Douglas County Association of REALTORS®

Bylaws

Revised 3-31-21

ARTICLE I - NAME

<u>Section 1. Name.</u> The name of this organization shall be the Douglas County Association of REALTOR®, Incorporated, hereinafter referred to as the "Association".

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

ARTICLE II – OBJECTIVES

The objectives of the Association are:

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

<u>Section 2.</u> 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[®].

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

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

<u>Section 5.</u> To unite those engaged in the real estate profession in this community with the Oregon 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.

<u>Section 6.</u> 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

<u>Section 1.</u> The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is: All of Douglas and Josephine Counties and that portion of Jackson County West of a north South line stretching from the California boarder to the Douglas

County line and passing through the halfway point on Interstate 5 between Rouge River and Gold Hill in Jackson County. (Amended 9/15)

Section 2. Territorial jurisdiction is defined to mean:

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

ARTICLE IV - MEMBERSHIP

Section 1. There shall be six classes of Members as follows:

(1) REALTOR® Members

REALTOR® Members, whether primary or secondary shall be:

Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Oregon or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® membership only, and each is required to hold REALTOR® membership (except as provided in the following paragraph) in an association of REALTORS® within the state or a state contiguous thereto, unless otherwise qualified for Institute Affiliate membership.

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.

Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications.

(2) Franchise REALTOR® Membership.

Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions, and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR *Constitution and Bylaws*. Such individuals shall enjoy all of the rights, privileges, and obligations of REALTOR® membership (including compliance with the Code of Ethics) **except:** obligations related to

association-mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local association, state association, and National Association.

(3) Primary and Secondary REALTOR® Members.

An individual is a primary member if the association pays state and National dues based on such member. An individual is a secondary member if state and National dues are remitted through another 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.

Note: REALTOR® Members may obtain membership in a "secondary" Association in another state.

(4) **Designated REALTOR® Members.**

Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the association) pursuant to Article 17 of the Code of Ethics and the payment of association dues. 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.

(5) 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® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership.

(6) Honorary Members.

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

Section 2. Privileges of REALTOR® Members.

REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the association are paid in full shall be entitled to vote and to hold elective office in the association; may use the terms REALTOR® and REALTORS; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the association and the real estate profession.

Section 3. Obligation of REALTOR® Members.

It shall be the duty and responsibility of every REALTOR® member of this association to abide by the Constitution and Bylaws and the rules and regulations of 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 this association, as from time to time amended.

Alternate Section 2 for associations that require members to mediate otherwisearbitrable disputes.

It shall be the duty and responsibility of every REALTOR[®] member of this association to abide by the Constitution and Bylaws and the rules and regulations of 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 mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this association, as from time to time amended.

Article V - QUALIFICATION AND ELECTION

Section 1. Application.

- (a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant:
 - 1. That applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and National Associations, and if a REALTOR®, REALTORS® 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 by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and
 - 2. The applicant shall, with the form of application, have access to a copy of the Constitution, Bylaws, Rules and Regulations, and Code of Ethics referred to above. (*Amended 9/15*)

Section 2. Qualification.

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through the Association Executive, that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker'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 State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. (Amended 9/15)

*No recent or pending bankruptcy is intended to mean 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 interest 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 is intended to mean that the Association may only consider:

- A. Judgments against the applicant within the past within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.
- B. Criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date. (Amended 5/07)

<u>Note 1:</u> One or more of the requirements for REALTOR® Membership set forth above in Article V, Section 2(a) may be deleted at the Association's discretion. However, Associations may NOT adopt membership qualifications more rigorous than specified in the Membership Qualification Criteria for REALTOR® Membership approved by the Board of Directors of the National Association.

Note 2: Article IV, Section 2, of the NAR Bylaws prohibits Members Associations from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant

who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics. (Adopted 1/01)

- (b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct*, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTOR® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Douglas County Association of REALTOR® and shall agree in writing, that as a member, he/she will abide by such Constitution, Bylaws, and Rules and Regulations and the Code of Ethics. (Amended 9/15)
- (c) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:
 - 1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years.
 - 2. Pending ethics complaints (or hearings).
 - 3. Unsatisfied discipline pending.
 - 4. Pending arbitration requests (or hearings).
 - 5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS.
 - 6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

Section 3. Membership.

