

Northern Virginia
Association of REALTORS®

2008 Bylaws



Updated: 01.18.2008

ARTICLE I - NAME

Section 1. *Name*

The name of this organization shall be the Northern Virginia Association of REALTORS®, Inc., hereafter 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 the high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

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

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

Section 5. To unite those engaged in the real estate profession in this community with the Virginia 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® shall include the Cities of Alexandria, Fairfax, and Falls Church, and the Counties of Arlington and Fairfax, Virginia as allocated by the Board of Directors of the National Association, and all Townships, or other political subdivisions now incorporated or that may be incorporated within the geographical boundaries or perimeter of the above territorial jurisdiction.

Section 2. Territorial Jurisdiction is defined to mean:

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

ARTICLE IV - MEMBERSHIP

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

A. *REALTOR® Members.* REALTOR® Members whether primary or secondary shall be:

1. Individual real estate licensees or licensed or certified appraisers 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, who maintain or are associated with an established real estate office located within the state of Virginia or a state contiguous thereto (unless a secondary member). Each individual shall supply evidence satisfactory to the Association that he is actively engaged in the real estate profession and maintains a current, valid real estate license or appraiser certification. Such individuals must have no record of recent (i.e., within the past three (3) years) or pending bankruptcy, have no record of official sanctions involving unprofessional conduct, have agreed 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®.

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 of Virginia or a state contiguous thereto, shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a Board of REALTORS® within the state or a state contiguous thereto_ unless qualified for Institute Affiliate Membership as described in Section 1 (B) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (B) of Article IV.

* No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past 3 years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board establishes that its interests and those of its members and the public could not be

adequately protected by requiring that the bankrupt applicant pay cash in advance for Board and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a cash basis@ from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

- * * No record of official sanctions involving unprofessional conduct is intended to mean that the Board may only consider judgments within the past 3 years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.
2. Individual real estate licensees or licensed or certified appraisers who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, and are 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 Board (if a Secondary Member). Such individuals must also have completed the course of instruction referenced in Paragraph (A)(1) of this Section.
 3. Primary and Secondary REALTOR® Members. An individual is a Primary Member if the Association pays state and National dues based on such member. An individual is a Secondary Member if state and National dues are remitted through another Board. 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.
 4. Designated REALTOR® Members. Each firm shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The Designated REALTOR® must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article IV, Section 1(A)(1) of the Bylaws.
 5. Individual REALTOR® *Members* who have been awarded the designation of the REALTOR® Emeritus by the NATIONAL ASSOCIATION OF REALTORS® shall automatically be designated a REALTOR® Emeritus of this Association. The REALTOR® Emeritus designation is permanent and the Member so designated retains all rights and privileges of a REALTOR® Member.
 6. Corporate Officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least 150 franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions established 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 board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise firm's name; and the right to hold elective office in the local board, state association or National Association.

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

C. *Affiliate Members.* Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (A) and (B) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

D. *Public Service Members.* Public Service Members shall be individuals, firms or organizations, such as officials or salaried employees of educational, public utility, governmental, or other similar organizations who, due to the nature of their profession, make a direct contribution to enhance the real estate profession and promote the objectives of the Association but who are not engaged in the real estate profession on their own account, or in association with an established real estate office.

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, and 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 real estate business on their own account or are not associated with an established real estate office.

ARTICLE V - APPLICATION AND ELECTION TO MEMBERSHIP

Section 1. Application

A. General - Application for Membership or change in membership category 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 that applicant has or has had access to, has carefully reviewed, and if elected a member, will abide by the Bylaws and the Rules and Regulations of the Association, the Bylaws of the Virginia Association of REALTORS®, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and if a REALTOR® Member will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual as approved by the National Association, as from time to time amended. The application form may also contain among the statements to be signed by the applicant that the applicant consents that the Association, through its Membership Department 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, along with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

B. REALTOR® Emeritus - The Membership Department of this Association will forward the certification forms to the NATIONAL ASSOCIATION OF REALTORS® for this designation as licensed REALTOR® Members become eligible under the criteria established by the NATIONAL ASSOCIATION OF REALTORS®.

C. Applications for all categories of Membership shall be submitted to the Membership Department.

Section 2. Election

The procedures for election to Membership shall be as follows:

A. Provisional Membership

- 1 Applications for REALTOR® and Affiliate Membership shall 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 subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the association's bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program within 60 days from the association's receipt of their application), membership may at the discretion of the Board of Directors, be terminated.

NOTE 1: 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 Board or Association of REALTORS® for violation of the Code of Ethics.

2. Applications for Institute Affiliate, Affiliate, Public Service, and Student Memberships shall 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 have the same privileges and obligations of their membership category. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. 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 their membership, provisional membership may, at the discretion of the Board of Directors, be terminated.

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

C. The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he 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 provisional membership should be terminated, it shall record its reasons with the Secretary-Treasurer. If the Board of Directors believes that termination of provisional membership may become the basis for litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the Board for declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

E. The Membership Department shall forward applications for Institute Affiliate, Affiliate, Public Service, Honorary, and Student Memberships to the Board of Directors for final action within sixty (60) days of the date of the applications.

F. The Board of Directors may not reject an application without providing the applicant with advance notice of the findings and recommendations of the Membership Department, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he 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.

