

BYLAWS OF THE  
REALTORS® OF THE PALM BEACHES AND GREATER FORT LAUDERDALE, INC.  
Effective July 25, 2018

**ARTICLE I - NAME**

SECTION 1. NAME. The name of this Organization shall be the REALTORS® OF THE PALM BEACHES AND GREATER FORT LAUDERDALE, INC., hereinafter referred to as the “Association.”

SECTION 2. REALTORS®. Inclusion and retention of the Registered Collective Marks 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 in the Fort Lauderdale, Palm Beach and St. Lucie areas for the purpose of exerting a beneficial influence upon the profession and related interests;

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

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

SECTION 4. To further the interest of home and other real property ownership;

SECTION 5. To unite those engaged in the real estate profession in the Fort Lauderdale, Palm Beach and St. Lucie areas with the FLORIDA 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; and

SECTION 6. To designate for the benefit of the public, individuals authorized to use the terms “REALTOR®”, and “REALTORS®”, as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

**ARTICLE III - JURISDICTION**

SECTION 1. The territorial jurisdiction of the Association as a member of the NATIONAL ASSOCIATION OF REALTORS® is:

All communities within **St. Lucie County, Florida**, which in accord with §7.59, Florida Statutes, is more particularly described as follows:

Beginning on the eastern boundary of the State of Florida at a point where the north section line of section thirteen, township thirty-seven south, range forty-one east, produced easterly, would intersect the same; thence westerly on the north line of said section and other sections to the northwest corner of section eighteen, township thirty-seven south, range forty-one east; thence south along the range line between ranges forty east and forty-one east which is concurrent with the St. Lucie County and Martin County boundary lines to the intersection with the north line of the south 508.15 feet of the northeast quarter of section twenty-four, township thirty-seven south, range forty east; thence west along the south 508.15-foot line of the northeast quarter of section twenty-four, township thirty-seven south, range forty east and concurrent with the municipal boundary line of the City of Port St. Lucie to the intersection of the east 924.15-foot line of section twenty-four, township thirty-seven south, range forty east; thence

south along the east 924.15-foot line of section twenty-four, township thirty-seven south, range forty east and continuing along the municipal boundary line of the City of Port St. Lucie, to the intersection of the south line of the northeast quarter of section twenty-four, township thirty-seven south, range forty east; thence west along the south line of the northeast quarter of section twenty-four, township thirty-seven south, range forty east to the intersection with the west edge of Howard Creek; thence southerly and along with the west edge of Howard Creek being concurrent with the municipal boundary line of the City of Port St. Lucie to the intersection of the north shore of the north fork of the St. Lucie River and the west edge of Howard Creek as concurrent with the City of Port St. Lucie municipal boundary; thence departing said north shore of the north fork of the St. Lucie River and the municipal boundary line of the City of Port St. Lucie, a bearing direction (State Plane Coordinate System, Florida East Zone) of south 45 degrees, 16 minutes west, 2,355 feet more or less, to a point within the body of water of the north fork of the St. Lucie River; thence departing said point a bearing direction (State Plane Coordinate System, Florida East Zone) of south 41 degrees, 4 minutes east, 6,155 feet more or less to a point located in the body of the north fork of the St. Lucie River which intersects with the west line of section thirty, township thirty-seven south, range forty-one east; thence south 6,459 feet along the west line of sections thirty and thirty-one, township thirty-seven south, range forty-one east, to the intersection with the township line between townships thirty-seven and thirty-eight south; also being the southwest corner of section thirty-one, township thirty-seven, range forty-one east; thence west on the said township line to the range line dividing ranges thirty-six and thirty-seven east; thence north on said range line, concurrent with the east boundary of Okeechobee County, to the northwest corner of township thirty-four south, range thirty-seven east; thence east on the township line dividing townships thirty-three and thirty-four south, to the Atlantic Ocean; thence continuing easterly to the eastern boundary of the State of Florida; thence southerly along said east boundary, including the waters of the Atlantic Ocean within the jurisdiction of the State of Florida, to the place of beginning;

TOGETHER WITH:

The communities of Atlantis, Belle Glade, Briny Breezes, Boca Raton, Boynton Beach, Cloud Lake, Lox Grove, Delray Beach, Golfview, Greenacres City, Glenridge, Gulfstream, Haverhill, Highland Beach, Hypoluxo, Lake Clarke Shores, Lake Park, Lake Worth, Lantana, Manalapan, Mangonia Park, North Palm Beach, Ocean Ridge, Palm Beach Gardens, Palm Beach Shores, Palm Springs, Pahokee, Riviera Beach, Royal Palm Estates, South Bay, South Palm Beach, Village of Golf, Village of Royal Palm Beach, Wellington and West Palm Beach, lying within and including the rest and remainder of unincorporated **Palm Beach County, Florida**, which in accord with §7.50, Florida Statutes, is more particularly described as follows:

Beginning on the east boundary of Florida at a point where the south boundary of township forty-seven south, of range forty-three east, produced easterly would intersect the same; thence westerly on said township line to its intersection with the axis or center line of the Hillsborough State Drainage Canal as at present located and constructed; thence westerly along the center line of said canal to its intersection with the range line dividing ranges forty and forty-one east; thence south on the range line dividing ranges forty and forty-one, township forty-seven south, to the northeast corner of section twenty-five of township forty-seven south, range forty east; thence due west on the north boundary of the sections numbered from twenty-five to thirty, inclusive, of townships forty-seven south, ranges thirty-seven to forty east, inclusive, as the same have been surveyed or may hereafter be surveyed by the authority of the Board of Trustees of the Internal Improvement Trust Fund, to the northwest corner of section thirty, township forty-seven south, range thirty-seven east; thence continuing due west to the range line between ranges thirty-four and thirty-five east, and the east boundary of Hendry County; thence north on said range line, concurrent with the east boundary of Hendry County, to the south shore of Lake Okeechobee; thence continuing north on said range line to the northeast corner of section thirty-six, township forty south, range thirty-four east; thence easterly parallel to and one mile north from the township line dividing townships forty and forty-one south to where the south boundary of section twenty-six, township forty south, range thirty-seven east intersects the normal water level on the boundary of Lake Okeechobee; thence east on the south boundary line of said section twenty-six and other sections across ranges thirty-seven, thirty-eight and thirty-nine, forty, forty-one and forty-two east, to the east line of section twenty-eight, township forty south, range forty-two east; thence north on said east section line to the north line of said section twenty-eight; thence east on the section line between sections twenty-two and twenty-seven of township forty south, range forty-two east, and other sections to the waters of the Atlantic Ocean; thence easterly to the eastern boundary of Florida; thence southward along the coast, including the waters of the Atlantic Ocean within the jurisdiction of the State of Florida, to the place of beginning;

LESS AND EXCEPT:

Any portion of the foregoing described lands which is situated, lying and being within the communities Tequesta, Jupiter, Juno Beach and the Town of Palm Beach.

TOGETHER WITH:

Those portions of Fort Lauderdale, Oakland Park, Tamarac, Sunrise, Plantation, North Lauderdale, Sea Ranch Lakes, Coconut Creek, Coral Springs, Davie, Deerfield Beach, Hillsboro Beach, Lighthouse Point, Margate, Parkland, Weston, Pompano Beach, Lauderdale By The Sea, Sea Ranch Lakes, Wilton Manors, Lauderdale Lakes and Lauderhill, lying within and including the rest and remainder of unincorporated **Broward County, Florida**, which in accord with §7.06, Florida Statutes, is more particularly described as follows:

Beginning on the east boundary of the State of Florida at a point where the south boundary of township forty-seven south of range forty-three east, produced easterly, would intersect the same; thence westerly on said township boundary to its intersection with the axis or center line of Hillsborough State Drainage Canal, as at present located and constructed; thence westerly along the center line of said canal to its intersection with the range line dividing ranges forty and forty-one east; thence south on the range line dividing ranges forty and forty-one east, of township forty-seven south, to the northeast corner of section twenty-five of township forty-seven, south, of range forty east; thence due west on the north boundaries of the sections numbered from twenty-five to thirty, inclusive, of townships forty-seven south, of ranges thirty-seven to forty east, inclusive, as the same have been surveyed, or may hereafter be surveyed, by the authority of the Board of Trustees of the Internal Improvement Trust Fund, to the northwest corner of section thirty of township forty-seven south, of range thirty-seven east; thence continuing due west to the range line between ranges thirty-four and thirty-five east; thence southerly on the range line dividing ranges thirty-four and thirty-five east, to the southwest corner of township fifty-one south, of range thirty-five east; thence east following the south line of township fifty-one south, across ranges thirty-five, thirty-six, thirty-seven, thirty-eight, thirty-nine and forty, to the southwest corner of township fifty-one south of range forty-one east; thence north on the range line dividing ranges forty and forty-one to the northwest corner of section thirty-one of township fifty-one south, of range forty-one east; thence east on the north boundary of section thirty-one and other sections to the waters of the Atlantic Ocean; thence easterly to the eastern boundary of the State of Florida; thence northerly along said eastern boundary to the point of beginning. In addition, the boundary lines of Broward County include the following: Begin at the northwest corner of section thirty-five, township fifty-one south, range forty-two east, Miami-Dade County, Florida; thence, southerly following the west line of section thirty-five, township fifty-one south, range forty-two east to the intersection with a line which is two hundred and thirty feet south of and parallel to the north line of section thirty-five, township fifty-one south, range forty-two east; thence, easterly following the line which is two hundred and thirty feet south of and parallel to the north line of section thirty-five, township fifty-one south, range forty-two east, to the intersection with the west boundary line of the Town of Golden Beach; thence, northerly following the west boundary line of the Town of Golden Beach to the intersection with the north line of section thirty-five, township fifty-one south, range forty-two east; thence, westerly following the north line of section thirty-five, township fifty-one south, range forty-two east to the point of beginning;

LESS AND EXCEPT:

That portion of the foregoing described lands which is situated, lying and being south of the following Southern Boundary:

Beginning at the South New River Canal, extended, thence East to the Dania cut-off Canal and the West and North City limits to the limits of Hollywood, and East to the Atlantic Ocean.