The procedure for election to membership shall be as follows:

(a) Applicants for REALTOR® (where applicable), membership shall be granted upon submission of a completed application form and remittance of applicable association dues and any application fee. Association Executive is authorized to approve membership application upon review verification of applicants licensing status, confirmation that the applicant is in good standing with their previous association(s) and that there are no pending ethics complaints or arbitration requests or hearing(s), and that the applicant has no unsatisfied discipline pending in another association and (except for violations of the Code of Ethics; See Article V, Section 2(a) NOTE 2). 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. (Amended 9/15)

(b) Dues shall be computed from the date of application and shall be non-refundable unless the association's Board of Directors terminates the individual's membership in accordance with subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee.

Section 4. Code of Ethics: Professional Standards and Training

A. 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 (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

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

B. Continuing REALTOR® Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021, and for successive three-year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® 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 REALTOR® association, the State Association of REALTORS® or the NATIONAL ASSOCIATION OF REALTORS®, 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 three-year cycle shall not be required to complete additional ethics training until a new three-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 three-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three-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.

C. Discipline of REALTOR® Members.

Any REALTOR® member 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 association, 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.

D. Enforcement of the Code.

The responsibility of the association and of association members relating to the enforcement of the Code of Ethics, the disciplining of members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Note: Orientation programs must meet the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS®. (Adopted 9/15)

Section 5. Status Changes.

(a) A REALTOR® 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® (nonprincipal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Association of their changes in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

NOTE: The Board of Directors, at its discretion, may waive any qualification, which the applicant has already fulfilled in accordance with the Association's Bylaws.

- (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 in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year.

Article VI - PRIVILEGES AND OBLIGATIONS

<u>Section 1.</u> The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws shall be specified in this Article.

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a 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 Association. Although Members other than REALTORS® or REALTOR-ASSOCIATE®s are not subject to the Code of Ethics or 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 REALTORS® or REALTOR-ASSOCIATES® may be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR®, REALTORS® or REALTOR-ASSOCIATES® and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION of REALTORS®. (*Amended 9/15*)

<u>Section 3</u>. Any REALTOR® or REALTOR-ASSOCIATE® Member 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 Association, 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.

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

<u>Section 5.</u> If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding and will abide by the decision of the hearing panel. *(Amended 9/15)*

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

Section 6. REALTOR® Members.

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

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management

control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinguished 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 forgoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminated during the period of suspension of the disciplined Member or until readmission of the disciplined Member, or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinguished, or until 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. (Amended 9/15)

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.

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

<u>Section 7.</u> Institute Affiliate Members. Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS[®].

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local association; or to be a Participant in the local association's Multiple Listing Service.

Section 8. Affiliate Members. Affiliate Members shall have the same rights as REALTOR® members, excluding the right to serve on the board of directors. Each Affiliate member shall have one vote. *(Amended 9/15)*

<u>Section 9.</u> Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

Section 10. Certification of REALTOR®. "Designated" REALTOR® Members of the Association shall certify to the Association during the month of January, on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR®'s firm(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office (s) and if a Designated REALTORS® 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. *(Amended 9/15)*

Section 11. Harassment.

Any member of the association may be reprimanded, placed on probation, suspended, or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the policies and procedures of the association. As used in this Section, harassment means all harassment as defined in association policy statements. 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 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. (Amended 9/15)

NOTE: Suggested procedures for processing complaints of harassment are available online through <u>http://www.REALTOR.org</u>, or from the Member Policy Department. (Amended 5/08)

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

<u>Section 1.</u> The responsibility of the Association and of Association REALTOR® Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law. (Amended 9/15)

<u>Section 2.</u> It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution, 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 this Association as from time to time amended.

<u>Section 3</u>. The responsibility of the Association and Association members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Association, which by this reference is made a part of these Bylaws.

Note: The Douglas County Association of REALTORS® has entered into a Regional Professional Standards agreement with the Coos, Curry, Central Oregon Coast and Josephine County Associations. (*Amended 5/17*)

ARTICLE VIII - USE OF THE TERMS REALTOR®, REALTORS® Trademark

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

<u>Section 1.</u> Trademark. 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®, 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 associations Code of Ethics and Arbitration Manual. (Amended 06/2006)

<u>Section 2.</u> REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege. (Amended 1/96)

<u>Section 3.</u> 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 or Institute Affiliate Members as described in **Section 1** (b) of **Article IV**.

(a) In the case of a REALTOR® principal member 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 holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business. A REALTOR® principal member 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 or Institute Affiliate members.

