members: The dues of the Association for each REALTOR® Member holding primary membership in a Local Board/Local Association shall be an amount as established by a majority vote of the Board of Directors, plus an amount as established by a majority vote of the Board of Directors times the number of real estate licensees and licensed or certified appraisers who are employed by or affiliated as independent contractors with such members and who are not themselves REALTORS®, provided however, that if two or more REALTORS® are principals of the same firm, partnership, or corporation, then only that REALTOR® designated from time to time in writing (the "designated REALTOR®") by the firm, partnership, or corporation shall be required to pay that portion of the dues which is computed on the basis of the real estate licensees and licensed or certified appraisers employed by or affiliated as independent contractors with such firm, partnership, or corporation, and the dues of the remaining REALTORS® who are principals of such firm, partnership, or corporation shall be an amount as established by a majority vote of the Board of Directors.

SECTION 2. Affiliate and Allied Members: The dues for Affiliate and Allied Members shall be an amount as established by a majority vote of the Board of Directors.

SECTION 3. REALTOR® Emeritus Members and Distinguished Service Award recipients: Dues shall be waived for individuals who have been designated by NAR as REALTOR® Emeritus or Distinguished Service Award recipients, beginning with the dues cycle immediately following such designation.

SECTION 3a. Life members: Dues shall be waived for individuals who were approved by NC REALTORS® as Life Members on or before January 24, 2014.

SECTION 4. Institute Affiliate Members: The annual dues for Institute Affiliate Members shall be as established in Article II of the Bylaws of the National Association of REALTORS®.

SECTION 5. Responsibility for Dues Payment: Each Local Board/Local Association shall be responsible to the Treasurer of the Association for the dues of each of its Members except as may otherwise be prescribed by the National Association of REALTORS®.

SECTION 6. Names: Each year and throughout the year as required, each Local Board/Local Association shall provide the Association the names of the REALTOR® and Affiliate Members of the Board, and the names of licensees affiliated with REALTOR® Members of the Board who are not themselves members of the Local Board/Local Association. Any such names shall be provided by a Local Board/Local Association together with applicable dues.

SECTION 7. Time of Payment: The dues of all Local Board/Local Associations are due annually in advance to the Association on January 1 of each year. Annual dues shall be considered delinquent if not paid by March 31. Local Board/Local Association dues for new members or other increased amounts payable by Designated REALTOR® Members are due immediately and shall be considered delinquent if not paid by the last day of the calendar month following the month in which the new members join the Local Board/Local Association or the other increased amounts become payable by a Designated REALTOR® Member, as the case may be.

SECTION 7a. Adjustments: Local Board/Local Association dues shall be adjusted each month to reflect (i) any additional licensees who become affiliated with REALTOR® Members of the Local Board/Local Association who are not themselves members of the Local Board/Local Association, and (ii) the number of additional REALTOR® and Affiliate Members enrolled by the Local Board/Local Association during the current year. Such adjustments shall be prorated monthly based on the date of such affiliation or enrollment, as the case may be, except that dues shall not be prorated for any such affiliate or enrollee who held REALTOR® membership in NC REALTORS® during the preceding calendar year. Such dues shall be payable to the Association by the last day of the month following the month of such affiliation or enrollment (the "Payment Date") shall be considered delinquent if not received within 15 days of the Payment Date.

SECTION 7b. Delinquent Local Board/Local Associations: Delinquencies in the payment of a Local Board/Local Association's dues shall be handled in accordance with NC REALTORS®'s Dues Payment Policy then in effect. In addition, the delinquency shall be reported to the Executive Committee, which may recommend to the Board of Directors that the Local Board/Local Association be reprimanded, fined, suspended or expelled in accordance with the procedures set forth in Article II, Section 1a of these Bylaws.

SECTION 8. Dual Dues: No Local Board/Local Association shall pay dues to the Association in respect to any secondary member providing such secondary member pays his or her Association dues to his/her primary Local Board/Local Association, and their primary Local Board/Local Association so notifies the Association in writing.