SECTION 2. TERRITORIAL JURISDICTION is defined to mean:

The right and duty to control the use of the terms “REALTOR®” and “REALTORS®” subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for

which, the Association agrees to protect and safeguard the property right of the NATIONAL ASSOCIATION in the terms.

#### ARTICLE IV - MEMBERSHIP

SECTION 1. There shall be 9 classes of membership. The Board of Directors may establish other classes of membership at its discretion. Membership in the Association shall be individual, non-transferable and non-assignable. However, in the event of death, retirement, or other special circumstances, the Board of Directors may waive the payment of an application fee for the person replacing the Designated REALTOR® Member. Each Designated REALTOR® Member and REALTOR® Member shall, by virtue of membership in the local Association, hold membership in the Florida Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®. The Designated REALTOR® member shall be responsible and accountable to the Association for all his/her office and branch offices within the territorial jurisdiction of the Association, if any.

(a) REALTOR® MEMBERS: REALTOR® Members, whether primary or secondary shall be:

a) Individuals who as sole proprietors, partners, corporate officers or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located in the State of Florida or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a Board/Association of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV. In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the Association in which one of the firm's principals holds REALTOR® Membership, shall be required to hold REALTOR® Membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV. REALTOR® members may obtain membership in a "secondary" association in another state.

b) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, but who are in positions of management control may also hold REALTOR® membership in the Association.

c) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and do not qualify for or seek Designated REALTOR® Membership as described in Article IV 1(a) above. Salesmen and other Associates of a real estate office shall be eligible for REALTOR® Membership if they are employed by, or affiliated as an independent contractor with a Designated REALTOR® Member as provided in this Article. REALTOR® Members may transfer to Designated REALTOR® Membership by meeting the requirements for such membership as set out in ARTICLE V.

d) 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 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; the right to hold elective office in the local Board, State Association and National Association.

e) Primary and secondary REALTOR® Members. An individual is a primary member if the Board/Association pays state and National dues based on such Member. An individual is a secondary

Member if state and National dues are remitted through another Board/Association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as their “primary” Association.

f) Designated REALTOR® Members. Each firm 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 Association dues as established in Article X of the Bylaws. The “Designated REALTOR®” must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm’s principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.

(b) INSTITUTE AFFILIATE MEMBERS: Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® Membership, subject to payment of applicable dues for such membership.

(c) AFFILIATE MEMBERS: Affiliate Members shall be real estate owners and other individuals or firms, who, while not engaged in the real estate profession as defined in paragraph (a), or (b), of this Section, have interests requiring information concerning real estate and are in sympathy with the objectives of the Association. An Affiliate shall not vote, hold elective office in the Association, nor use the term, “REALTOR®”. Where a firm, partnership, or corporation makes application for Affiliate Membership, such membership shall be held in the name of one person designated by the firm, partnership, or corporation. Such membership is transferable at the request of the corporation. Where an individual makes application for Affiliate Membership, such membership remains with that individual and is transferable with that individual if they move from one firm to another. Additional Affiliate Members, in the same firm, may be admitted to membership at reduced dues as determined annually by the Board of Directors.

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

(e) STUDENT MEMBERS: Individuals who are enrolled as students in secondary (must be at least 16 years of age) and post-secondary educational institutions, have an interest in real estate issues, including brokerage, land use, finance, investment or property rights and who do not hold a real estate or appraisal license or certification from any state shall be eligible for membership in the Association ‘Student Member’ category. Student Members shall have such privileges, duties and rights of membership and shall pay such dues as determined by the Board of Directors, but shall not be entitled to vote, hold office, or use the term Realtor® or Realtor-Associate®.

(f) LIFE MEMBERS: A Life Member shall be former or current REALTOR® or member of the Association who has been recognized for outstanding performance in the service of the Association and furtherance of the principles and ideals of the Association, the Florida Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®. To be considered for Life Membership the recipient must have been actively affiliated with or participated in the affairs of the Association for at least twenty (20) years. These members will be recognized by the Association as determined at the discretion of the Board of Directors.

(g) HONORARY MEMBERS: Honorary Members shall be individuals who have performed notable service for the real estate profession, the Association, or the public at large and shall be other than past or present members of the Association. The conferring of Honorary Membership shall be subject to the discretion of the Board of Directors.

(h) CHARTER MEMBERS: Individuals who were active REALTOR® Members of the Association at its inception.

(i) APPRAISER MEMBERS: Individuals engaged in the appraisal of real property and licensed by an appropriate state regulatory agency to engage in the appraisal of real property who wish to obtain membership and who are not eligible to hold membership under Section 1(a) of Article IV. Active real estate licensees under Chapter 475, FS are ineligible for the category of Appraiser Member.

## ARTICLE V - QUALIFICATION, ELECTION AND TERMINATION OF MEMBERSHIP

### SECTION 1. APPLICATION.

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain, among the statements to be signed by the applicant:

a) that applicant agrees as a condition of membership to thoroughly familiarize himself or herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitution, Bylaws, and Rules and Regulations of the Association, the Florida Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, and if elected a Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified in 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 that applicant consents that the Association, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

### SECTION 2. QUALIFICATIONS.

(a) APPLICATION FOR DESIGNATED REALTOR® MEMBERSHIP: An applicant for Designated REALTOR® Membership who is a principal, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board of Directors that he/she is actively engaged in the real estate profession and maintains a current, valid real estate broker's license, or is licensed, certified or registered by the 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 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 local Association, the Bylaws of the Florida Association of REALTORS®, 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 Association, and shall agree that if elected to Membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. In accordance with Article IV, Section 2 of the NAR Bylaws, the Association will not grant REALTOR® Membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics.

(b) APPLICATION FOR REALTOR® MEMBERSHIP: 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 Board of Directors 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 Association, the Bylaws of the Florida Association of REALTORS®, 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 Board of Directors, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

\*No recent or pending bankruptcy means that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for association and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a “cash basis” from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

\*\*No record of official sanctions involving unprofessional conduct means that the Association may only consider:

1. judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities
2. criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date

The Association will also consider the following in determining an applicant’s qualifications for REALTOR® membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® association within the past three (3) years
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 V, Section 2(a), NOTE 2, provided all other qualifications for membership have been satisfied). The Association may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that Provisional Membership is approved. Provisional Members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® Membership. 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.

(c) ADDITIONAL CONSIDERATIONS FOR DESIGNATED REALTOR® AND REALTOR® MEMBERSHIP: The Association will also consider the following in determining an applicant’s qualifications for Designated REALTOR® and REALTOR® Membership:

- a) All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years

- b) Pending ethics complaints (or hearings)
- c) Unsatisfied discipline pending
- d) Pending arbitration requests (or hearings)
- e) Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS
- f) Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm

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

SECTION 3. ELECTION. The procedure for election to membership shall be as follows.

(a) The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted Provisional Membership, applicants for REALTOR® Membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional Members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional Membership is granted subject to final review of the application by the board of directors.

(b) If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 60 days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

(c) The board of directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the board of directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The board of directors may also have counsel present. The board of directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

(d) If the board of directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the board of directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant. (Adopted 1/98, Amended 1/05, Amended 1/17)



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 the time prescribed by the Board of Directors, will result in denial of the membership application or termination of Provisional Membership. Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 5. REALTOR CODE OF ETHICS TRAINING. Effective January 1, 2017, through December 31, 2018, and for successive two year periods thereafter, each REALTOR® member of the Association (with the exception of REALTOR® Members granted Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) 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 two (2)-year cycle shall not be required to complete additional ethics training until a new two (2)-year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any two (2)-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, Amended 11/08, Amended 11/16)

SECTION 6. STATUS CHANGES.

