



BYLAWS
Approved June 17, 2019

ARTICLE I - NAME, PURPOSE AND OFFICE

Section 1. The name of the organization shall be the Maryland Association of REALTORS®, Inc., hereinafter referred to as the State Association.

Section 2. The State Association exists to support all segments of its membership, in concert with local real estate boards or associations, hereinafter referred to as Local Boards/Associations, and the National Association of REALTORS®, by developing and delivering programs, services and related products that will continue to elevate the standards of the real estate business and the professional conduct of the persons engaged therein, and that will assist members in ethically and successfully serving the public with the highest degree of professional ability in matters involving real estate. Through collective efforts, the State Association:

- (1) promotes the preservation of the right to own, transfer and use real property; and
- (2) protects the right of members to conduct business without undue regulatory restraint.

Section 3. The principal office of the State Association shall be located in the State of Maryland.

ARTICLE II – MEMBERSHIP

Section 1. The members of the State Association shall consist of seven (7) classes: (a) Local Boards/Associations, (b) Local Board/Association Members, (c) Individual Members, (d) Institute Affiliate Members, (e) Affiliate Members, (f) Honorary Members, and (g) Emeritus Members.

Section 2. A Local Board/Association shall be: 1) any Local Board/Association of REALTORS® within the State of Maryland, all the primary Members of which hold membership in a Local Board/Association of REALTORS®; and 2) the State Association and the National Association of REALTORS®.

Section 3. A Local Board/Association Member shall be any primary or secondary REALTOR® Member of a Local Board/Association as herein defined. As used in these Bylaws, an individual is a primary REALTOR® Member if the Local Board/Association pays State Association and National dues based upon such primary

REALTOR'S® membership. As used in these Bylaws, an individual is a secondary REALTOR® Member if State Association and National dues are remitted through another Local Board/Association. In order for licensees or certified or licensed appraisers affiliated with a real estate or appraisal firm to select a Local Board/Association as their primary Board/Association, one (1) of the principals for the firm must be a Designated REALTOR® Member of the Local Board/Association.

Section 4. An Individual Member shall be 1) a REALTOR® or REALTOR-ASSOCIATE® who holds primary membership in another state association or a local board or association which jurisdiction is located in a geographic territory not within the State of Maryland, who shall be eligible for secondary membership in the State Association, or 2) an individual engaged in the real estate business as a principal, partner or officer of a corporation whose place of business is located in Maryland but in an area outside the jurisdiction of any Local Board/Association and who holds membership in the State Association. The Board of Directors shall establish procedures and standards whereby real estate licensees and licensed or certified appraisers employed by or affiliated with an Individual Member may become Individual Members of the State Association.

Section 5. Institute Affiliate Members shall be individuals who hold a professional designation awarded by a qualified Institute, Society or Council affiliated with the National Association of REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to vote or hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues to such membership. Individuals holding Institute Affiliate Membership in a Local Board/Association of REALTORS® shall hold Institute Affiliate Membership in the State Association. Individuals whose place of business is located in an area outside the jurisdiction of a Local Board/Association of REALTORS® shall be eligible to apply for Institute Affiliate Membership if they meet the requirements as specified above.

Section 6. Affiliate Members shall be real estate owners and other individuals or firms who are Affiliate Members of Local Boards/Associations.

Section 7. Honorary Members shall be individuals other than those engaged in the real estate business who have contributed notably to the State Association and to real estate and who are so designated by action of the Board of Directors of the State Association.

Section 8. Emeritus Members shall be Individual Members with fifty (50) years of primary membership in the State Association and who are qualified pursuant to the State Association's Policies and Procedures Manual.

Section 9. Designated REALTOR® Members. Each firm shall designate in writing one (1) REALTOR® as the Designated REALTOR® Member who shall be responsible for all duties and obligations of membership in a Local Board/Association including the obligation to arbitrate contractual disputes and specific non-contractual disputes pursuant to Article 17 and Standard of Practice 17-4 of the Code of Ethics and the payment of Local Board/Association dues as established in accordance with the Bylaws of the Local Board/Association. The Designated REALTOR® must be a sole proprietor, partner, corporate officer or branch manager acting on behalf of the firm's principal(s) and must meet all other qualifications for

REALTOR® membership in accordance with the Bylaws of the Local Board/Association. All persons other than the Designated REALTOR® who are partners in a partnership or 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 in a Local Board/Association within the state or a state contiguous thereto unless otherwise qualified for Individual Membership or Institute Affiliate Membership as described in Section 4 or Section 5 of this Article II.

ARTICLE III - DUES

Section 1. The dues of each Local Board/Association as defined in Article II of these Bylaws shall be in such amount as established annually by the State Association Board of Directors times the number of primary REALTOR® Members of the Local Board/Association, plus an additional amount to be established annually by the State Association Board of Directors times the number of real estate salespersons, real estate associate brokers and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors with Designated REALTOR® Members of the Local Boards/Associations and (2) who are not themselves REALTOR® Members of any Local Board/Association in the state or a state contiguous thereto or Institute Affiliate Members of a Local Board/Association. An individual shall be deemed to be licensed with the Designated REALTOR® if the license of the individual is held by a Designated REALTOR® or by an entity in which the Designated REALTOR® has a direct or indirect ownership interest and which is engaged in soliciting and/or referring clients or customers to the Designated REALTOR® for consideration on a substantially exclusive basis, provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, or corporate officer of the entity. In calculating the dues payable by the Local Board/Association, 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 Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted.

