

Emerald Coast Associationof Realtors®

Bylaws

Amended & Adopted September 2020



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Article I - Name

Section 1. Name. The name of this organization shall be the Emerald Coast Association of REALTORS®, Incorporated, hereinafter referred to as the "Association".

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

Article II – Objectives

The objectives of the association are:

- **Section 1.** To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.
- **Section 2.** To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.
- **Section 3**. To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.
- **Section 4.** To further the interests of home and other real property ownership.
- **Section 5.** To unite those engaged in the real estate profession in this community with the 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.
- **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 of Okaloosa and Walton Counties, Florida.

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 seven (7) classes of members, as follows.

- (a) **REALTOR® Members.** REALTOR® Members, whether primary or secondary shall be:
 - (1) 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 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 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.

NOTE: REALTOR® members may obtain membership in a "secondary" association in another state.

- (2) 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.
- (3) 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. (4) 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.
- (5) 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 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® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership.
- (c) **Affiliate Members.** Affiliate members shall be individuals, partnerships, corporations, or associations who are engaged in a business other than the sale of real estate which does not require a real estate license, but who have interests that benefit from the services of the Association and who are in agreement with the objectives of the Association. Membership conveys to the business entity, not an individual member of the business.
- (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) **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.
- (f) **Student Members.** Student members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college-level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.
- (g) Commercial Affiliate Members. Commercial affiliate members shall be individuals, partnerships, corporations, or associations who are engaged in a business other than that which requires a real estate license, but who have interests in commercial real estate and can benefit from the services of the Association, and who are in agreement with the objectives of the Association. Membership conveys to the business entity, not an individual member of the business.



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/herself 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® member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate (or to mediate if required by the association) controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the association, through its membership committee or otherwise, may invite and receive information and comment about applicant from any member or other persons, and that applicant agrees that any information and comment furnished to the 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. 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 its membership committee or otherwise, that he/she 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 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/she will abide by such Constitution, Bylaws, rules and regulations, and Code of Ethics.
- **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 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; or
- 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

NOTE 1: 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 Member Boards from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another association of REALTORS® for violation of the Code of Ethics.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, 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 or salesperson'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 REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the membership committee, and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, rules and regulations, and the Code of Ethics.

*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 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; or
- 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 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
- (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 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 this or any other REALTOR® association or REALTOR® association MLS
 - 6. 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 (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.

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 the 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 the mandatory orientation program within in 90 days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. The board of directors shall vote, on the applicant's eligibility for membership. If the applicant receives a majority of the 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 witness 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 judgement by a court of competent jurisdiction of a final judgement declaring that the rejection violates no rights of the applicant. (Amended 12/19)

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 (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 90 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.

NOTE: 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, 2019 through December 31, 2021 and for successive three (3) 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 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 three (3) year cycle shall not be required to complete additional ethics training until a new three (3) 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 for in any three (3) year will result in suspension of membership for the first two months (January and February) of the year following the end of any three (3) 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.

Section 6. 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 (30 recommended). A REALTOR® (non-principal) who becomes a principal in the firm with which he/she 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 change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring his/her 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 30 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. (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.

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® 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 REALTORS® may, upon recommendation by a hearing panel of the professional standards committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® 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®.

<u>Section 3.</u> 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.

<u>Section 4.</u> Resignations of members shall become effective when received in writing by the Board of Directors, provided, however, that if any member submitting the resignation is indebted to the 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.



Section 5. 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®.

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®, 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/herself 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 and the signatures of such certification must be notarized. 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 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 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/her 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.

(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® 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) 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. (Amended 1/02)

<u>Section 8.</u> Affiliate Members. Affiliate members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

<u>Section 9.</u> Public Service Members. Public Service members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

<u>Section 10.</u> Honorary Members. Honorary membership shall confer only the right to attend meetings and participate in discussions.



Section 11. Student Members. Student members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 12. Certification by REALTOR®. "Designated" REALTOR® members of the association shall certify to the association during the month of May on a form provided by the association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary association for each individual who holds membership. Designated REALTOR® shall also identify any non-member licensees in the 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.

NOTE: Any education requirement must comply with Interpretation No. 37 of Article I, Section 2, Bylaws, NATIONAL ASSOCIATION OF REALTORS®.