(a) A Member who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within 30 days. A REALTOR® who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm where he/she will function as the Designated REALTOR®, may be required to satisfy any previously unsatisfied membership requirements applicable to Designated REALTOR® Members, but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a Designated REALTOR®. If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Note: the Board of Directors, at its discretion, may waive any qualification, which the applicant has already fulfilled in accordance with the Association Bylaws.

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 15 days of the date the Association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

(b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

(c) Dues shall be prorated from the first day of the month and shall be based on the new membership status for the remainder of the year.

SECTION 7. TERMINATION OF MEMBERSHIP.

(a) Membership can be terminated at any time a Member fails to maintain the qualifications required for applicants as established in Section 2 of ARTICLE V of the Bylaws. Membership can also be terminated for failure to comply with the provisions of these Bylaws, the Rules and Regulations referred to herein, the Code of Ethics and/or failure to pay dues and fees within the time prescribed. Before the Association should terminate the membership of any members for any reason other than the non-payment of dues or fees, the Member should be afforded a full hearing in accordance with the Code of Ethics and Arbitration procedures as described and adopted by the Association in ARTICLE VII.

(b) If the membership of a member of this Association is terminated for any reason, such member, (if deceased - his/her estate, heirs or assigns), shall not have any rights, title or interest in Association property by virtue of such membership.

(c) Under no circumstances are application fees refundable.

(d) Any Designated REALTOR® Member, REALTOR® Member, or secondary Member leaving the Association, while in good standing, may reapply in the same category of membership, within a one year period, without further payment of an application fee. However, if application is made within the one year period for a different category of membership, requiring a higher application fee than previously paid, applicant shall be required to pay the applicable fee for the category of membership requested.

(e) Any Member expelled from the Association and wishing to reapply for membership at a later date, in the same or other category of membership, shall make application as set out herein, as though no previous membership had been held. Applicant shall make it known, however, in the new application the conditions under which the expulsion took place.

(f) Any Designated REALTOR®, or REALTOR® Member who leaves the Association for any cause whatsoever, shall be advised immediately that he/she is no longer permitted to use the terms "REALTOR®" or "REALTORS®" nor use any forms in their possession bearing the name of the REALTORS® of the Palm Beaches and Greater Fort Lauderdale, Inc., nor any certificates, nor insignia issued by the Florida Association of REALTORS® nor the NATIONAL ASSOCIATION OF REALTORS® and/or any other material which would indicate they are still a Member of the local, State or National Organizations.

**ARTICLE VI - PRIVILEGES AND OBLIGATIONS**

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

SECTION 2. SANCTIONS. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for violation of these Bylaws, and Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®. Although members other than Designated REALTORS® and REALTORS® are not subject to the Code of Ethics, nor its enforcement by the 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 Designated REALTORS® and REALTORS®, may, upon action of the Board of Directors, 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 non-discriminatory basis, reflects adversely on the terms "REALTOR®" or "REALTORS®", and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

### SECTION 3. DISCIPLINE.

(a) Any Designated REALTOR® or REALTOR® of the 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 of the NATIONAL ASSOCIATION OF REALTORS®, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

(b) Members of the Association may be disciplined by the Board of Directors for misconduct or conduct detrimental to the Association that shall include, but not limited to the following: Engaging in a course of conduct or repeatedly committing act(s) that is/are disruptive of the legitimate Association business activity as conducted by the Association Chief Executive Officer, the Association staff, and/or the Association Officers and Directors. As used in this section of Article VI, “course of conduct” shall mean a pattern of actions composed of more than one act over a period of time, however short, evidencing a continuity of conduct. The term includes lewd, lascivious, threatening or obscene words, language, drawings, caricatures or actions that include strikes, shoves, kicks, or other similar physical contact, or attempts to threaten to do the same, and that serve no legitimate purpose.

(c) Any complaint alleging conduct of the nature described in the preceding paragraph shall be heard by the Board of Directors at a special meeting called by the President where an evidentiary hearing shall take place. The procedures for notice, time of hearing, and conduct of the hearing prescribed for matters before an Ethics Hearing Panel set forth in the NATIONAL ASSOCIATION OF REALTORS® Code of Ethics and Arbitration Manual shall apply. The questions of fact for the Directors to decide will be whether the person whose conduct is complained of has engaged in such conduct and if so, whether the conduct was engaged in with a lack of legitimate reason and whether the acts or course of conduct interfered with the legitimate business purposes of the Association. Such must be established by clear and convincing evidence. The Board of Directors shall determine the appropriate sanction to impose from those authorized in the Code of Ethics and Arbitration Manual. The sanction of termination of membership may only be imposed if approved by a two-thirds vote of those Directors present at the special meeting. Nothing in this section is intended to preclude discipline of members for other reasons as may be provided for in the other sections of the Bylaws of the Association or as provided by the NATIONAL ASSOCIATION OF REALTORS® Code of Ethics and Arbitration Manual.

(d) The real estate practice of REALTOR® Members of any firms, partnerships or corporations with which a REALTOR® Member is associated shall be conducted in compliance with the Bylaws and the Rules and Regulations of this ASSOCIATION which pertain to the conduct of real estate practice and in full accord with the Constitution and Bylaws and the Code of Ethics of the National Association of REALTORS®.

(e) When a Designated REALTOR® resigns from or loses membership in the ASSOCIATION for any reason, the firm shall have thirty (30) days, unless extended by the Board of Directors, in which to name another Designated REALTOR® without loss to the firm of ASSOCIATION or Multiple Listing Service benefits.

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

SECTION 5. RESIGNATIONS WITH PENDING COMPLAINTS. If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent’s resignation or

membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (Amended 1/00 and 11/11)

#### SECTION 6. DESIGNATED REALTOR® AND REALTOR® MEMBERS.

(a) REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and hold elective office in the Association; may use the terms “REALTOR®” and “REALTORS®”, which use shall be subject to the provisions of ARTICLE VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

(b) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member or unless connection of the disciplined Member with the firm, partnership or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the Association. The foregoing does not preclude a suspended or expelled Member from functioning as an employee or independent contractor of a member, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply. If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

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

SECTION 7. INSTITUTE AFFILIATE MEMBERS. Institute Affiliate Members shall have the 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®.

SECTION 8. AFFILIATE MEMBERS. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, including the right to serve on certain committees at the discretion of the Board of Directors.

SECTION 9. PUBLIC SERVICE MEMBERS. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

SECTION 10. LIFE MEMBERS. Life Members shall have all the privileges and rights as well as the responsibilities they previously enjoyed under the particular category of membership held by such individuals at the time Life membership was conferred upon them. A benefit of Life Membership will be the waiver of the local Association portion of any dues.

SECTION 11. HONORARY MEMBERS. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

SECTION 12. STUDENT MEMBERS. Student Members shall have rights and privileges and shall be subject to such obligations prescribed by the Board of Directors.

SECTION 13. DESIGNATED REALTORS®.

(a) Designated REALTOR® shall refer to a member who is a principal, partner, corporate officer, trustee, or office manager in a real estate business. The Association shall be notified of said individual. The Designated REALTOR® may change from time to time. Written notification must be provided to the Association within ten (10) days of any change in the Designated REALTOR®. The Designated REALTOR® shall act on behalf of the corporation, partnership, or trustee with respect to communication, representation in arbitration matters and records concerning dues payment and membership.

SECTION 14. CERTIFICATION BY DESIGNATED REALTOR®. “Designated” REALTOR® Members of the Association shall certify to the Association annually, or when requested, on a form provided by the Association, a complete listing of all individuals licensed or certified in the Designated REALTOR®’s office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the Designated REALTOR®’s office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the Association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. “Designated” REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within 30 days of the date of affiliation or severance of the individual.

SECTION 15. HARASSMENT. Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association employee or Association Officer or Director after an investigation in accordance with the procedures of the Association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual’s work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-Elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the Association. Disciplinary action may include any sanction authorized in the association’s Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

## **ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION**

SECTION 1. The responsibility of the Association and of the Association Members relating to the enforcement of the Code of Ethics, the Bylaws and Rules of Operation of this Association of REALTORS®, 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, provided, however, that any provision deemed inconsistent with Florida law shall be deleted or amended to comply with Florida law.

SECTION 2. It shall be the duty and responsibility of every Designated REALTOR® and REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State 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.

SECTION 3. The recipient of an award in arbitration may be advised by the Association of his/her statutory right to seek judicial enforcement of the award and may seek financial assistance for such judicial enforcement from the Association, which may provide assistance at the discretion of the Board of Directors which may refer the matter to the Legal Protection Committee.

#### **ARTICLE VIII - USE OF THE TERMS “REALTOR®” AND “REALTORS®”**

SECTION 1. Use of the terms “REALTOR®”, AND “REALTORS®” by members shall at all times be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, the use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association’s Code of Ethics and Arbitration Manual.