SECTION 9. Other Initiation Fees or Dues: The Executive Committee or Board of Directors shall have the authority to set initiation fees or dues for all classifications not otherwise provided for.

SECTION 10. Nonpayment of Other Financial Obligations: If any other financial obligations owed to the Association, including assessments, are not paid within thirty (30) days after the due date, a certified letter shall be sent from the Treasurer of the Association to the Member responsible for payment of any such obligation advising the Member of the delinquency. If a Member Board owes the obligation, the letter shall be sent to the President of the Local Board/Local Association, with a copy to the Local Board/Local Association's Association

Executive. In addition, the delinquency shall be reported to the Executive Committee, which may recommend to the Board of Directors that the Member be reprimanded, fined, suspended or expelled in accordance with the procedures set forth in Article II, Section 1a of these Bylaws.

ARTICLE XIV **AMENDMENTS**

SECTION 1. Bylaw Amendments: These Bylaws may be amended at any official meeting of the Association's Board of Directors by a two-thirds vote of the Directors present and voting, provided, however, that notice of any proposed amendment shall have been sent by first-class or electronic mail by the Corporate Secretary, at least ten (10) days in advance of such meeting, to the Association's Directors of record in the Association's office and to each Local Board/Local Association President. The notice shall be accompanied by a copy or summary of the amendment, or by an electronic link to such copy or summary.

SECTION 1a. NAR Policy Changes: Bylaws amendments that are mandated by the National Association of REALTORS® policy shall be automatically amended to reflect the mandate as of the effective date authorized by National Association of REALTORS®. The Board of Directors shall receive notice of that amendment at the next regularly scheduled Board meeting or by or by special communication.

SECTION 2. Amendments Affecting Admission: Amendments to these Bylaws affecting the admission or qualifications of REALTOR® Members and Institute Affiliate Members, the use of the term REALTOR® or REALTORS® or any alteration in the territorial jurisdiction of a Local Board/Local Association shall become effective upon the approval of the Board of Directors of the National Association of REALTORS®.

ARTICLE XV **RULES OF ORDER**

SECTION 1. Rules of Order: The rules contained in the most current edition of Robert's Rules of Order, Newly Revised shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with the Bylaws of the Association and any special rules of order the Association may adopt.

ARTICLE XVI **PROFESSIONAL STANDARDS, ETHICS AND ARBITRATION**

SECTION 1. Obligations: A Local Board/Local Association, prior to referring an ethics complaint or arbitration request for review to the Association, should exhaust all efforts to impanel an impartial tribunal to conduct either the original hearing or the appeal or procedural review. These efforts may include the appointment of knowledgeable members of the Local Board/Local Association on an ad hoc basis to serve on either a Hearing Panel or on behalf of the Board of Directors. If, because of notoriety, etc., the Local Board/Local Association cannot impanel an impartial tribunal, the Local Board/Local Association may refer the matter to the Association, and the Association may delegate to another Local Board/Local Association or a regional enforcement facility, the authority to hear the case on behalf of the Association. No Local Board/Local Association or regional enforcement facility, however, may be required to accept this delegation of authority. If no other entity is amenable to conducting the review, the Association shall be responsible for conducting the hearing.

SECTION 2. Jurisdiction: Allegations of ethical violations and contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® and between REALTORS® and their customers or clients may be submitted to an ethics or arbitration panel at the Association level under the following circumstances:

(a) Allegations of unethical conduct made against a REALTOR® who a secondary member of the Association and not a member of any Local Board/Local Association.

(b) Allegations of unethical conduct made against a REALTOR® in the instance in which the Local Board/Local Association, because of size or other valid reason, determines that it cannot provide a due process hearing on the matter and petitions the Association to conduct a hearing.

(c) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are not members of the same Local Board/Local Association where the matter has been referred to the Association by both Local Board/Local Associations.