(b) In the case of a REALTOR® principal member 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 holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

<u>Section 4.</u> Institute Affiliate Members shall not use the terms REALTOR®, REALTORS® or REALTOR-ASSOCIATE®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

<u>Section 1.</u> The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the OREGON ASSOCIATION of REALTORS®. By reason of the Association's membership, each REALTOR® member of the Member board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the OREGON 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 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.

<u>Section 2.</u> The Association recognizes the exclusive property rights 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, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

<u>Section 3</u>. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® members. The Association and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS® and the OREGON ASSOCIATION OF REALTORS®.

ARTICLE X DUES AND ASSESSMENTS

<u>Section 1. Application Fee.</u> The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership and which shall become the property of the Association upon final approval of the application.

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

(a) **Designated REALTOR® Members' Dues.** The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or

indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the DR has paid dues based on said non-member licensees in another Association in this 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. *(Amended 1/01)

- (b) A REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the state 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 profession as defined in Article III, Section I, 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 the preceding paragraph), 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.
- (c) A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®. Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm.
- (d) 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.
- (e) 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® or REALTOR-ASSOCIATE membership during the preceding calendar year. (Amended 9/15)

(f) Affiliate Members. "The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

(g) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors

NOTE: The Institutes, Societies, and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate members (\$75). The National Association shall credit \$25 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25 amount will be credited to the COB, unless the Institute Affiliate member directs that the dues be distributed to the other association. The National Association shall also credit \$25 to the account of state associations for each Institute Affiliate member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate members, but may provide service packages to which Institute Affiliate members may voluntarily subscribe. (Amended 1/02)

<u>Section 3. Dues Payable.</u> Dues for all Members shall be payable Bi-annually in advance on the first day of January & July. Dues for new members shall be computed from the date of application and granting of membership. (Amended 5/17)

(a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the designated REALTOR® firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2, a) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination.

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 is 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 (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the 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.

<u>Section 5. Dues Funds.</u> Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors. (Amended 09/15)

<u>Section 6. Notice of Financial Obligations of Members.</u> All dues, fines, fees, assessments, or other financial obligation to the Association or shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

<u>Section 7 Special Dues Considerations.</u> The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors. (Amended 9/15)

NOTE: A Member Association's dues obligation to the National Association is reduced by an amount equal to the amount which the Association is assessed for a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Association. The dues obligation of such individuals to the local Association should be reduced to reflect the reduction in the Association's dues obligation to the National Association. The Association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association's obligation to the State Association with respect to such individuals. Member Associations should determine whether the dues payable by the Association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR® who are not members of the local Association.

ARTICLE XI - OFFICERS AND DIRECTORS

<u>Section 1. Officers.</u> The elected officers of the Association shall be a President, a President Elect, a Vice President, a Secretary, and a Treasurer. The Secretary and Treasurer may be the same person. They shall be elected for terms of one year.

<u>Section 2. Duties of Officers</u>. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Association Executive (select one) to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Oregon Association of REALTORS®. (Amended 9/15)

Section 3. Board of Directors. The governing body of the Association shall be a Board of Directors consisting of the elected officers, the immediate past President, plus the State Director(s) and a minimum of two (2) local directors(s). The President shall also serve as the primary State Director. The State Director(s), other than the primary State Director, shall be elected to serve for a term of one (1) year. State Directors shall be elected each year as are required to fill vacancies determined by OAR. The Local Directors shall serve for terms of two (2) years, initially one half of the Local Directors shall be elected for one (1) and two (2) year terms, respectively.

(a) Term Limits. No Officer or Director shall serve for more than two consecutive terms in any one position.

Section 4. Election of Officers and Directors.

(a) At least two (2) months before the annual election, a Nominating Committee of four (4) REALTOR® Members, (2) two each from the northern and southern regions with the dividing line being the southern Douglas County line, shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one

candidate for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed or where permitted by state law, electronically transmitted to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least 15 REALTORS® Members eligible to vote. The petition shall be filed with the Association Executive at least two (2) weeks before the election. The-Association Executive shall send notice of such additional nominations to all Members eligible to vote before the election. If no additional nominations-no election ballot needed. *(Amended 9/15)*

(b) The election of Officers and Directors shall take place at the annual meeting. Election shall be by ballot and all votes shall be cast in person or by mail. The ballot shall contain the names of all candidates and the offices for which they are nominated.