SECTION 2. Designated REALTOR® and REALTOR® Members of the Association shall have the privilege of using the terms “REALTOR®” and “REALTORS®” in connection with their places of business within the State or a state contiguous thereto so long as they remain Designated REALTOR® or 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 are REALTOR® Members of the Association of Institute Affiliate Members as described in Section 1(b) of Article IV. 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. Institute Affiliate Members shall not use the terms “REALTOR®, “REALTORS®”, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 5. REALTOR® Members of the Association are urged to identify themselves as REALTORS® and to use the term in accordance with the regulations governing its use in their advertising, correspondence, signs and promotion and educational activities.

#### **ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS**

SECTION 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and of the Florida Association of REALTORS®. By reason of the Association’s Membership, each Designated REALTOR®, and REALTOR® Member of the member Association shall be entitled to membership in the NATIONAL

ASSOCIATION OF REALTORS® and the Florida Association of REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations, unless by a majority vote of all of its Designated REALTOR® and REALTOR® Members, decision is made to withdraw, in which case, the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

SECTION 2. The Association recognizes the exclusive property right of the NATIONAL ASSOCIATION OF REALTORS® in the terms “REALTOR®” and “REALTORS®.” The Association shall discontinue use of the terms in any form in its name upon ceasing to be a member of the NATIONAL ASSOCIATION OF REALTORS® or upon a determination by the Board of Directors of the NATIONAL ASSOCIATION that it has violated the conditions imposed upon the terms.

SECTION 3. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce that Code among its Designated REALTOR® and REALTOR® Members. The Association and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations and policies of the NATIONAL ASSOCIATION OF REALTORS® and the Florida Association of REALTORS®.

## **ARTICLE X - DUES, FEES AND FINANCES**

SECTION 1. APPLICATION FEES. The Board of Directors may adopt an application fee for Designated REALTOR® and REALTOR® Members, in reasonable amount, not to exceed three times the amount of the annual dues for the applicable category of membership. The application fee shall accompany each application and shall become the property of the Association upon final approval of the application, or shall be refunded if the application is not approved. Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

### SECTION 2. DUES.

(a) The dues for 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 Designated REALTOR® Member, and (2) who are not REALTOR® Members, or Institute Affiliate Members of any Board/Association in the State. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in Section 2(a)(1) and (2) of this Article shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Association in the State or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the Association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.

(b) For the purpose of this section, a REALTOR® Member of the Association shall be held to be any member who has a place of business within the State or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership or corporation, is actively engaged in the real estate business 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(b) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner corporate officer, or branch office manager of the entity. Upon payment to the Association of the dues required under Section 2 hereof, each Designated REALTOR® and REALTOR® shall be deemed respectively a REALTOR® Member in good standing with the Florida Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®.

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 the purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

The exemption for any licensee included on the certification form shall automatically be revoked upon the individual being engaged in real estate licensed activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

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® Membership in the Association. However, membership dues shall not be prorated if the licensee held REALTOR® Membership during the preceding calendar year.

(c) Affiliate Members. The annual dues of each Affiliate member shall be as established annually by the board of directors.

(d) Public Service Members. The annual dues of each Public Service member shall be as established annually by the board of directors.

(e) Honorary Members. Dues payable, if any, shall be at the discretion of the board of directors.

(f) Student Members. Dues payable, if any, shall be at the discretion of the board of directors.

(g) Dues for other categories of membership shall be in such amounts as established annually by the Board of Directors.

**SECTION 3. DUES PAYABLE.** Dues for all members shall be payable annually in advance on or before October 1st. Members who have not paid their dues in full by October 31st will be charged a service fee as determined by the Board of Directors. Each application for membership shall be accompanied by payment in full of a pro-rated portion of the dues for the year in which the application was made. Dues for new members shall be computed from date of application and granting of Provisional Membership.

(a) In the event a licensee who holds REALTOR® membership is terminated for non-payment of Association dues, and the licensee remains with the designated REALTOR®'s firm, the dues obligation of the "Designated" REALTOR® [as set forth in Article X, section 2(c)] will be increased to reflect the non-member licensee affiliated with him/her. Once the Designated REALTOR® is given notice of the increase in his/her dues, the Designated REALTOR® shall have 30 days to either make payment, submit a 400.5 (or its approved equivalent) to the Association and the Florida Real Estate Commission to terminate the individual or contest the records via a formal appeal to the Board of Directors. If the Designated REALTOR® fails to do any of the above he/she shall be terminated on the 31st day.

**SECTION 4. NONPAYMENT OF FINANCIAL OBLIGATIONS.** If dues, fees, fines, or other assessments including amounts owed to the Association or the 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. Two 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 non-payment 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/her membership terminated for non-payment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and



Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination. Provided, however, that a former member who makes application for reinstatement shall, in addition to making payment in full of all accounts due as of the date of termination, pay the prescribed application fee for that category of membership.

**SECTION 5. SPECIAL ASSESSMENTS.**

(a) The Board of Directors may, by resolution, because of a particular emergency, or a requirement for funds, other than those already budgeted, for reasonable cause, impose equally upon all members, a special assessment, to be paid by each member in accordance with the terms of the said resolution. Such assessment shall only be considered as an alternative to the necessity for a dues increase and shall not exceed a sum equal to the annual dues payable by a REALTOR® Member and shall not be imposed more than one time in any one calendar year.

(b) All Members shall be apprised of the reason for the special assessment and granted a period of one month in which to pay the said special assessment.

(c) The rights, obligations, duties and procedures for nonpayment of special assessments shall be the same as set out in SECTION 4 of ARTICLE X which deals with the nonpayment of dues.

(d) Nothing herein contained shall prohibit the resignation of any member prior to paying said special assessment, if such member is otherwise qualified to resign.

**DEPOSITS AND EXPENDITURES.** All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions approved by the Board of Directors. Both deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors.

**SECTION 6. TRANSFER FEES.** There will be a transfer fee, in an amount determined by the Board of Directors charged whenever any member transfers his/her membership from one Designated REALTOR® to another or from one Affiliate Member to another.

**SECTION 7. NOTICE OF DUES, FEES, FINES, ASSESSMENTS, AND OTHER FINANCIAL OBLIGATIONS OF MEMBERS.** All dues, fees, fines, assessments, or other financial obligations to the Association or Association Multiple Listing Service shall be noticed to the delinquent Association member in writing, setting forth the amount owed and due date.

**SECTION 8. DUES FOR REALTOR® EMERITI AND LIFE MEMBERS.** The local dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association) and Life Members of the Association shall be waived. The state and national dues to the Association for such members will be as determined by the Board of Directors from time to time.

**SECTION 9. SEGREGATION OF DUES.** The Association shall record separately the dues collected and owing to the Florida Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS® and shall forward such dues to the respective Association when due.

**SECTION 10. ASSOCIATION DUES AND BUDGET.** Net local dues, that portion of the dues exclusive of the allocated portion of the dues collected for and owed to the State and National Associations, shall be approved by the Board of Directors annually. Increases in the State and/or National Association allocations may be passed on in whole or in part by the Board of Directors. The Board of Directors shall adopt a budget for each year. A copy of the annual budget for the ensuing year shall be available to the membership at the Association main office.

**SECTION 11. DEPOSITS.** All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions approved by the Board of Directors.

**ARTICLE XI - OFFICERS AND DIRECTORS OF THE ASSOCIATION**

SECTION 1. OFFICERS. In 2017, the Officers of the Association shall be a President, a President-Elect, two (2) First Vice Presidents, a Treasurer, a Secretary and the Past Presidents of the Realtors Association of Palm Beach and the Realtor Association of Greater Fort Lauderdale.

In 2018, the Officers of the Association shall be a President, a President-Elect, one (1) First Vice President, a Treasurer and a Past President.

In 2018 the elected Officers of the Association that stand for nomination shall be the President-Elect, the First Vice President and the Treasurer.

Commencing in 2019, the elected Officers of the Association shall be a President, a President-Elect, the First Vice President, the Treasurer and the Past President.

All officers shall be elected to serve for a term of one year.

SECTION 2. DUTIES OF OFFICERS. Commencing in 2018, the duties of the Officers shall be as follows:

(a) PRESIDENT: The President shall preside at all meetings of the Board of Directors or membership meetings.

(b) PRESIDENT-ELECT: It shall be the duty of the President-Elect to assist the President with duties, as assigned from time to time, and to perform the President's duties in the President's absence. The President-Elect shall be authorized to make such tentative appointments as are necessary for the performance of his/her duties as President in the succeeding year.

(c) FIRST VICE PRESIDENT: It shall be the duty of the First Vice President to assist the President and President-Elect with duties as assigned from time to time, and in the absence of the President and President-Elect, to serve in their place and preside over any meeting of the Association. Regional Vice Presidents will report to the First Vice President.