An individual shall be deemed to be employed by or affiliated with the Designated REALTOR® if the license of the individual is held by the Designated REALTOR® or by an entity in which the Designated REALTOR® has a direct or indirect ownership interest and which entity is engaged in soliciting and/or referring clients or customers to the Designated REALTOR®, for consideration, on a substantially exclusive basis, provided, however, that such individual is not otherwise included in the computation of dues payable by the principal, partner or corporate officer 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 State Association on a form approved by the State 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®.

Section 2. The annual dues of each Institute Affiliate Member shall be as established in Article II of the bylaws of the National Association of REALTORS®

Section 3. Upon payment to the State Association of the dues required under this Article, each primary REALTOR® and Institute Affiliate Member of a Local Board/Association within the State, and each REALTOR® and Institute Affiliate Member from areas not within the jurisdiction of a Local Board/Association within the State shall be deemed a REALTOR® or Institute Affiliate Member, as the case may be, in good standing of the State Association.

Section 4. The dues of each Affiliate Member shall be in such amount as established annually by the State Association Board of Directors.

Section 5. The annual dues of an Individual Member shall be in such amount as established by the State Association Board of Directors. Notwithstanding anything herein to the contrary, the annual dues of the State Association for all Emeritus Members shall be waived. The annual dues of an Individual Member engaged in the real estate business as a principal, partner or officer of a corporation whose place of business is located in Maryland but in an area outside the jurisdiction of a Local Board/Association shall be in such amount as established by the State Association Board of Directors plus an additional amount to be established annually by the State Association Board of Directors times the number of real estate salespersons, real estate associate brokers and licensed or certified appraisers employed by or affiliated as independent contractors with such Individual Member and who are not REALTORS® or Institute Affiliate Members, provided, however, that if two (2) or more Individual Members are principals of the same firm, partnership or corporation, then only that Individual Member as designated from time to time in writing (the Designated REALTOR®) by the firm, partnership or corporation shall be required to pay that portion of the dues which is computed on the basis of the number of real estate salespersons, real estate associate brokers and licensed or certified appraisers employed by or affiliated as independent contractors with such firm, partnership or corporation and the dues of the remaining Individual Members who are principals, partners or officers of such firm, partnership or corporation who are not REALTORS® or Institute Affiliate Members shall be in such amount as established annually by the State Association Board of Directors.

Membership dues shall be prorated for any licensee included on a certification form submitted to the State Association who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® Membership in the State Association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® Membership during the preceding calendar year. A new member who joins after May 1st (not renewing members) shall pay 50% of the regular dues amount, excluding any special assessments, which shall be paid in full.

In calculating the dues payable by the Local Board/Association by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of Section 1 of this Article shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted.

Section 6. Dues for all classifications of membership in the State Association with the exception of Emeritus Members shall be due and payable to the State Association on or before November 1 of each year. Each Local Board/Association shall certify and shall file with the State Association in such format and on such form as shall be provided by the State Association, a complete listing of its Members of all classifications (as defined in Article III, Section 1, Constitution, National Association of REALTORS®) and a complete listing of those real estate salespersons, real estate associate brokers and licensed or certified appraisers employed by or affiliated as independent contractors with REALTOR® firms and shall designate the primary Local Board/Association in which each individual holds primary REALTOR® membership, certified by the President and Secretary of the Local Board/Association, and each Local Board/Association shall pay dues for the current year on the basis of such listing; provided, however, that the adjustments shall be made semi-annually for Members added by the Local Board/Association as of May 1 of each year. On a monthly basis, the Local Board/Association shall report to the State Association the names and addresses of all Members, including primary and secondary REALTOR® Members, deleted or added during the preceding month.

Section 7. If the State Association Board of Directors determines that the annual dues will be insufficient to meet the annual operating expenses, they may establish additional dues for any one or more classes of members. Any such additional dues shall be due and payable thirty (30) calendar days after notice of the dues increase is mailed.

Section 8. The State Association Board of Directors may impose a special assessment for any purpose other than operating expenses. A special assessment must be approved by a majority of the quorum present at any regular or special State Association Board of Directors meeting held in accordance with Article VI. Written notice of the amount and purpose of a proposed special assessment must be given at least thirty (30) calendar days prior to a regular or special meeting. Special assessments shall be due and payable sixty (60) calendar days after notice of the approval of a special assessment is mailed or included in the dues bill for the year or years following approval.

ARTICLE IV - OFFICERS

Section 1. The elected officers of the State Association shall be President, President-Elect, Treasurer and Secretary. Only primary Local Board/Association Members as defined in Article II, Section 3 and primary Individual Members as defined in Article II, Section 4 of these Bylaws may hold elective office as an officer in the State Association. The President, President-Elect and Secretary shall serve for a term of one (1) year. The Treasurer shall serve for a term of two (2) consecutive years. All officers shall serve until their successors are elected and shall be ex-officio, voting members of the State Association Board of Directors. The President-Elect shall perform the duties of the President in the event of the President's absence or disability. If the office of the President should become vacant between elections, the President-Elect shall fill the vacancy and complete the unexpired term. The President shall not be eligible to serve more than two (2) successive terms. Any vacancy occurring in any elective officer position of the State Association, other than the President, due to death, resignation or otherwise, shall be filled by a majority vote of the State Association Board of Directors for the unexpired term, with the exception of an individual so selected to serve as Treasurer, in which case such individual shall serve as Treasurer only until the next

election, rather than for the entire remainder of the unexpired term. The substitute elective officer to fill such vacancy shall meet the minimum qualification requirements as provided in Article VI, Section 3. C. of these Bylaws. The seat of any officer shall be considered to be automatically vacated should such officer be absent from two (2) consecutive meetings of the Executive Committee without an acceptable excuse.