Section 13. Florida Association of REALTORS® President and Florida Association of REALTORS® President-elect. The president and president-elect of the Florida Association of REALTORS®, for their respective terms in office, are members in good standing of the Emerald Coast Association of REALTORS® and as such are qualified to serve as the official voting delegate or alternate for the Emerald Coast Association of REALTORS®. Further, all local association dues are waived for such president and president-elect during their respective terms of office.

Section 14. 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, director, committee chair, or any other member conducting business on behalf of the association 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.

NOTE: Suggested procedures for processing complaints of harassment are available on line at http://www.REALTOR.org, or from the Member Policy Department.

Article VII – Professional Standards and Arbitration

<u>Section 1.</u> 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.

Section 2. 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.

<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.

Article VIII – Use of the Terms REALTOR® and REALTORS®

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

<u>Section 1.</u> 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 association's Code of Ethics and Arbitration Manual.

Section 2. 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.

Section 3. 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.

(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.

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

Article IX – State and National Memberships

Section 1. The association shall be a member of the NATIONAL ASSOCIATION OF REALTORS® and the Florida 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 Florida Association of REALTORS® without further payment of dues (refer to option below). 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 REALTORS® 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 and the Florida Association of REALTORS®.

Article X – Dues and Assessments

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTOR® membership in reasonable amount, not exceeding three (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) REALTOR® Members. The annual dues of each designated REALTOR® member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any 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 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.
 - (1) 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 is actively engaged in the real estate profession as defined in Article III, Section 1 of the Constitution of the NATIONAL ASSOCIATION OF REALTOR®. 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 provided that such licensee is not otherwise included in the computation of dues payable by the principal of the entity.

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, renting, 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. 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® or REALTOR-ASSOCIATE® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year.

- (b) REALTOR® Members. The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the Board of Directors.
- (c) Institute 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®.

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.

- (d) Affiliate Members. The annual dues of each Affiliate member shall be as established annually by the Board of Directors.
- (e) Commercial Affiliate Members. The annual dues of each Commercial Affiliate member shall be as established annually by the Board of Directors.
- (f) Public Service Members. The annual dues of each Public Service member shall be as established annually by the Board of Directors.
- (g) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors.
- (h) Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.
- (i) The Board of Directors, by majority vote, may implement assessments.

<u>Section 3. Dues Payable.</u> Dues for all members shall be payable annually in advance on the first day of January. Dues for new members shall be computed from the date of application and granting of provisional membership.

(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®'s 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 thirty (30) days of the notice of termination.

<u>Section 4. Nonpayment of Financial Obligations.</u> If dues and/or other financial obligations to the Association are not paid after the due date, the member is subject to the Association's policy regarding late payments as determined and amended from time to time by the Board of Directors.

<u>Section 5. Deposits and Expenditures.</u> Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors.

Section 6. 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.

<u>Section 7.</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.



NOTE: A Member Board'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 Boards 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®'s dues obligation to the association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the local association.

Article XI – Officers and Directors

Section 1. Officers. The elected officers of the association shall be: a president, a president-elect, a vice president, a treasurer, and an assistant treasurer. The President-Elect, in the absence of unforeseen events, shall succeed to the office of president in the next elective year. The vice president, in the absence of unforeseen events, shall succeed to the office of president-elect in the next elective year. The assistant treasurer, in the absence of unforeseen events, shall succeed to the office of treasurer in the next elective year. All officers must have been members of the Association continuously for the three (3) years immediately prior to the election application date, or appointment, in addition must have served one (1) year as an ECAR director within the last five years. Although it is not required, it is strongly recommended that association officers be graduates of ECAR's Leadership Development Program. All officers will serve a term of one year.

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the chief executive officer to keep the records of the association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Florida Association of REALTORS®.

Section 3. Board of Directors. The Governing body of the association shall be a Board of Directors consisting of fifteen to sixteen members, all of whom shall be REALTOR® members of the association: the five (5) elected officers, plus one commercial director and one property manager director whose business is comprised of a minimum of 50% in their respective fields of real estate, and one (1) elected director from each of the following eight (8) geographic areas: Crestview, Destin, Fort Walton Beach; Navarre, Niceville, North Walton (Freeport/DeFuniak)



Springs), Miramar Beach, and South Walton. A REALTOR® member's geographic area shall be determined by the location of his/her office (as shown in the National REALTOR® Database System). Directors shall be elected to serve for terms of two (2) years. Thereafter, as many directors may be elected each year as are required to fill vacancies.