(d) SECRETARY: The Secretary shall keep the minutes and records of the Association and the Board of Directors, in addition to other duties as may be prescribed by the Board of Directors from time to time. The Secretary may, with another signing officer of the Association, sign all written contracts and obligations of the Association and have custody of the Corporate Seal and shall otherwise perform the usual duties pertaining to this office.

(e) TREASURER: The Treasurer shall collect and receive all monies due and belonging to the Association and shall have custody of the funds, securities and title deeds thereof. The Treasurer shall keep regular and accurate accounts and submit reports when requested to do so by the Board of Directors. The Treasurer may, with another signing officer of the Association, sign all financial obligations of the Association and shall submit an annual report showing the financial condition of the Association, which may be made available to the general membership, and otherwise perform the usual duties pertaining to this office.

SECTION 3. SURETY BONDS: Any officer or employee who handles Association funds, may be required to provide a surety bond on such terms and in such amount as the Board of Directors shall deem necessary, the cost to be paid by the Association.

SECTION 4. QUALIFICATIONS OF PRESIDENT-ELECT. The President-Elect shall have (1) served on the Association Board of Directors for at least two years, or (2) served on the Board of Directors for at least one year and served as a Committee chairman of a Standing Committee of the REALTORS® of the Palm Beaches and Greater Fort Lauderdale, Inc. for at least one year, during the five years immediately preceding the date of election. Service in the Realtor Association of Greater Fort Lauderdale and/or the Realtors Association of the Palm Beaches, will be included in consideration of meeting the above qualifications.

SECTION 5. QUALIFICATIONS OF THE ASSOCIATION BOARD OF DIRECTORS. Directors shall have served on a Regional Board, a Committee, a Task Force, an RCA or a Work Group of the REALTORS® of the Palm Beaches and Greater Fort Lauderdale, Inc. during two preceding administrations or served as chairman of a Committee, a Task Force or a Work Group of the REALTORS® of the Palm Beaches and Greater Fort Lauderdale Inc. at any time during the five years preceding the date of election. Service in Realtor Association of Greater Fort Lauderdale and/or Realtors Association of the Palm Beaches will be included in consideration of meeting the above qualifications. No more than three (3) Directors can be members of the same firm with the same Designated REALTOR®. Any Director who has served an uninterrupted period of six (6) years is qualified to be re-elected as a Director after one (1) full year of absence from the Board of Directors, unless he or she is running for President-Elect. Past Presidents are not qualified to serve on the Board of Directors until three (3) years have elapsed following their service as Immediate Past President, or after three (3) years have elapsed following their service as President, in the event the President does not serve as the Immediate Past President. In any given year, the President-Elect can appoint, at their discretion, one (1) ex-officio of the Board of Directors to serve a one (1) year term during their year as President. Ex-officio member shall be ratified by the Board of Directors. The ex-officio member will be excluded from all voting privileges.

SECTION 6. BOARD OF DIRECTORS. In 2017, the Board of Directors shall consist of the following: the President, the President-Elect, two (2) First Vice Presidents, the Treasurer, the Secretary, Five (5) Regional Vice Presidents, two (2) Immediate Past Presidents, one (1) appointed Director, and the CEO of the Association (non-voting).

In 2018 and going forward, the Association's governing body shall be a Board of Directors consisting of the following: the President, the President-Elect, the First Vice President, Five (5) Regional Vice-Presidents, the Treasurer, the Five (5) Directors-At-Large, the Immediate Past President and the CEO of the Association (non-voting).

(a) The Board of Directors shall have the authority and responsibility to conduct the business of the Association pursuant to its bylaws and the laws of the state of Florida including adopting and enforcing such policies, procedures, rules and regulations and entering into such contracts and agreements as deemed by it to be beneficial to the general membership. Action of the Board of Directors shall be by majority vote of those present and voting. The Board of Directors may employ a Chief Executive Officer (CEO) who shall perform such duties as may be delegated by contract or by the Board of Directors. The CEO shall provide a surety bond in such amount as the Board of Directors may determine for the position, other employees and elected officers, and the premium therefore shall be paid by the Association.

(b) There shall be an Executive Committee of the Board of Directors. In 2017, the Executive Committee shall consist of the President, the President-Elect, two (2) First Vice Presidents, two (2) Immediate Past Presidents, the Treasurer, the Secretary and the CEO (non-voting). The Executive Committee shall meet at the call of the President of the Board or any three Executive Committee members and shall have the authority to conduct business that is time sensitive between meetings of the Board of Directors. Actions of the Executive Committee shall be by majority vote of those present and voting. Any such actions shall be reported to and subject to approval by the Board of Directors at its next meeting.

(c) In 2018 and beyond, there shall be an Executive Committee of the Board of Directors consisting of the President, the Immediate Past President, the President-Elect, the First Vice President, the Treasurer and the CEO (non-voting). The Executive Committee shall meet at the call of the President of the Board or any three Executive Committee members and shall have the authority to conduct business that is time sensitive between meetings of the Board of Directors. Actions of the Executive Committee shall be by majority vote of those present and voting. Any such actions shall be reported to and subject to approval by the Board of Directors at its next meeting.

SECTION 7. DUTIES OF DIRECTORS.

(a) ASSOCIATION PROPERTY AND AFFAIRS. The property and affairs of the Association shall be administered by the Board of Directors. They shall have power of supervision and control over such officers as they have elected, and their acts as such, together with the power to remove them for cause.

(b) ASSOCIATION SERVICES. The Board of Directors may operate such Association services as they deem necessary.

(c) RETENTION OF PROFESSIONAL ASSISTANCE. The Directors may retain legal counsel, accountants or other specialists in any particular field and fix the terms of their compensation.

(d) CONTROL OF ASSOCIATION FUNDS. The Directors shall have jurisdiction over the funds of the Association.

SECTION 8. TERMS OF ELECTED OFFICERS, DIRECTORS AND REGIONAL VICE PRESIDENTS. In 2018, the President Elect, one (1) First Vice President, the Treasurer, five (5) Regional Vice Presidents and five (5) Directors will stand for nomination.

(a) Executive members and Regional Vice Presidents will serve one (1)-year terms.

(b) In 2018, Directors that are not Officers or Regional Vice Presidents will be assigned a one (1)- or two (2)- year term on a random basis.

(c) In 2018 and going forward, the Regional Board members will be assigned a one (1)- or two (2)-year term; by 2019, the Regional Board members will have even staggered two (2) year terms.

(d) In 2019, Directors that are not Officers or Regional Vice Presidents will be assigned two (2)- year staggered terms unless a vacancy arises, in which event a Director will be assigned to fulfill a stub one (1)-year term.

SECTION 9. INDEMNIFICATION. Each Association Director, Officer or staff member now or hereafter serving, who is a party or is threatened to be made a party, to any proceeding by reason of the fact that he or she is or was a director, officer or staff member of the Association, shall be indemnified by the Association to the fullest extent permitted by Florida statutes, as that law now exists or may hereafter be amended.

The Association shall purchase and maintain in effect a policy or policies of insurance covering liability of directors, officers and staff members. Insurance may extend to the potential liability of any covered individual even though the Association has no power of indemnification.

Notwithstanding the above paragraph or any provision of these bylaws, the Association shall not be required to indemnify a director, officer or staff member for any expense, liability or loss incurred by him or her in a proceeding brought by the Association, or by its authorized agents, in which the director, officer or staff member is named as defendant.

SECTION 10. VACANCIES. If a vacancy occurs in the office of the President of the Association, the President-elect of the Association shall assume the duties of the President for the remainder of the unexpired term and serve as President of the Association for a full term the next year. The President of the Association shall not be eligible to serve a second, successive, complete term. Should a vacancy occur in the offices of President and President-elect of the Association during the same elective year, the First Vice President of the Association shall assume the duties of the President for the remainder of the unexpired term or until the next election. Should the office of President-elect of the Association become vacant, the office shall remain vacant until the next elective year, or until a special election is held.

Vacancies among the Officers and the Board of Directors shall be filled by a two-thirds (2/3) vote of the Board of Directors, for the remainder of the unexpired term or until the next annual election. Vacancies in the position of President-elect of the Board shall remain vacant until the next election.

SECTION 11. DISQUALIFICATION OF OFFICERS AND DIRECTORS. Notwithstanding anything contained in Article XI, Section 9, in any fiscal year an Officer or Director who fails to attend three (3) regularly called Directors' meetings or two (2) consecutive regularly called Directors' meetings, shall be deemed disqualified and

said office would become vacant upon ratification by a two-thirds (2/3) vote of the Board of Directors at a regularly called meeting.

**SECTION 12. REMOVAL OF OFFICERS OR DIRECTORS.** In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office.

In addition an officer or director who is discovered to be:

- in violation of the REALTOR® Code of Ethics
- in breach of the Association's Confidentiality agreement
- in blatant violation of the Association's Conflict of Interest policy
- in violation of the Association's Harassment policy
- or convicted of a crime, state or federal in the courts of Florida or the United States may be removed from office.