Section 2. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them respectively by the State Association Board of Directors from time to time, and such as required by law.

Section 3. The Treasurer shall meet the minimum qualifications provided in Article VI, Section 3.C (4) of these Bylaws. The Treasurer shall act as chairperson of the Finance Committee. The elective office of the Treasurer shall not be deemed to be in a position in the State Association's leadership ladder. The Treasurer shall provide a fidelity bond in such amount as the State Association Board of Directors may determine the cost to be paid by the State Association.

ARTICLE V - BOARD OF DIRECTORS; EXECUTIVE COMMITTEE; STATE-ALLOCATED NAR DIRECTORS; CHIEF EXECUTIVE OFFICER

Section 1.

A. The government of the State Association shall be vested in the State Association Board of Directors, which shall be comprised of the following:

- (1) The elected officers of the State Association for a one (1) year term, with the exception of the Treasurer, who shall serve for a two (2) year term;
- (2) The immediate Past President for a one (1) year term;
- (3) The District Vice Presidents, representing each of the Districts established pursuant to Article XIV herein, for one (1) year terms;
- (4) The Chairperson of the National Association of REALTORS® Directors' Caucus for a one (1) year term;
- (5) Any primary local Board/Association Member or Individual Member serving on the Executive Committee of the National Association of REALTORS® for a one (1) year term;
- (6) Three (3) At-large Directors as elected by the State Association Board of Directors for one (1) year terms;
- (7) One (1) Director, each, from the three (3) largest real estate firms as elected by each firm for a one (1) year term. Such Director shall be a real estate broker, principal, partner, officer, director or member of the firm's management team; shall be a REALTOR® Member of a Local Board/Association within the State of Maryland. As used in this Section 1. A.(7) and in Section

3 of this Article V, the three (3) largest firms shall be determined on June 1 of each year and shall be calculated upon the number of real estate licensees affiliated with such firms based upon such method as shall be established from time to time by the State Association Board of Directors, which method may include, but shall not be limited to, the number of licensees affiliated with a firm in accordance with the records of the Maryland Real Estate Commission or the members of the State Association, in good standing, of each firm according to the records of the State Association. A qualified Director, as elected by each of the three (3) largest real estate firms, shall be eligible to complete his or her term of office as a Director regardless as to whether the firm that selected the Director shall cease to be one of the three (3) largest real estate firms during the Director's term of office. A Director as elected by one of the three (3) largest real estate firms who ceases to satisfy the eligibility requirements of this Section shall be ineligible to continue to serve as a Director and, in such event, the Director's position shall be deemed to be vacant and the real estate firm which elected the Director shall promptly elect a substitute Director to complete the unexpired term of office of the ineligible Director. If a real estate firm ceases to engage in the business of real estate brokerage, the Director's position from that firm shall be deemed to be vacant and the real estate firm that is then determined to be one of the three (3) largest firms shall elect a Director to fill the unexpired term;

- (8) Sixteen (16) Directors, one (1) from each Local Board/Association as elected by each Local Board/Association for a one (1) year term. Such Directors need not be an officer of the Local Board/Association. In the event of a vacancy of the Director as elected, the Local Board/Association shall promptly elect a substitute Director to complete the unexpired term of the Director position then vacant. If any Local Board/Association fails to submit to the State Association the name of the Director elected by the Local Board/Association at least ten (10) calendar days prior to the Annual Membership Meeting, the State Association Board of Directors shall elect the Director to which the Local Board/Association is entitled; and
- (9) Two (2) Directors as appointed, one (1) by the current President-Elect and one (1) by the Secretary for a one (1) year term, provided that the office of President-Elect to which office the current Secretary would ascend is uncontested for the next immediate elective year, and as approved by the State Association Board of Directors at its last meeting immediately prior to the election of Officers and Directors for the subsequent elective year. In the event the office of President-Elect is contested, the President-Elect as duly elected at the annual meeting of the Delegate Body as provided in Article VII of these Bylaws, on or before September 30, shall select the one (1) appointed director which the President-Elect is entitled to appoint for approval by the Board of Directors at a duly called meeting of the Board of Directors. In the event of a vacancy of a Director, appointed by the President-Elect (now serving as President or by the President-Elect), the President or the President-Elect, as the case may be, shall appoint, subject to the approval of the State Association Board of Directors, a substitute Director to complete the unexpired term of the Director position then vacant.

(10)One (1) Chief Staff/Association Executive of a Local Board/Association appointed by the President for a one (1) year term, who shall not have the right to vote, and who shall not be entitled to participate in any Executive Session of the Board of Directors.

(11)Except as provided in Section 1.A (10) of this Article V, only Local Board/Association Members and Individual Members shall be eligible to serve as a Director in the State Association.