Term Limits.

- (a) No director shall serve a term of more than four (4) consecutive years.
- (b) The Immediate Past President is ineligible to run for an Officer or Directors position for a term of one (1) one year.
- (c) No more than three (3) REALTORS® from the same real estate firm may simultaneously serve on the Board of Directors. Should a situation arise whereby more than three officers and/or directors represent a single broker or brokerage, one or more directors from that brokerage will need to resign voluntarily, or as many directors from that brokerage will be determined ineligible to serve using the following process of elimination until the number of officers and/or directors from that brokerage is at three (3).
 - 1. Directors who have been elected or re-elected to serve less than a full term will be considered ineligible to serve starting with the director who is serving the shortest term.
 - 2. Directors who have been newly elected to serve based on geographic area will be considered ineligible to serve.
 - 3. Directors who have been re-elected to serve based on geographic area will be considered ineligible to serve.
 - 4. The member elected to serve as assistant treasurer will be considered ineligible to serve.
 - 5. The member elected to serve as vice president will be considered ineligible to serve.
 - 6. If, at any point in the process, more members are eliminated than is required, the names of the two (2) or more members who are equally ineligible to serve will be submitted to the existing Board of Directors who will determine, by secret ballot, which member or members should be determined ineligible to serve.
- (d) All Directors elected must have been a member of the Association for two (2) of the last three (3) years, and:
 - 1. have served on an ECAR committee for one (1) year
 - 2. or must be a graduate of the ECAR Leadership Development Program.



Section 4. Election of Officers and Directors.

- (a) Subject to the approval of the Board of Directors, the President will appoint an Election Committee at least ninety (90) days before the Annual Meeting.
 - 1. The committee shall consist of the most Immediate Past President willing, able, and qualified to serve as chairman, and the Area Chapter Directors
 - 2. The Election Committee will:
 - a. verify the officer and directors positions to be filled during the election and the terms for the positions as outlined herein.
 - b. collect and review applications for officers and directors submitted by members at least sixty (60) days preceding the Annual Meeting.
 - c. determine each applicant's eligibility as a candidate.
 - 3. The Election Committee will also certify the election results the first business day following the end of the election.
- (b) A ballot shall be prepared, notice of voting procedures shall be sent to each member eligible to vote, and voting shall commence no later than thirty (30) days prior to the Annual Meeting. The ballot will include instructions.
- (c) Voting shall terminate at the close of business on the tenth (10th) working day prior to the Annual Meeting. Voting will be by an electronically secured online voting system which can be accessed via ECAR's web page.
- (d) Officers and Directors of the Association will be selected by a majority vote of the votes cast. If no candidate has a majority, the two (2) candidates with the highest vote count will be placed on a new ballot and a runoff election will be conducted. When required, an electronic runoff ballot will be created, notice will be sent to the members, and members will be given three days to vote in the runoff election. In the event of a tie, the procedure will be repeated until one candidate receives a majority.
- (e) All members eligible to vote may vote for all director positions. When voting, members will make as many selections as there are seats to fill.
- <u>Section 5. Vacancies.</u> President may appoint with the approval of the Board of Directors to fill the current year and the position will become open for election for the remaining term of the vacancy during the next election cycle.
- <u>Section 6.</u> Removal of Officers and Directors. In the event that an officer or director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the officer or director may be removed from office under the following procedure.
 - (a) A petition requiring the removal of an officer or director and signed by not less than one-third of the voting membership or a majority of all directors shall be filed with the president, or if the president is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.



- (b) If the Board of Directors votes to remove a member of the Board of Directors, the member is immediately suspended from any further Board service until resolution by the Special Membership Meeting.
- (c) 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.
- (d) The special meeting shall be noticed to all voting members at least ten (10) days prior to the meeting, and shall be conducted by the President of the association unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the members. Provided a quorum is present, a three-fourths vote of members present and voting shall be required for removal from office.

Section 7. 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.

<u>Section 8. Executive Committee.</u> There shall be an executive committee of the Board of Directors consisting of the following: president, president-elect, vice president, treasurer, and assistant treasurer. The executive committee shall meet at the call of the president or chief executive officer and be empowered to act for the Board of Directors during the interim between the directors meetings as needed, but all acts and minutes of the executive committee shall be reported at the next meeting of the directors and subject to their approval/ratification.