(d) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are secondary members of the Association and are not members of any Local Board/Local Association.

(e) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTOR® Members of the same Local Board/Local Association where the Local Board/Local Association with good and sufficient reason is unable to arbitrate the controversy. This provision is not designed to relieve the Local Board/Local Association of its primary responsibility to resolve differences arising between members of the same Local Board/Local Association. The Section recognizes that in some Local Board/Local Associations with limited membership usual arbitration procedures may be impossible.

(f) Contractual disputes between a customer or a client and a REALTOR® where the Local Board/Local Association with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a secondary member of the Association and not a member of any Local Board/Local Association.

SECTION 3: Procedures: Professional Standards hearings and the organization and procedures incident thereto shall be governed by the Code of Ethics and the Arbitration Manual of the National Association of REALTORS® as from time to time amended, including amendments made by NC REALTORS® in accordance with NAR policy, which by this reference is made a part of these Bylaws.

ARTICLE XVII

USE OF THE TERM REALTOR® & REALTORS®

SECTION 1. The Term REALTOR®/REALTORS®: Use of the term REALTOR® or REALTORS® by members shall at all times be subject to the provisions of the Constitution and Bylaws of the National Association of REALTORS®, and to the rules and regulations prescribed by its Board of Directors. The Association otherwise shall have authority to control, jointly and in full cooperation with the National Association of REALTORS®, use of the terms within those areas of the State of North Carolina not within the jurisdiction of a Local Board/Local Association. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Association's Executive Committee after a hearing as provided for in the Association's Code of Ethics and Arbitration Manual.

SECTION 2. REALTOR® Member: A REALTOR® Member who is a principal of a real estate firm, partnership, corporation or trust may use the term REALTOR® or REALTORS® only if all of the principals of such firm, partnership or corporation who are actively engaged in the real estate profession within the State or a state contiguous thereto are REALTOR® Members or Institute Affiliate Members.

SECTION 3. Institute Affiliate Member: An Institute Affiliate Member shall not use the terms REALTOR® or REALTORS® and shall not use the imprint of the emblem seal of the National Association of REALTORS®.

ARTICLE XVIII

STANDARDS OF ELECTED REPRESENTATIVES

SECTION 1. Commitment to Standards: In accepting election to office and the duties and responsibilities thereby imposed, the President, each Elective Officer, each member of the Board of Directors, and all other persons

holding elected or appointed positions in or on behalf of the Association, reaffirms and acknowledges his or her commitment to the high standards of practice set forth in the Code of Ethics of the National Association REALTORS® and to the obligations imposed by law on all real estate licensees and /or real estate appraisers duly licensed/certified by the State of North Carolina. Each such officer, director, and other elected or appointed representative acknowledges that his or her failure to conform to such standards and obligations may reflect adversely on the organization.

SECTION 2. Immediate Removal From Office: The President, any Elective Officer, any member of the Board of Directors, or any other person holding an elected or appointed position in or on behalf of the Association shall immediately and automatically be removed from such position in the event their license/certification is revoked or they are placed on active suspension by the North Carolina Real Estate Commission or the North Carolina Appraisal Board (whether or not the revocation or active suspension is appealed), or in the event they are no longer a member in good standing with the Association, the National Association of REALTORS® or their Local Board/Local Association. Any such removal shall result in the immediate termination of all rights, privileges, duties and responsibilities accompanying that office.

SECTION 3. Code of Ethics Violation: In the event the President, any Elective Officer, any member of the Board of Directors, or any other person holding an elected or appointed position in or on behalf of the Association is found guilty of a violation of the Code of Ethics of the National Association of REALTORS® by their Local Board/Local Association or in appropriate cases by the Association, thereby bringing discredit to the position to which he or she was elected or appointed and to the Association, such individual may be removed from such position by action of the Executive Committee or the Board of Directors after due notice given to such person and an opportunity to be heard at a meeting duly scheduled by the Executive Committee. In the event the Executive Committee by a majority vote determines that the individual should be removed from the position to which he/she was elected or appointed, such action shall cause removal of that individual from such position together with all rights, privileges, duties and responsibilities accompanying that position, and such removal shall be effective immediately. Nothing contained in this Section shall be deemed to limit the authority of the Board of Directors to discipline a member in accordance with the provisions of Article II, Section 1a.