No Director may serve more than two (2) consecutive terms as a Director unless such Director shall be subsequently elected as a State Association Officer; appointed as chairperson of the National Association of REALTORS® Directors' Caucus; elected or appointed to serve on the Executive Committee of the National Association of REALTORS®; or shall be the Immediate Past President of the State Association.

Section 2. The State Association Board of Directors shall administer the finances of the State Association and shall have sole authority to appropriate money. The accounts of the State Association shall be audited annually by a certified public accountant.

Section 3.

A. There shall be an Executive Committee of the State Association Board of Directors comprised of the President, President-elect, Secretary, Treasurer, the Immediate Past President, the two (2) Directors appointed as provided in Section 1. A. (9) of this Article V, the one (1) Chief Staff/Association Executive of a Local Board/Association appointed by the President under Section 1 A (10) of this Article for a one (1) year term, who shall not have the right to vote, and who shall not be entitled to participate in any Executive Session of the Executive Committee, any primary Local Board/Association Member or Individual Member who is elected or appointed to serve on the Executive Committee of the National Association of REALTORS®, and one (1) representative, each, for the following specified groups, who shall serve on the Executive Committee for a term of one (1) year:

(1) Local Boards/Associations as chosen by the Local Boards/Associations of the State Association;

(2) State Association At-large Directors as chosen by the State Association At-large Directors;

(3) State Association District Vice Presidents as chosen by the State Association District Vice Presidents; and

(4) The three (3) largest firms as chosen by the three (3) largest firms.

B. The representatives from the groups specified in Subsection A of this Section 3 shall be chosen as indicated and the State Association shall be notified, in writing, of the name of the individual(s) so chosen at the time of or within fifteen (15) days following the Annual Membership Meeting of the State Association at which the Officers, District Vice Presidents, and At-large Directors are elected.

In the event one (1) or more representative(s) of the specified group(s) shall not be chosen and written notice of the individual(s) selected shall not be received by the State Association within the period as set forth herein, the State Association Board of Directors shall select an individual from the applicable group(s) to serve on the Executive Committee.

- C. The Executive Committee shall make recommendations to the State Association Board of Directors, shall conduct the normal day-to-day business and shall summarize action to the State Association Board of Directors at its next meeting.

Section 4. The State Association may retain legal and other professional counsel and fix the terms of compensation thereof pursuant to the State Association's Policies and Procedures Manual.

Section 5. Except as provided in Section 1. A. (7) and 1.A. (8) of this Article V, any vacancy of a Director occurring in the State Association Board of Directors shall be filled by a majority vote of the State Association Board of Directors for the unexpired term. The seat of any Director shall be considered to be automatically vacated should such Director be absent from two (2) consecutive meetings of the State Association Board of Directors without an acceptable excuse.

Section 6.

- A. The State Association Board of Directors shall meet at least three times each year.
- B. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, pursuant to the provisions of Sections 2-408 and 2-409 of the corporations and Associations Article of the Annotated Code of Maryland, as from time to time amended.
- C. To the fullest extent permitted by law, the Board of Directors may conduct business by electronic means or by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting.

Section 7. Special meetings of the State Association Board of Directors may be called at any time upon ten (10) days written notice by the President or by any ten (10) Directors.

Section 8. Notice of State Association Board of Directors meetings involving Bylaw changes shall be made, in writing, at least thirty (30) calendar days prior to the meeting date, with a copy of the proposed changes attached to said notice of meeting.

Section 9. Indemnification to the maximum extent authorized from time to time by law shall be provided to the State Association's Officers, Directors, employees and agents.

Section 10. State Association allocated National Association of REALTORS® Directors shall be elected by the State Association Board of Directors by the highest plurality of votes. In those instances where more than one person is to be nominated to identically termed Directorships, the nominees receiving the highest number of votes shall be deemed elected. Each ballot in order to be deemed valid must contain

the same number of distinct names as the number of Directorships to be filled. In the event of a tie vote, the elections shall be determined by lot.

Section 11. Except as otherwise specified in these Bylaws, a majority of all members of the State Association Board of Directors entitled to vote shall constitute a quorum. Any act of a majority of the State Association Board of Directors entitled to vote and who are present at any meeting of the State Association Board of Directors shall constitute the act of the State Association Board of Directors. Voting by proxy shall not be permitted. In the event a Director as designated by a Local Board/Association or by one of the three (3) largest real estate firms shall be unable or unwilling to attend any meeting of the State Association Board of Directors, the Local Board/Association or real estate firm affected may designate an alternate Director. Notice of such alternate Director shall be reported in writing at the time that the meeting of the State Association Board of Directors convenes. The alternate Director shall have the full power to act to the same extent as the original Director. The authority of an alternate Director so designated as herein provided shall terminate upon the adjournment of the State Association Board of Directors meeting for which the alternate Director was designated. The designation of an alternate Director shall not constitute a designation of a substitute Director.

Section 12. The State Association Board of Directors shall employ a Chief Executive Officer, who shall be chief administrative officer of the State Association. The Chief Executive Officer shall perform such duties as may be delegated by the State Association Board of Directors. The Chief Executive Officer shall provide a fidelity bond in such amount as the State Association Board of Directors may determine, the cost to be paid by the State Association. The Chief Executive Officer may employ such other persons as may be necessary to conduct the activities of the State Association.