Article XII – Meetings

<u>Section 1. Annual Meetings.</u> The annual meeting of the association may be held during the last quarter of the year and the date, time, and place will be determined by the President.

<u>Section 2. Meetings of Directors.</u> The President may designate a regular time and place of meetings. Absence from three (3) regular meetings shall be construed as resignation.

<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 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.

Section 5. Quorum. A quorum for the transactions of business at the Membership Meeting shall consist of those members present and eligible to vote. A quorum for the transaction of business at Board of Directors Meetings shall consist of a super majority (60%) of the members of the Board of Directors. A quorum for the transaction of business at Committee Meetings and Task Forces shall consist of a simple majority (51%) of the members of the Committee or Task Force.

<u>Section 6. Electronic Transaction of Business.</u> To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means. The Board of Directors is permitted to participate in a board meeting by e-mail voting only under two limited circumstances:

- (a) If there is a unanimous vote or,
- (b) If the Board of Directors has participated in a meeting in which they can all hear each other (even if not physically present), and if they send in written consents describing the action taken.

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 consent in writing, setting forth the action so taken, shall be signed by all of the 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 Chief Executive Officer 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.

Article XIII – Committees

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

- Professional Standards
- Grievance
- Multiple Listing Service
- Budget and Finance
- Public Policy
- RPAC Realtors Political Action Committee



<u>Section 2. Committees.</u> The president may appoint, subject to confirmation by the Board of Directors, committees as deemed necessary.

- Awards & Recognition*
- Budget & Finance *
- Commercial
- CAMO -Community & Military Outreach
- Elections*
- Executive*
- Global Business
- Grievance*
- Investment*
- MLS
- MLS Tour Directors
- Ombudsman & Mediation*
- Professional Development
 - o Subcommittee REBar
- Professional Standards*
- Public Policy
- RPAC
- Residential Property Management
- Soldiers on the Water
- Young Professionals Network

<u>Section 3. Task Force</u> A task force is a temporary group under one chair for the purpose of accomplishing a definite objective. The President may appoint a Chair to oversee the task force.

<u>Section 4. 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.

<u>Section 5. President.</u> The President will be an ex-officio member of all committees and task forces and shall be notified of their meetings.

<u>Section 6. Action without Meeting.</u> Any committee may act by unanimous consent in writing without a meeting. The unanimous consent shall be evidenced by one or more written approvals.



^{*} Committees that are authorized to conduct closed meetings where confidential business of the Association is discussed. (Per NAR Meeting Policies and procedures)

each of which sets forth the action taken and bears the signature of one or more of the members of the committee.

<u>Section 7. Attendance by Telephone.</u> Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the president and shall constitute presence at the meeting.

Section 8. State and National Directors. The incoming president shall submit to the Board of Directors each year names of recommended appointees to state and national director positions for the following year, if any. To be eligible to serve as a state or national director, a member must currently be serving the association as an officer, director, or a committee chair at the local, state, or national level; or a member must be a past president of the ECAR. The incoming president shall be automatically appointed to fill the first State Director position, the incoming president-elect shall be automatically appointed to fill the second State Director position, and the incoming vice president shall be automatically appointed to fill the fourth state director position. The Immediate Past President shall be automatically appointed to fill the first National Director position. If the incoming president chooses not to accept the first national director position, the incoming president-elect shall be automatically appointed to fill this position.

<u>Section 9. Open Committees</u> All meetings of the Association's committees shall be open for attendance by all ECAR members except those committee meetings that may contain issues and discussion of a sensitive nature. The President or the committee chair with the approval of the President may require certain regular or special meetings be closed.

Article XIV – Fiscal and Elective Year

Section 1. The fiscal year of the association shall be January 1 to December 31. **Section 2.** The elective year of the association shall be January 1 to December 31.

Article XV - Rules of Order

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

Article XVI – Amendments



<u>Section 1.</u> These Bylaws may be amended by the 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 of all meetings at which amendments are to be considered shall be distributed to every member eligible to vote at least one (1) week prior to the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate members, the use of the terms REALTOR® and 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

Section 1. 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 Florida Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

Article XVIII – Multiple Listing

<u>Section 1. Authority.</u> The association of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be subject to the Bylaws of the association of REALTORS® and such rules and regulations as may be hereinafter adopted.