SECTION 4. Executive Committee: A member of the Executive Committee may be removed at any time from the Committee and any elected or appointed Association position that entitles them to serve on the Committee if, following the date he/she commences service on the Committee, the Committee becomes aware of a past matter of a legal or financial nature involving the member that could, in the opinion of the Committee, reasonably represent a source of embarrassment or liability to the Association, or that would present a conflict with the policies of the Association which the person would be called upon to uphold and promote in his/her capacity as a member of the Executive Committee and/or the Association position that entitles them to serve thereon. Any such action may be taken by the Committee only after due notice is given to the individual and he/she is given an opportunity to be heard at a duly scheduled meeting of the Committee. Any such removal shall result in the immediate termination of all rights, privileges, duties and responsibilities accompanying the individual's position on the Committee and the Association position that entitles them to serve on the Committee. Nothing contained in this Section shall be deemed to limit the authority of the Board of Directors or Executive Committee to remove an individual from the Executive Committee or any other Association position in which they may serve in accordance with Sections 2 or 3 of this Article.

ARTICLE XIX

SERVICE STATEMENTS; CONFLICTS OF INTEREST

SECTION 1. Service Statements. Any person serving the Association in an elected or appointed position must sign a service statement in form prescribed by the Association's Policy Manual, as the same may be amended from time to time. Any such person who fails to sign the prescribed service statement shall not be entitled to serve in the position to which he or she has been elected or appointed.

SECTION 2. Violation of Certain Policies. In the event that any Conflict of Interest Policy, Ownership Disclosure Policy, Corporate Opportunities Policy, Confidential Information Policy or Service Statement Policy contained in the Association's Policy Manual, as the same may be amended from time to time, is allegedly

violated by an individual subject thereto, a hearing shall be held by the Executive Committee to determine whether a violation has in fact occurred and, in the event a violation is found, the discipline to be imposed, up to and including removal from any office or position to which the individual was elected or appointed. The individual shall be given due notice of and an opportunity to be heard at the hearing. In the event the Executive Committee by a majority vote determines that the individual should be removed from the office or position to which she was elected or appointed, such action shall cause removal of that individual from such office or position together with all rights, privileges, duties and responsibilities accompanying that office or position, and such removal shall be effective immediately.

ARTICLE XX **MISCELLANEOUS**

SECTION 1. Indemnification: The Association's directors, officers, employees and agents shall be indemnified against liability and expense in any proceeding (including without limitation a proceeding brought by or on behalf of the Association itself) arising out of their status as such or their activities in any of the foregoing capacities; provided, the Association shall not indemnify a person against liability or expenses the person may incur on account of his or her activities which were, at the time taken, known or believed by the person to be clearly in conflict with the best interests of the Association or if the person received an improper personal benefit. The Association shall likewise and to the same extent indemnify any person who, at the request of the Association, is or was serving as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise or as a trustee or administrator under an employee benefit plan. The Association shall purchase and maintain, to the extent available, insurance on behalf of any person indemnified hereunder against liability asserted against or incurred by him or her in any capacity described in this Section.

SECTION 2. Electronic Transaction of Business: To the fullest extent permitted by law, the Association may conduct its business by electronic means.

ARTICLE XXI **DISSOLUTION**

SECTION 1. Dissolution: Upon the dissolution or winding up of the affairs of the Association, the Board of Directors, after providing for payment of all obligations, shall distribute any remaining assets to or, within its discretion, to any other nonprofit, tax-exempt organization.