ARTICLE VI - ELECTION OF OFFICERS AT-LARGE DIRECTORS, AND DISTRICT VICE PRESIDENTS; APPOINTMENT OF CREDENTIALS COMMITTEE

Section 1. The election of Officers shall be held at the Annual Membership Meeting of the State Association. The election of the At-large Directors and District Vice Presidents shall be held at the meeting of the State Association Board of Directors held in conjunction with the Annual Membership Meeting. The elective year of the State Association shall commence on the first day of the month immediately following the Annual Membership Meeting.

With respect to At-large Directors, the Eligible Candidates (as defined in Section 5 of this Article) receiving the highest number of votes shall be elected. Each ballot in order to be deemed valid must contain the same number of distinct names as the number of At-large Directorships to be filled. In the event of a tie vote, the elections shall be determined by lot.

District Vice Presidents shall be elected by majority vote. If no Eligible Candidate for District Vice President (as defined in Section 4 of this Article) receives a majority vote, then the two Eligible Candidates for that office receiving the greatest number of votes shall remain on the ballot and a run-off election shall be

held as between those two Eligible Candidates. In the event of a tie vote, the elections shall be determined by lot.

Section 2. There shall be a Credentials Committee of the State Association comprised of one (1) member from each of the Districts established pursuant to Article XIV herein. On or before December 31 of each year, each District shall appoint one (1) member, in accordance with the Credentials Policy Manual as adopted by the State Association Board of Directors from time to time.

The President shall select one (1) member of the Credentials Committee to serve as Chair of the Credentials Committee. The President-Elect shall select one (1) member of the Credentials Committee to serve as Vice Chair of the Credentials Committee. The Chair shall not be entitled to vote except when his or her vote will affect the result, such as to break or cause a tie. Any member of the Credentials Committee who submits an application for elective office of the State Association shall resign from the Credentials Committee. In the event of any vacancy on the Credentials Committee, an alternate shall be appointed to serve the remainder of that member's term, as set forth in the Credentials Policy Manual.

Section 3.

- A. Members who are interested in applying for the officer positions of President-Elect, Treasurer or Secretary shall submit to the Credentials Committee, in writing, not later than March 1 of the year in which the election is held, an application for such officer position providing the Credentials Committee with such information on such form as shall be required by the Credentials Committee from time to time.
- B. The Credentials Committee shall publish on the State Association website not later than April 20 of the year in which the election is held the names of all applicants deemed by the Credentials Committee to be eligible for the offices of President-Elect, Treasurer, and Secretary ("Eligible Candidates").
- C. On or before the first day of March of the year in which the election is held, Eligible Candidates for the office of President-Elect, Treasurer and Secretary shall:
 - (1) Have served a minimum of three (3) one-year terms as a member of a State Association Committee or an Advisory Group (excluding Task Force and/or Work Group Service), which one - year terms may be on the same or different State Association Committee or Advisory Group and which one - year terms need not be consecutive, but shall not be concurrent;
 - (2) Have served a minimum of two (2) years as a Director as defined in Article V, Section 1 of these Bylaws of the State Association Board of Directors which two (2) years' service need not be consecutive;
 - (3) Be and have been a primary REALTOR® Member of the State Association as defined in Article II, Section 3 of these Bylaws for five (5) consecutive years immediately preceding the taking of office;

- (4) For the office of Treasurer, have served a minimum of one (1) year as Treasurer of a Local Board/Association or a REALTOR® related organization, such as a Council, Society or Institute of the National Association of REALTORS®, whether a local, State or national Chapter, or two (2) years on the State Association Finance Committee. In lieu of the above-referenced experience, a candidate may possess a degree in finance or accounting or substitute other experience that demonstrates, to the satisfaction of the Credentials Committee, a substantial understanding of the principles of finance and accounting relevant to REALTOR® organizations; and
 - (5) Such other and further criterion as shall be established by the Credentials Committee and set forth in the Credentials Policy Manual, as adopted by the State Association Board of Directors from time to time.
- D. If, between the date of the report of the Credentials Committee as provided in Section 3.B. of this Article VI and the date of the Annual Membership Meeting of the State Association, an Eligible Candidate for the office of President-Elect, Treasurer, or Secretary included on the list published by the Credentials Committee shall become ineligible, unable or unwilling to serve in the office and there are no other Eligible Candidates willing or able to serve, the State Association shall solicit and the Credentials Committee shall evaluate replacement candidates as set forth in the Credentials Policy Manual.

Section 4.

- A. The Credentials Committee shall publish on the State Association website not later than April 20 of the year in which the election is held the names of all Eligible Candidates for District Vice President of each district as submitted by the district.
- B. On or before the first day of March of the year in which the election is held, Eligible Candidates for District Vice President shall meet the following minimum qualification criteria:
 - (1) Be and have been a primary REALTOR® Member of the State Association as defined in Article II, Section 3 of the Bylaws for five (5) consecutive years immediately preceding the taking of office;
 - (2) (i) Have been a State Association Director for at least one (1) one-year term and attended at least three (3) State Association Director's meetings; or (ii) Have been a director or elected officer of a local board/association in such district for at least two (2) years;
 - (3) Have served for at least two (2) one-year terms on any State Association Committee, which one-year terms need not be consecutive, but may not be concurrent; and
 - (4) Such other and further criterion as shall be established by the Credentials Committee and set forth in the Credentials Policy Manual, as adopted by the State Association Board of Directors from time to time.