Section 2. Purpose. A multiple listing service is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting in any 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 databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease). (Amended 11/04)



<u>Section 3. Governing Documents.</u> The Board of Directors shall cause any multiple listing service established by it pursuant to this article to conform its Corporate Charter, 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®.

<u>Section 4. Supervision.</u> The activity shall be operated under the supervision of the multiple listing committee, in accordance with the rules and regulations, subject to approval of the Board of Directors of the association of REALTORS®.

Section 5. Participation. Any REALTOR® of this or any other association who is a principal (sole proprietor, partner, corporate officer), or branch office manager acting on behalf of a principal, without further qualification, shall be eligible to participate in the multiple listing service upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. A non-member applicant for the Multiple Listing Service participation who is a principal (sole proprietor, partner, or corporate officer) or branch office manager acting on behalf of the principal agrees to complete a course of instruction covering MLS Rules and Regulations and shall agree that if elected as a participant, will abide by such rules and regulations and pay the MLS fees and dues, including a non-member differential, as from time to time established. Under no circumstances is any individual or firm entitled to multiple listing service membership or participation 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 a 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.

* Section 6. Participants and Subscribers.

- (a) Participants: Participants of the MLS include those eligible to participate in the MLS as described in Section 5.
- (b) Subscribers: Subscribers (or users) of the MLS include non-principal broker associates, sales associates, licensed assistants, and registered, licensed, and certified appraisers affiliated with Participants.
- (c) Scope of Participation:
 - (1) Any non-principal broker associate, sales associate, licensed assistant, or registered, licensed, or certified appraiser affiliated with a participant without exception, is considered a subscriber for the purposes of determining monthly MLS fees, regardless of the availability to and use of MLS services by the individual's employment status, function, or purpose for affiliation with that participant.
 - (2) MLS is provided exclusively for participants and subscribers as described above. However, a person who cannot otherwise be defined as a participant or subscriber, but is contracted, employed, or engaged by a participant or subscriber may, at the discretion of the Chief Executive Officer (CEO) as directed by the Board of Directors of the Association, be granted access to the MLS for the sole purpose of assisting that participant or subscriber in his or her real estate related activities. Terms, fees, and limits of such access shall be maintained through policy set by the Board of Directors. The participant is responsible for actions taken by the assistant on behalf of the participant or the participant's subscriber. The association reserves the right to revoke such access without notice and assess MLS fees for services rendered if it is determined that an assistant either at the time of application or at a later date falls under the definition of participant or subscriber

Section 7. MLS Services. MLS services shall be defined as follows:

(a) Core Services: Core Services shall be those services available to all MLS participants and subscribers, and include the following functionality:



- (1) The ability to add and maintain a listing within the MLS.
- (2) The ability to search for property actively available for sale within the MLS by defining criteria using basic property attributes.
- (3) The ability to view a text description of property actively available for sale within the MLS.
- (b) Enhanced Services. Enhanced services shall be those services offered in addition to Core Services as may be made available by the Association to REALTOR® Members

<u>Section 8. MLS Committee.</u> The president shall appoint, subject to the confirmation of the Board of Directors, the chairperson, and the president-elect shall appoint, subject to confirmation of the Board of Directors, the vice chairperson. The chairperson shall appoint, subject to confirmation of the Board of Directors, the committee members.

<u>Section 9. Attendance.</u> Any committee member who fails to attend three (3) regular or special meetings of the committee shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointees.



EXHIBIT A – GEOGRAPHIC CHAPTER DEFINITIONS

The following table defines the boundaries of each geographic chapter by ECAR MLS Defined Areas as described in Article XI, Section 3(d) of these Bylaws of the Emerald Coast Association of REALTORS®, Inc.

- Greater Crestview_- 25
- Destin 14
- Fort Walton Beach 12
- Navarre 11
- Niceville 13
- North Walton County (DeFuniak Springs/Freeport) 23, 20
- South Walton County 16, 17, 18, 19
- Miramar Beach 15



Acceptance of Bylaws:

These bylaws were *hereby* adopted and approved by membership of the association on this Thursday September 3rd, 2020 AD.

Date: 10/15/2020

As witnessed and attested by my signature:

Signature: White Court (2020)

Emerald Coast Association of Realtors Board of Directors