(a) **FORM OF PETITION.** A petition requiring the removal of an Officer or Director of the Association signed by no less than one-third (1/3) of the voting membership of the Association, or two-thirds (2/3) of the Board of Directors, shall be filed with the President, or if the President is the subject of the petition, with the President-Elect, and shall specifically set forth the reasons the individual is deemed disqualified from further service.

(b) **SPECIAL MEETING.** Upon receipt of the petition, and no 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 of the Association and to render a decision on such petition.

(c) **NOTICE OF SPECIAL MEETING.** The special meeting shall be noticed to all voting members at least ten 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 when the meeting shall be conducted by the President-Elect. Provided a quorum is present, a three-fourths (3/4) vote of the members present and voting shall be required for removal from office.

**SECTION 13. ELECTION OF OFFICERS AND DIRECTORS AND REGIONAL BOARD MEMBERS.**

(a) During 2017, at least sixty (60) days before the Annual Meeting, a Nominating Committee will be comprised of the President, the President Elect and five (5) Past Presidents from each former constituent association (Realtor Association of Greater Fort Lauderdale and Realtors Association of the Palm Beaches). Nominating Committee members cannot run for an open position on the Board of Directors; however, they may sit on the Board of Directors if they are fulfilling an existing term. The Chair will be a voting member of the Nominating Committee.

(b) Starting in 2018 and going forward, prior to the Annual Meeting, a Nominating Committee of up to nine (9) REALTOR® Members shall be approved by the Board of Directors. The President and the President Elect shall automatically be members of the Nominating Committee and the President shall appoint the additional seven (7) members with at least three (3) of the appointed members being Past Presidents of the Board. The current President shall be the chairman and a voting member of the Nominating Committee. The Nominating Committee shall nominate at least one (1) candidate for each Officer position, except for the office of the President, and at least one (1) candidate for each Director position to be filled on the Board of Directors. The President-Elect of the Board, by virtue of position and title, does not stand for nomination and shall automatically serve as President for the following year. All 2018 Regional Board members will go through the Nominating Process. 2018 Regional

Board members will elect a Vice Chair of their Regional Board at the first meeting of the year from the members that sit on that Regional Board. There will be a total of up to 10 Regional Board members. Candidates wishing to fill the Regional Board position representing RCA, must submit a nominating application during the Association Nominating time period and be interviewed by the Nominating Committee. RCA may endorse a candidate to represent RCA on the Regional Boards to be taken into consideration by the Nominating Committee. If no RCA member submits a nominating application or is not deemed to be qualified by the Nominating Committee the requirement to have an RCA representative on a Regional Board will be waived for that current year.

(c) Starting in 2018 and going forward, Regional Board members will be assigned a one (1)- or two (2)-year term; by 2019 the Regional Board members will have even staggered two (2)-year terms.

(d) In 2019, Directors that are not Executive or Regional Vice Presidents will be assigned two (2)- year staggered terms unless a vacancy arises, in which event a Director will be assigned to fulfill a stub one (1)- year term.

(e) Each candidate, and member wishing to seek office, must meet the minimum qualification for the office being sought.

(f) The report of the Nominating Committee shall be sent to each member eligible to vote at least thirty (30) days prior to the Annual Meeting. Candidates for the offices to be filled may be placed in nomination by petition signed by a minimum of ten (10) percent of the Association's REALTOR® membership. The petition shall be filled with the CEO 10 calendar days from the release of the Nominating Slate. The CEO shall send a notice of such additional nominations to all members eligible to vote. Candidates who wish to be placed in nomination are required to have participated in the current years Nominating Committee process and to meet all qualifications of the position for which they are being nominated. Nominations from the floor will not be accepted at the Annual Meeting. Persons challenging the slate must have gone through Nominating Process.

(g) The election of Officers and Directors shall take place at the Annual Meeting. Election shall be by ballot and voting will be conducted even if a quorum is not present. If there is only one (1) person nominated for each Officer and Director position, a unanimous vote will be cast by voice, by the Treasurer, and by the voting members present and voting. In the case of a ballot vote, votes must be cast in person at the Annual Meeting. If a member casting a ballot intends the vote to be a secret ballot, the ballot shall be cast at the meeting at which time the member shall sign the roster of voters. The ballot shall contain the names of all candidates and the position for which they are nominated. After completion of an election or balloting, if there is no possibility that the assembly may order a recount, the ballots can be ordered to be destroyed or to be filed for a certain length of time (such as one month) before being destroyed.

(h) The President of the Board, with the approval of the Board of Directors, shall appoint an Election Committee, comprised of members whose names have not been put forward by the Nominating Committee, of three (3) REALTOR® members to conduct the election. Voting by proxy or absentee ballot shall not be allowed. Officer and Director positions shall be filled by plurality vote. In the case of a tie vote, the President shall cast the deciding vote. Actual vote count will not be reported under any circumstances.

SECTION 14. TIME OF ELECTIONS. The date and time of elections each year will be as determined by the Board of Directors.

SECTION 15. INSTALLATION OF OFFICERS AND DIRECTORS. In 2017, the Board of Directors will be considered installed upon Close of the Merger effective June 22, 2017. In 2018 and going forward, the newly elected Directors shall be inducted into office at an Installation Ceremony but considered installed as Directors and Officers the first of the calendar year.

SECTION 16. CHIEF EXECUTIVE OFFICER. There shall be a Chief Executive Officer, appointed by the Board of Directors, who shall be the chief administrative officer of the Association. The Chief Executive Officer shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors.

## ARTICLE XII - MEETINGS

SECTION 1. ANNUAL MEMBERSHIP MEETING. An annual meeting of the Association membership shall be held at a time, date and place to be designated by the Board of Directors.

SECTION 2. MEETING OF DIRECTORS. The Board of Directors shall designate a regular time and place of meetings and each Director is expected to attend general membership meetings and other Association events as determined by the Board of Directors. A quorum for the transaction of business shall be a majority of the Board of Directors, except as may otherwise be required by state law. Meetings of the Board of Directors may be conducted electronically with the approval of the President of the Board.

SECTION 3. OTHER MEETINGS. Meetings of the membership may be held at such other times as the President or the Board of Directors may determine, or upon written request of at least twenty-five percent (25%) of the voting members.

SECTION 4. NOTICE OF MEMBERSHIP MEETINGS. Written notice shall be given to members entitled to participate in the meeting at least seven (7) days in advance of the meeting. If it is a special meeting, the notice shall be accompanied by a statement of the purpose of the meeting. Notice as required by this section may be satisfied by including the information in the Association's monthly publication or an electronic notice transmitted to each office.

SECTION 5. QUORUM. A quorum for the transaction of business shall consist of two percent (2%) of the members eligible to vote. A quorum may be established, at the discretion of the Board of Directors, by counting members present at the meeting, members present via electronic attendance, absentee ballots, proxy ballots and/or by establishing extended voting periods.

SECTION 6. ACTION WITHOUT MEETING. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent in lieu of a meeting, setting forth the action so taken, shall be adopted unanimously and signed by all of the Directors. All such written consents shall be delivered to the Chief Executive Officer to be filed in the corporate records. The action taken shall be effective at such time when all Directors have unanimously approved the resolutions therein unless the consent specifies a different effective date.

## ARTICLE XIII - REGIONAL BOARDS

SECTION 1. REGIONAL BOARDS GENERALLY.

(a) The role of the Regional Board is to coordinate the region, be responsible for maintaining a local identity within the community and serve as an advocate on behalf of the Regional Board to the Board of Directors,

(b) Five (5) Regional Boards will be formed: Eastern Broward, Western Broward, Southern Palm Beach County, Northern Palm Beach County and the Treasure Coast. Each Regional Board is a subgroup of the Association Board. The Regional Board is not a separate legal entity.

(c) Regional Boards will have a standard name template (i.e., Northern Palm Beach County Regional Board of the ...)

(d) The Regional Board will take on the duties of vetting and recommending the following to the Association Board of Directors: local motions, candidate screening recommendations, planning local events, service programs local awards and other funding requests, and overseeing localized committees.

(e) Regional Boards may, at the discretion of the Association Board, have their own logo and local marketing plan.

(f) Dues for REALTOR® membership in the Association Board are the same. All Regional Boards will all have the same association dues.

(g) Regional Board activities such as special events and classes will be part of the overall budget of the Association.

(h) The CEO will assign appropriate staff support to Regional Boards.

(i) The Association Board enters all contracts. The Regional Board will not have authority to sign contracts or spend unbudgeted funds.

(j) A Regional Board may have an office but an office is not required; the Regional Board office could be virtual, a separate structure, or a shared office (within an office of the Surviving Association).

(k) Regional Boards will each have an RCA representative.