- (5) If any district fails to submit to the Credentials Committee by March 31 the name of an applicant for District Vice President, the State Association shall name an applicant for District Vice President for the district which failed to submit such name provided, however, that such applicant as named by the State Association shall hold primary Membership in the Local Board(s)/Association(s) comprising such district.
- (6) If, between the date of the report of the Credentials Committee as provided in Section 4.A. of this Article VI and the date of the meeting of the State Association Board of Directors held in conjunction with the Annual Membership Meeting, an Eligible Candidate for District Vice President shall become ineligible, unable or unwilling to serve and there are no remaining Eligible Candidates willing or able to serve, replacement candidate(s) for District Vice President shall be submitted by the Local Boards/Associations comprising such District and evaluated by the Credentials Committee as set forth in the Credentials Policy Manual.

Section 5.

- A. Members who are interested in applying for At-large Director shall submit to the Credentials Committee, in writing, not later than March 1 of the year in which the election is held, an application for such At-large Director position providing the Credentials Committee with such information on such form as shall be required by the Credentials Committee from time to time..
- B. The Credentials Committee shall publish on the State Association website not later than April 20 of the year in which the election is held the names of all Eligible Candidates for each At-large Director vacancy.
- C. On or before the first day of March of the year in which the election is held, Eligible Candidates for At-large Director shall meet the following minimum qualification criteria:
 - (1) Be and have been a primary REALTOR® Member of the State Association as defined in Article II, Section 3 of the Bylaws for five (5) consecutive years immediately preceding the taking of office;
 - (2) (i) Have been a State Association Director for at least one (1) one-year term and attended at least three (3) State Association Director's meetings; or (ii) Have been a director or elected officer of a local board/association in such district for at least two (2) years; and
 - (3) Have served for at least two (2) one-year terms on any State Association Committee, which one - year terms need not be consecutive, but may not be concurrent; and
 - (4) Such other and further criterion as shall be established by the Credentials Committee and set forth in the Credentials Policy Manual, as adopted by the State Association Board of Directors from time to time.

- D. If, between the date of the report of the Credentials Committee as provided in Section 5.B. of this Article VI and the date of the meeting of the State Association Board of Directors held in conjunction with the Annual Membership Meeting, an Eligible Candidate for the office of At-large Director shall become ineligible, unable or unwilling to serve in the office and there are fewer remaining Eligible Candidates than vacancies, the State Association shall solicit and the Credentials Committee shall evaluate replacement candidates as set forth in the Credentials Policy Manual.

Section 6. In the absence of unusual or unforeseen circumstances or the inability or unwillingness to perform the duties of the office of President, the President-Elect shall succeed to the office of President.

ARTICLE VII - MEMBERSHIP MEETINGS, NOTICE AND QUORUM

Section 1. The State Association shall hold an Annual Membership Meeting in the month of September, the time and place to be designated by the State Association Board of Directors. Eligible Candidates for the officer positions of President-Elect, Treasurer, or Secretary of the State Association shall be subject to election by majority vote at the Annual Membership Meeting in accordance with Article VIII of these Bylaws. If no Eligible Candidate for a particular office receives a majority vote, then the two Eligible Candidates for that office receiving the greatest number of votes shall remain on the ballot and a run-off election shall be held as between those two Eligible Candidates. In the event of a tie vote, the elections shall be determined by lot.

Special membership meetings may be called by the State Association Board of Directors. Any call for a special membership meeting shall state the purpose, time and place of the meeting, and shall be made in writing at least ten (10) days in advance of the special meeting.

Section 2. Notice of State Association Membership meetings involving Bylaw changes shall be given at least thirty (30) calendar days prior to the meeting date, with written notice of the substance of the proposed changes attached to said notice of meeting.

Section 3. Presidents of a majority of the Local Boards/Associations or their accredited alternates shall constitute a quorum at any Membership meeting or convention, providing that a majority of the State Association Membership is represented.

Section 4. Meetings shall be presided over by the President or, if the President is not present, the next officer in line. The Secretary shall act as Secretary of such meeting. If the Secretary is not present, the presiding officer shall appoint an interim Secretary.

ARTICLE VIII - DELEGATE BODY

Section 1. Voting shall be by Local Boards/Associations. At any membership meeting or convention of the State Association, any delegate may demand a division of the vote. Each Local Board/Association shall be represented by the President or by another primary REALTOR® Member previously accredited by the Local Board/Association who shall be entitled to cast one (1) vote for each Local Board/Association

primary REALTOR® Member in good standing and who has remitted dues to the State Association, including Emeritus Members. The number of votes to which a Local Board/Association shall be entitled shall be equal to the number of its Local Board/Association primary REALTOR® Members on file with the State Association on the first day of the month preceding the month in which the meeting is held. The vote of a Local Board/Association, if it so desires, may be divided. Voting by proxy shall not be permitted.

Section 2. Individual Members may vote in person at any meeting which the Presidents of the Local Boards/Associations may vote.

ARTICLE IX - COMMITTEES

Section 1. With the exception of the Credentials Committee, the President shall appoint all committees necessary to carry out the objectives of the State Association. From time to time, the President may appoint committees, advisory groups, and task forces as required. The President may consult with the President-Elect as to the appointment of vice chairs of committees, advisory groups, and task forces. The President may consult with chairs and vice chairs as to the appointment of committee, advisory group, and task force members. Any vacancy occurring on any standing committee shall be filled for the unexpired term by appointment by the President.