Where permitted by state law, and in accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the board of directors. (Adopted 1/05)

c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of at least three (3) REALTORS® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

<u>Section 5. Vacancies</u>. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

<u>Section 6. Removal of Officers and Directors</u>. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

(a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

(c) The special meeting shall be noticed to all voting Members at least ten (I0) days prior to the meeting and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

<u>Section 7. Association Executive</u> There shall be an Association Executive, appointed by the Board of Directors, who shall be the chief administrative officer of the Association. The Association Executive 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. (Amended 9/15)

ARTICLE XII - MEETINGS

<u>Section 1. Annual Meetings.</u> The annual meeting of the Association shall be held during August or September of each year, the date, place, and hour to be designated by the Board of Directors.

<u>Section 2. Meetings of Directors.</u> The Board of Directors shall designate a regular time and place of meetings. Absence from three regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation. A quorum of the Board of Directors shall be a majority of the Board of Directors.

<u>Section 3. Other Meetings.</u> Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least 10% of the Members eligible to vote.

<u>Section 4. Notice of Meetings.</u> Written notice shall be given to every REALTOR® Member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting. Electronic communication shall be deemed written notice.

<u>Section 5. Quorum.</u> A quorum for the transaction of business at a General Membership meeting shall consist of the majority number of members present and eligible to vote.

Section 6. Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

Section 7. 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 consent in writing, setting forth the action so taken, shall be signed by at least 3/4 of the board of directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Association Executive to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date. (Amended 9/15)

ARTICLE XIII - COMMITTEES

<u>Section 1. Standing Committees.</u> The President shall appoint from among the REALTOR® and Affiliate Members, subject to confirmation by the Board of Directors, the following standing committees:

Political Affairs RMLS Liaison Professional Standards/Grievance Public Relations RPAC Education Membership

Appointments to the Professional Standards Committee and Grievance Committee shall not be Affiliate members as they are not subject to the NAR Code of Ethics and shall be consistent with the cooperative professional standards enforcement agreement of the Association. <u>Section 2. Special Committees.</u> The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

<u>Section 3. Organization.</u> All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws.

Section. 4. President. The President shall be an ex-official member of all standing committees and shall be notified of their meetings.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1. The fiscal year shall be the calendar year.

<u>Section 2.</u> The elective year of the Association shall be the first day after the last day of the National Convention and end the last day of the National Convention.

ARTICLE XV - RULES OF ORDER

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

<u>Section 2.</u> The business of the Douglas County Association of REALTORS® may be conducted by telephone, fax, mail, or e-mail with the approval of the President or the Board of Directors, where permitted by state law and in accordance with applicable State requirements.

ARTICLE XVI - AMENDMENTS

<u>Section 1.</u> These Bylaws may be amended by a majority vote of the Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

<u>Section 2.</u> Notice in writing of all meetings at which amendments are to be considered shall be delivered to every member eligible to vote at least one (1) week prior to the meeting.

<u>Section 3.</u> Amendments to these Bylaws affecting the admission or qualification of REALTOR®, and Institute Affiliate Members, the use of the terms REALTOR®, 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 XVII - DISSOLUTION

<u>Section 1.</u> Upon the dissolution of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the OREGON ASSOCIATION of

REALTORS® or, within its discretion, to any other non-profit tax-exempt organization. If northern and southern regions dissolve this association terms of the unification/merger agreement shall apply.

ARTICLE XVIII - MULTIPLE LISTING

The Douglas County Association of REALTORS® does not operate a multiple listing service. The members use the RMLS Multiple Listing Service out of Portland, Oregon, or other MLS services.

ARTICLE XIX - CHARTER

The Douglas County Association of REALTORS® does not operate a multiple listing service. The members use the RMLS Multiple Listing Service out of Portland, Oregon, or other MLS services.

<u>Section 1.</u> Local chapters- The Board of Directors shall authorize and approve the formation of local chapters upon written request and review.

<u>Section 2.</u> Application shall be made in writing to the Board of Directors by a minimum of five REALTORS® residing, or working, in a common geographical area for the formation of a local chapter. The Executive Board of the association will review and either approve or disapprove said application within 45 days of receipt and shall notify the applicants of the decision. If disapproved, the Board shall provide the reasons, thereby permitting reapplication.

<u>Section 3.</u> Local Chapters will be governed by the association bylaws but may provide their own bylaws subject to being reviewed and approved by the association board of directors.

<u>Section 4.</u> Membership - Chapter Members may be elected to the Douglas County Association of REALTORS® Board of Directors in accordance with association bylaws. REALTOR members comprised of equal number of representations of the parent association and each affiliated chapter.