## SECTION 2. REGIONAL BOARD STRUCTURE AND GOVERNANCE:

a) The Regional VP will serve as Chair of the Regional Board.

b) Each Regional VP will serve on the Association Board but may not serve on the Executive Committee.

c) A Vice Chair of each Regional Board will be appointed by a vote of that Regional Board at the first meeting of the year.

d) Starting in 2018, Regional Board members will go through the Nominating Process.

e) Each Regional Board may have up to have ten (10) directors. Regional Vice Presidents will report to the First Vice President.

f) During 2017, Regional Vice Presidents will report to both First Vice Presidents.

g) During 2017, directors from Realtors Association of the Palm Beaches and the Realtor Association of Greater Fort Lauderdale will each be placed in one (1) of the Regional Boards based on geography to fulfill the remainder of their term.

## **ARTICLE XIV - COMMITTEES**

SECTION 1. COMMITTEES. The President of the Board of Directors shall appoint, subject to confirmation by the Board of Directors, the following Standing Committees:

- Finance
- Nominating
- Grievance
- Professional Standards

SECTION 2. SPECIAL COMMITTEES. The President of the Board of Directors shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary to implement the Association's goals and objectives. The President shall have the authority to appoint work groups and task forces that report directly to the President.



SECTION 3. FINANCE COMMITTEE. The Finance Committee is a standing committee of the Association. Charged with the fiscal management of the association's assets, including but not limited to preparing annual budgets for approval, establishing guidelines for the investment of cash and reserve funds, consideration of future planning which may affect the financial condition of the Association, and all other related monetary matters of the Association, this Committee's responsibility is to protect, preserve, and enhance the members' collective interests in providing for a stable fiscal environment in both short and long term planning. It discusses ways and means, but not the merits of any particular request, and projects the following year's capital needs.

(a) For 2017, Finance Committee will be the members of the finance committees from each of the Association of Realtors of Greater Fort Lauderdale and the Realtors Association of the Palm Beaches combined.

(b) Starting in 2018 and going forward, the Finance Committee will be comprised as follows: The President, the President-elect, Treasurer and the First Vice President of the Association shall serve on the Finance Committee. The Treasurer shall serve as the Chair. In addition, at least eight (8) other members shall be appointed by the President of the Association, with the approval of the Directors, and shall include the following: four (4) Directors and four (4) members not currently serving on the Board of Directors.

#### SECTION 4. ORGANIZATION.

(a) All committees shall be of such size and shall have duties, functions, and powers as determined by the Board of Directors and included in the Association Policy Manual, except as otherwise provided in these Bylaws.

(b) All Committees shall make written reports to the Board of Directors except those reporting directly to the President pursuant to Section 2 above. The action of all Committees shall be subject to the approval of the Board of Directors.

(c) At Committee meetings, one-third (1/3) of the Committee shall constitute a quorum.

(d) Committee members shall serve at the pleasure and complete discretion of the President and the Board of Directors, and shall be subject to removal and/or replacement either by the President or by the Board of Directors whenever it shall be determined either by the President or by the Board of Directors, in the exercise of their respective sole, absolute and unilateral business discretion, that it shall be in the best interests of the Association for any Committee member to be removed from and no longer serve on a Committee, that the Association's interests are better served by naming replacement(s) for any Committee member(s) or that the function of a Committee may be enhanced or improved by either removing or replacing one or more Committee members. In addition, any Committee member who fails to attend three (3) Committee meetings during any fiscal year or two (2) consecutive Committee meetings, without prior notification to the Committee Chairman and/or absent good cause shown, shall be either removed or replaced by the President.

(e) Committees shall meet as needed to accomplish their responsibilities and shall report their activities regularly to the Board of Directors. Committee meetings may be conducted electronically with the approval of the chairman and electronic votes may be allowed with the approval of the Chairman.

SECTION 5. PRESIDENT EX-OFFICIO. The President of the Board shall be an ex-officio member of all standing committees and special committees except for the Professional Standards and Grievance Committee, and shall be notified of all committee meetings.

### ARTICLE XV - COMMERCIAL ALLIANCE

SECTION 1. AUTHORITY. The Association shall maintain for the use of its members a Commercial Alliance which shall be a lawful corporation not for profit of the state of Florida incorporated as A REALTORS® COMMERCIAL ALLIANCE OF THE REALTORS® OF THE PALM BEACHES AND GREATER FORT LAUDERDALE. All of the ownership interests in the Commercial Alliance will be vested in the Association as its

sole owning member. The Commercial Alliance shall have its own Board of Directors, its own bylaws, subject to the approval of the Association's Board of Directors, and shall be responsible for conducting its own affairs.

## SECTION 2. OBJECTIVES.

- (a) To unite those engaged in the recognized branches of the commercial and investment real estate profession for the purpose of exerting a beneficial influence on the profession and related interests;
- (b) 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®;
- (c) To further the interest of commercial and investment real property ownership;
- (d) To unite those engaged in commercial real estate with the state and national associations of REALTORS®.

SECTION 3. FINANCES. The Commercial Alliance shall establish its own dues structure, fees and other charges subject to its bylaws and policies. If the Commercial Alliance's annual plan of work and budget require financial support from the Association, the Commercial Alliance shall submit a budget and request for financial assistance to the Association to coincide and comply with the Association's annual budget process. The Commercial Alliance shall not incur any expense or financial liability in excess of \$500 over the approved Commercial Alliance budget without approval of the Association's Board of Directors. The Association shall provide the Commercial Alliance with reasonable staff support to administer its programs and activities. Staff assigned shall be responsible to the Association's CEO.

SECTION 4. COMMERCIAL MEMBERSHIP. Membership in the Commercial Alliance shall be determined by the Commercial Alliance Board of Directors provided, however, the Commercial Alliance membership requirements comply with the bylaws and policies of the Association and the NATIONAL ASSOCIATION OF REALTORS®. Provided further, that members of the Commercial Alliance will have all rights and privileges established by the bylaws of the Commercial Alliance but the Association shall be the sole member owning any interest in the Commercial Alliance.

SECTION 5. COMMUNICATIONS. The Commercial Alliance shall provide the Association's Board of Directors with timely updates and reports relative to its programs and activities.

## **ARTICLE XVI - FISCAL AND ELECTIVE YEAR**

The fiscal year of the Association shall be October 1 through September 30. The elective year of the Association shall be January 1 through December 31.

## **ARTICLE XVII - RULES OF ORDER**

Roberts 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 XVIII - AMENDMENTS**

SECTION 1. These Bylaws may be amended at any regular or special meeting of the Board of Directors by a two-thirds (2/3) vote of the Directors present at such meeting, provided that a quorum is present at such meeting, and provided the substance of the proposed amendment(s) shall have been submitted to all Directors at least seven (7) days in advance of the meeting. The notice may be sent by first class mail, electronic communication, including email, or any other means permitted by law that has been approved by the Board of Directors for sending such notices. Prior notice shall not be required to approve amendments to the Bylaws which are mandated by the National Association of Realtors®.

SECTION 2. Amendments to these Bylaws affecting the admission or qualification of Designated REALTOR® Members, or REALTOR® Members, or Institute Affiliate Members, the use of the terms “REALTOR®” and/or “REALTORS®”, 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 XIX - DISSOLUTION**

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

#### **ARTICLE XX - MULTIPLE LISTING/INFORMATION SYSTEMS**

SECTION 1. AUTHORITY. The Association shall maintain, for the use of its members, two multiple listing services, one of which shall be operated by an indirect subsidiary of the Association organized as a lawful corporation of the state of Florida.

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 appraisals, analyses and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common 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 transaction.

SECTION 3. GOVERNING DOCUMENTS. The Board of Directors shall cause any multiple listing service established by it pursuant to this article to conform its Corporate Charter, Constitution, Bylaws, rules, regulations, and policies, practices, and procedures at all times to the Constitution, Bylaws, rules, regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 4. PARTICIPATION. Any Designated REALTOR® or REALTOR® Member of this or any other member Board or Association who is a principal, partner, corporate officer or branch manager acting on behalf of a 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, no individual or firm, regardless of membership status, is entitled to Multiple Listing Service “Membership” or “Participation” unless they hold a current, valid Florida real estate broker's license and offer or accept 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 an Association 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 or published by an Association Multiple Listing Service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant's real estate business. The “actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants.

Any applicant for MLS participation and any license (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided.

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely.

**“Open MLS”: At the discretion of the association, the following provision may be adopted under Section 4. Participation to establish nonmember participation rights.**

(a) A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the membership committee that he/she has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS rules and regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a participant, he/she will abide by such rules and regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker’s license and offer or accept 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 an association 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 an association multiple listing service where access to such information is prohibited by law.

Mere possession of a broker’s license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant’s real estate business. The “actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other

participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants.

NOTE 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this section at the option of each association. In states where law requires non-association members be admitted to the MLS of an association of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-association member access to the MLS is not a requirement of state law, associations may, at their discretion, establish additional qualifications for non-association member participation and membership in the MLS.