Section 2. Committees shall have such duties as their titles indicate, and as the State Association Board of Directors may assign. Standing committees are those permanently established to perform the normal functions necessary for the operation of the State Association. All actions of the appointed committees shall be subject to the approval of the Executive Committee and, if deemed necessary by the Executive Committee, the State Association Board of Directors.

Section 3. The Former Presidents of the State Association who are members in good standing shall constitute an advisory committee which shall be available for consultation by the President or by the other Officers and by the State Association Board of Directors.

Section 4. With the exception of the Credentials Committee, the State Association President and the Chief Executive Officer are ex-officio, non-voting members of all committees and task forces.

Section 5.

- A.** Any action required or permitted to be taken at any meeting of a committee may be taken without a meeting, pursuant to the provisions of Sections 2-408 and 2-409 of the Corporations and Associations Article of the Annotated Code of Maryland, as from time to time amended.
- B.** To the fullest extent permitted by law, a committee may conduct business by electronic means or by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting.

ARTICLE X – FISCAL YEAR

The fiscal year of the State Association shall be November 1 through October 31.

ARTICLE XI – CODE OF ETHICS

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

ARTICLE XII - PROFESSIONAL STANDARDS

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

Section 1. Allegations or ethical violations and contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® and between REALTORS® and their customers or clients may be submitted to an ethics or arbitration panel at the State Association level under the following circumstances:

- A. Allegations of unethical conduct made against a REALTOR® or REALTOR-ASSOCIATE® who is directly a member of the State Association and not a member of any Local Board/Association.
- B. Allegations of unethical conduct made against a REALTOR® or REALTOR-ASSOCIATE® in the instance in which the Local Board/Association, because of size or other valid reason, determines that it cannot provide a due process hearing of the matter and petitions the State Association to conduct a hearing.
- C. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are not members of the same Local Board/Association where the matter has been referred to the State Association by both Local Board/Association.
- D. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are directly members of the State Association and are not members

of any Local Board/Association.

- E. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between a REALTOR® who does not hold membership in any Local Board/Association, but is directly a member of the State Association, and a REALTOR® who is a member of a Local Board/Association.
- F. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTOR® Members of the same Local Board/Association where the Local Board/Association with good and sufficient reason is unable to arbitrate the controversy. (Explanation: This provision is not designed to relieve a Local Board/Association of its primary responsibility to resolve differences arising between members of the same Local Board/Association. The section recognizes that in some Boards with limited membership, usual arbitration procedures may be impossible.)
- G. Contractual disputes between a customer or a client and a REALTOR® where the Local Board/Association with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a direct member of the State Association.

Section 2. Ethics and arbitration proceedings, including attendant forms, procedures, checklist and definitions, shall be in accordance with and shall be governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as amended from time to time, (the “NAR Manual”), as modified and as adopted by the Code of Ethics and Arbitration Manual of the State Association (the “Maryland REALTORS® Manual”), as amended from time to time to comply with the NAR Manual, Maryland law and to be consistent with the limited role of the state Association in such proceedings. For the purpose of this Section 2, the NAR Manual, as amended from time to time, and the Maryland REALTORS® Manual, as amended from time to time, are expressly incorporated in and made a part of these Bylaws.

Section 3. If an Individual Member (as defined in Article II, Section 4, of these Bylaws) resigns from the Local Board/Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Local Board/Association with respect to disposition of the complaint is final by this Local Board/Association (if respondent does not hold membership in any other Local Board/Association) or by any other Local Board/Association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Local Boards/Associations 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 Local Board/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®. If an Individual Member (as defined in Article II, Section 4, of these Bylaws) resigns from or otherwise causes membership in the Local Board/Association 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 Individual Member was a REALTOR®.

Section 4. Applicants for Individual Membership shall complete an Orientation Program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This Orientation Program shall meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS®. This requirement does not apply to applicants who have completed comparable orientation in another Local Board/Association, provided that membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within 180 days of the date of application will result in denial of the membership application.

Section 5. Effective January 1, 2017, through December 31, 2018, and for successive two (2) year periods thereafter, each Individual Member of the State Association shall be required to complete biennial ethics training of not less than two hours and thirty minutes of instructional time, as required by the National Association of REALTORS®. This requirement will be satisfied upon presentation of documentation that the Individual Member has completed a course of instruction conducted by the State Association or another Local Board/Association, or 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. Individual Members who have completed training as a requirement of membership in another Local Board/Association and Individual Members who have completed the new member Code of Ethics Orientation during any two-year cycle shall not be required to complete additional ethics training until a new two (2) year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty for which membership in the State Association shall be suspended until such time as the training is completed.

Failure to meet the requirement for a two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

ARTICLE XIII - USE OF THE TERMS REALTOR® AND REALTORS®

Section 1. Use of the terms REALTOR® or REALTORS® by members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the National Association of REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The State Association shall have authority to control, jointly and in full cooperation with the National Association of REALTORS®, use of the terms within those areas of the State of Maryland not within the jurisdiction of a Member Local Board/Association. 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 National Association of REALTORS® Code of Ethics and Arbitration Manual.

Section 2. REALTOR® Members of the State Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their business so long as they remain REALTOR® Members in good standing. No other class of members shall have this privilege.