NOTE 2: An association may also choose to have the membership committee consider the following when determining a nonmember applicant's qualifications for MLS participation or membership:

All final findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® association within the past three (3) years  
Pending ethics complaints (or hearings)  
Unsatisfied discipline pending arbitration requests (or hearings)  
Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS

SECTION 5. SUBSCRIBERS. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS participant or the participant's licensed designee.

SECTION 6. SUPERVISION. The activity shall be operated under the supervision of the Multiple Listing Committee, in accordance with the Rules and Regulations of the Multiple Listing Service, subject to the approval of the Board of Directors.

SECTION 7. APPOINTMENT OF MLS COMMITTEE MEMBERS. The President shall appoint for two year terms, subject to confirmation by the Board of Directors, a Multiple Listing Committee of up to twenty REALTOR® Members and no less than 12, at least five of whom shall be Designated REALTORS® and participants in the Multiple Listing Service. Initially 10 Committee members are to be appointed for a two-year term and 10 Committee members for a one year term. The Chairman shall be designated by the President.

(a) Vacancies in unexpired terms shall be filled as in the case of original appointees.

(b) Any Committee member who fails to attend three consecutive regular or special meetings of the Committee, without excuse acceptable to the Chairman of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

SECTION 8. ACCESS TO COMPARABLE AND STATISTICAL INFORMATION. REALTORS® who are actively engaged in real estate brokerage, management, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all 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 these members and individuals affiliated with these members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. MLS Participants, who are not Association members, are specifically excluded from access to such "Comparable" information, "Sold" information, and statistical reports as such information is strictly a service of the Association and access is limited to Association members.

REALTORS® who receive such information, whether 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 MLS or not.

## **ARTICLE XXI - SUBSIDIARY ENTITIES**

In the event the Association is or ever becomes owner of any stock of any other corporation or is or ever becomes owner of any other business interest or entity (the "Affiliated Business"), then the current Board of Directors shall, consistent with the Charter, Bylaws or contractual commitments of the Affiliated Business, appoint the manager, officers or directors or equivalent thereof (collectively, the "Manager"). If the Affiliated Business is a REALTOR®-related one, the said Board of Directors shall, in making all such appointments, nevertheless take into consideration the number of years of REALTOR® Membership, number of years of active participation, office location, other experience in real estate and related fields, prior service as an executive officer or member of the Board of Directors of the Association and any and all other related factors to the end that such Affiliated Business may have as its Manager, as the case may be, persons who, as a group, truly and well represent the varied activities and interests of the Association. In any event, the Manager position(s) shall be open only to REALTOR® Members of the Association who have agreed, in writing, to conform to the Charter and Bylaws or other contractual commitments of such Affiliated Business.

Vacancies and unexpired terms shall be filled by appointment as with original appointees.

Removal of the Manager shall be made by the Board of Directors of the Association for malfeasance, misfeasance or nonfeasance of the office as permissible pursuant to the Charter and Bylaws of the Affiliated Business.

## **ARTICLE XXII - INSTITUTES, SOCIETIES AND COUNCILS**

### **SECTION 1. AUTHORITY.**

(a) For the purpose of affording the membership a greater opportunity for cooperation and discussion of administrative and business problems of the particular phases of the real estate business in which they are individually interested, the Board of Directors may establish Institutes, Societies or Councils;

(b) No Institute, Society or Council shall be established or maintained which has less than one hundred members.

### **SECTION 2. ORGANIZATION.**

(a) Institutes, Societies and Councils shall represent major fields of activity, or administrative and business problems in the real estate business. Institutes, Societies and Councils may, with the approval of the Association Board, adopt and amend bylaws, elect governing bodies and officers, prescribe qualifications for membership, and establish and collect dues which shall be segregated in the Association's books of account for their own use, which dues shall be in addition to the membership dues required under Article X.

(b) Institutes, Societies or Councils created for the consideration of administrative and business problems may elect a Chairman and appoint committees but may not levy dues or establish special membership requirements without the expressed approval of the Association Board.

(c) Any action, including but not limited to entering into agreements, by the Institutes, Societies, or Councils shall be subject to the approval of the Association Board. The bylaws or any rules and regulations by the Institutes, Societies, or Council shall specifically make appropriate provisions for such approval.

(d) When bylaw amendments are mandated by the NATIONAL ASSOCIATION OF REALTORS® or the Association's policies, the bylaws of the Institute, Society, or Council shall be automatically amended to reflect the mandate as of the effective date of mandatory policy authorized by the NATIONAL ASSOCIATION OF REALTORS® or the Association, as the case may be. The Institute, Society, or Council shall provide notice of that change in a regular or special membership communication.

SECTION 3. PURPOSE. The purpose of such Institute, Society or Council is:

(a) To unite those engaged in the real estate profession in this community for the purpose of exerting a beneficial influence upon the profession and related interests;

(b) To promote and maintain high standards of ethical conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®;

(c) To provide a unified medium for the owners of such interests or entities and those engaged in the real estate profession, whereby their interests may be safeguarded and advanced;

(d) To further the interest of such property ownership;

(e) To unite those engaged in the specialties of the real estate profession in this community with the Association, the Florida 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; and

(f) To designate for the benefit of the public, those individuals authorized to use the term REALTOR® and REALTORS® as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 4. ELECTION PROCESS. Election of officers or directors of any Institute, Society or Council shall be consistent with the provisions of Article XI, Section 13 hereof and in accordance with and governed by the Association Board.

SECTION 5. DUTIES OF OFFICERS. Duties of officers of any Institute, Society or Council shall be consistent with the provisions of Article XI, Section 7 hereof and in accordance with and governed by the Association Board.

SECTION 6. LIAISON. The Association Board may appoint one member to serve as a Liaison to any Institute, Society or Council.

SECTION 7. FIDUCIARY RESPONSIBILITIES. Officers and directors of an Institute, Society or Council shall have a fiduciary responsibility to the Association.

SECTION 8. REMOVAL OF OFFICERS OR DIRECTORS. In the event that an officer or director of any Institute, Society or Council is deemed incapable of fulfilling the duties for which elected, but will not resign voluntarily, the Officer or Director may be removed from office by board of directors or the Association Board by following the procedures set forth in Article XI, Section 12.

SECTION 9. MEMBERSHIP. Members of any Institute, Society or Council, must be a primary or secondary member of the Association. The Institute, Society or Council shall otherwise determine its own membership criteria subject to compliance with the policies of the Association, the Florida Association of REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 10. AUTHORITY TO RESOLVE CONFLICTS. In the event of a conflict between the bylaws or rules and regulations of any Institute, Society or Council, and the Bylaws of the Association the Bylaws of the Association will prevail. Any bylaws or rules and regulations of any Institute, Society or Council shall contain this provision.

#### **ARTICLE XXIII- LEGAL PROTECTION/ASSISTANCE FUND**

SECTION 1. AUTHORITY. The REALTORS® of the Palm Beaches and Greater Fort Lauderdale shall maintain a Legal Protection Fund.

SECTION 2. PURPOSE. The legal Protection Fund shall be established for the purpose of protecting and defending the Association, its Officers, Directors, Members and Employees, past and present, in litigation or judicial actions not covered by, or beyond the scope of, recognized Errors and Omissions insurance coverage, in such matters as are considered by the Board of Directors to be in the best interests of the Association and/or the Florida Association of REALTORS® and/or the NATIONAL ASSOCIATION OF REALTORS®. At such time as the funds shall reach a level deemed adequate by the Board of Directors, the Board of Directors is empowered to transfer funds as per Section 4 herein.

SECTION 3. APPOINTMENT OF A TASKFORCE.

(a) The President shall appoint, subject to confirmation by the Board of Directors, a Legal Protection Fund Taskforce of seven Designated REALTOR® Members and two REALTOR® Members, all of whom shall be REALTORS® in good standing with the Association.

(b) The President shall appoint Members, as necessary, to serve on the Taskforce as needed from time to time. The Taskforce shall report to the Board of Directors and all actions of the Taskforce must be approved and ratified by the Board of Directors. The Taskforce shall be convened for such time period as deemed necessary by the President.

(c) In the event a vacancy occurs on the Taskforce, the President shall appoint a new Taskforce Member to serve out the remainder of the term of the Taskforce Member who is being replaced.

SECTION 4. The fund may be maintained at a level to be determined by the action of the Board of Directors, annually.

All funds set aside for this purpose must be maintained in a separate account which shall be set aside exclusively for use in accordance with the purpose of the Fund. Further, at such time as the fund shall reach a level deemed adequate by the Board of Directors, the Board of Directors may transfer such excess funds into the Association General Operating Funds. Interest may be transferred into the Association General Operating Funds by action of the Board of Directors. The Executive Committee of the Board of Directors will be responsible for the Administration of the Fund and will be accountable to the Board of Directors for all disbursements. All decisions relative to disbursement of funds will be subject to ratification by the Board of Directors.

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