Section 3. A REALTOR® Member who is a principal of a real estate firm, partnership or corporation may use the terms REALTOR® or 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® or Institute Affiliate Members.

Section 4. An Institute Affiliate Member shall not use the terms REALTOR® or REALTORS®, and shall not use the imprint of the emblem seal of the National Association of REALTORS®.

Section 5. Individual Members of the State Association shall have the privilege of using the terms REALTOR® or REALTORS® in connection with their business so long as they remain Individual Members in good standing.

Section 6. An Individual Member of a firm, partnership, corporation, or trust may use the terms REALTOR® or REALTORS® only if all of the principals, partners or officers of such firm, partnership, or corporation who are actively engaged in the real estate business within the state or a state contiguous thereto are also Individual Members of the State Association.

ARTICLE XIV – DISTRICTS

Section 1. The State Association Board of Directors, for the purpose of the election of members to the Executive Committee of the State Association Board of Directors, shall divide the State into districts in accordance with the criteria as set forth in Section 2 of this Article XIV.

Section 2. In establishing districts, the State Association Board of Directors shall consider the geographical location, and the common market areas of the Local Boards/Associations comprising each district.

Section 3. The districts of the State shall be as follows:

District 1 - Comprised of the Greater Baltimore Board of REALTORS®, Inc.

District 2 - Comprised of the Greater Capital Area Association of REALTORS®, Inc.

District 3 - Comprised of Prince George's County Association of REALTORS®, Inc.

District 4 - Comprised of the Historic Highlands Association of REALTORS®, Inc.; the Frederick County Association of REALTORS®, Inc.; the Garrett County Board of REALTORS®, Inc. and the Pen-Mar Regional Association of REALTORS®, Inc.

District 5 - Comprised of the Harford County Association of REALTORS®, Inc.; the Howard County Association of REALTORS®, Inc. and the Carroll County Association of REALTORS®, Inc.

District 6 - Comprised of the Anne Arundel County Association of REALTORS®, Inc.

District 7 - Comprised of the Bay Area Association of REALTORS®, Inc.; the Cecil County Board of REALTORS®, Inc. and the Mid-Shore Board of REALTORS®, Inc.

District 8 - Comprised of the Coastal Association of REALTORS® of Maryland, Inc.

District 9 - Comprised of the Southern Maryland Association of REALTORS®, Inc.

Section 4. Redistricting may be made at any time, subject to the approval of the State Association Board of Directors.

ARTICLE XV - RULES OF ORDER

Section 1. Robert's Rules of Order, Latest Edition, shall be recognized as the authority governing all meetings and conferences when not in conflict with the Bylaws of the State Association.

Section 2. References to gender in these Bylaws, whether masculine or feminine and in each instance, shall be construed to be gender neutral.

ARTICLE XVI - AMENDMENTS

Section 1.

- A.** Except as provided in Section 1(B) of this Article XVI, these Bylaws may be amended at any meeting of the membership by the affirmative vote of two-thirds of the total number of votes cast by Local Board/Association Presidents or accredited alternates and Individual Members present and voting provided that a quorum is present, and provided further that written notice of the substance of any proposed amendment(s) shall first have been sent to each Local Board/Association and Individual Member at least thirty (30) calendar days in advance of the meeting.
- B.** The State Association Board of Directors at any regular or special meeting of the State Association Board of Directors at which a quorum is present may approve and adopt amendments to these Bylaws which are mandated by NAR policy, provided that notice of such proposed amendments shall be mailed to any director eligible to vote at least thirty (30) days prior to meeting of the State Association Board of Directors at which the proposed amendments shall be voted upon. Any amendments to these Bylaws as adopted under this Section 1(B) shall be effective as of the date of adoption by the State Association Board of Directors and shall not be required to be approved by the membership under Section 1(A) of this Article XVI.

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

ARTICLE XVII - CORPORATE SEAL

The Corporate Seal of the State Association shall be circular in form and shall have inscribed thereon the name of the State Association, the year of its incorporation and the word "Maryland."

ARTICLE XVIII - DEPOSIT AND INVESTMENT POLICY

The funds of the State Association shall be deposited, invested, withdrawn or drawn upon in accordance with the established Deposit and Investment Policy as from time to time adopted and/or amended by the State Association Board of Directors. Such officers or agents of the State Association as designated from time to time by the State Association Board of Directors shall have the authority to deposit, invest, withdraw or draw upon the funds of the State Association in accordance with the established Deposit and Investment Policy as from time to time adopted and/or amended by the State Association Board of Directors.

ARTICLE XIX - HARASSMENT

Any member of the State Association may be reprimanded, placed on probation, suspended, expelled or terminated for harassment of a State Association employee or a State Association Officer or Director after an investigation in accordance with the procedures of the State Association. As used in this section, harassment means any verbal or physical conduct or electronic communications, including social media posts, which consist of threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contacts, 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, President-Elect and/or Secretary 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 State Association. Disciplinary action may include any sanction authorized in the National Association of REALTORS®' Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Secretary, 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 office not named in the complaint.

ARTICLE XX - DISSOLUTION

Upon the dissolution of the State Association, the State Association Board of Directors after providing for the payment of all obligations shall distribute any remaining assets to a non-profit and tax-exempt organization to be determined by the State Association Board of Directors.