G. If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Secretary-Treasurer. If the Board of Directors believes that applicant may resort to litigation and/or a claim of damage because of rejection of application, it may specify that rejection shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment that the rejection violates no rights of applicant.

H. The Association will also consider the following in determining an applicant's qualifications for REALTOR® Membership:

1. All final findings of Code of Ethics violations and violations of other Membership duties in any other association within the past three years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS

"Provisional" Membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for Membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2 (A) Note 1) provided all other qualifications for Membership have been satisfied. Associations may reconsider the Membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that Provisional Membership is approved. Provisional Members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® Membership.

If a Member resigns from another association with an ethics complaint or arbitration request pending, the association may condition Membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. *Status Changes*

A. A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Association within 30 days from the date of changes of the condition of membership. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or alternatively, becomes a principal in a

new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members, but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Board 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 change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

C. Dues shall be prorated from the first day of the quarter in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year.

Section 4. New Member Code of Ethics Orientation:

Applicants for REALTOR® Membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® Membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® Membership has been continuous, or that any break in membership is for one year or less.

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

NOTE: Orientation programs must meet learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.

Section 5. Continuing Member Code of Ethics Training:

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTOR® Member of the Association shall be required to complete quadrennial ethics training of not less than two hours and thirty 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 four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

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

Members suspended for failing to meet the requirement for the first four (4) year cycle (2001-2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership.

Failure to meet the requirement for the second (2005-2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of any member who is still suspended as of that date will be automatically terminated.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

Section 2. Any Member of the Association may, after a hearing as provided in the Code of Ethics and Arbitration Manual as approved by the NATIONAL ASSOCIATION OF REALTORS®, be reprimanded, fined, suspended, or expelled by the Board of Directors for (1) a violation of these Bylaws or Association Rules and Regulations that are not inconsistent with these Bylaws, or in the case of REALTOR® Members a violation of the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, or (2) 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 that is otherwise inconsistent with or adverse to the objectives and purposes of the local Association, the state association, and the NATIONAL ASSOCIATION OF REALTORS®. Although members other than REALTOR® Members 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.

Section 3. *REALTOR® Members (Whether Primary or Secondary)*

A. Only REALTOR® Members whose financial obligations to the Association are paid in full shall be entitled to vote or hold elective office in the Association.

B. Only REALTOR® Members may use the terms REALTOR® or REALTORS®, which use shall be subject to the provisions of Article VIII.

C. REALTOR® Members have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

D. 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, then, during the period of suspension, or until readmission to REALTOR® Membership, unless connection with the firm, partnership, or corporation is severed or management control is relinquished, which ever may apply, (I) the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business, (ii) the Membership of all other principals, partners, or corporate officers shall suspend or terminate, and (iii) the membership of REALTORS® other than principals who are employed or affiliated as independent contractors with the disciplined Member shall suspend or terminate or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply.

Removal of the suspended or expelled individual from any form or degree of management control must be certified, under notarial seal, to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm the membership of other partners, corporate officers or other individuals affiliated with firm shall not be effected, 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 readmitted 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.

If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or 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; nor shall the Membership of any other person in the firm, partnership or corporation be affected.

E. In any action taken against a REALTOR® Member for suspension or expulsion under Section 3(D) 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 3(D) shall apply.

F. REALTORS® shall not allow their names to be used as broker for any firm, individual, or group of individuals engaged in the real estate practice unless such REALTORS® are actually and actively acting as such in connection with such firm, individual or group of individuals.

G. REALTOR® Broker Members shall furnish the Administrative Executive with their office addresses. REALTOR® Members shall furnish the Association with any change in their home address.

H. Any notice mailed to such address shall be considered service upon the addressee as of the date of mailing. When a real estate salesperson or broker of a firm joins or leaves said firm, the firm shall notify the Association in writing within ten (10) days.

Section 4. *Institute Affiliate Members*

Institute Affiliate Members shall have such rights and privileges and be subject to such obligations as are prescribed by the Board of Directors in compliance with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

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

Section 5. *Affiliate, Public Service, and Student Members*

Affiliate Members, Public Service Members, and Student Members shall have such rights and privileges and be subject to such obligations as are prescribed for each category of membership by the Board of Directors.

Section 6. *Honorary Members*

Honorary Members shall have all the rights and privileges of the Association except the right to use the terms REALTOR® or REALTORS® and excepting the right to vote or hold elective office in the Association. Consideration for Honorary Membership may be at the request of the former member requesting such membership, or by the request of any REALTOR® Member of the Association.

Section 7. *Resignations and/or Terminations*

Resignations and/or terminations of Members shall become effective when received in writing by the Association. Upon receipt of a resignation and/or termination, if the Member is indebted to the Association for dues, fees, fines, or other assessments of the Association or of any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the member to reapply for membership upon payment in full of all such monies owed. If a REALTOR® Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that the applicant will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

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

Section 8. Harassment

Any member of the Association may be reprimanded, placed on probation, suspended, or expelled for harassment of an Association employee or Association Officer or Director after a hearing in accordance with the established procedures of the Association. The decision of the appropriate disciplinary action to be taken shall be made by the review tribunal comprised of the Chairman of the Board, and Chairman of the Board-Elect and Secretary-Treasurer and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with counsel for the Association. If the complaint names the Chairman of the Board, Chairman of the Board-Elect, or Secretary-Treasurer, they may not participate in the proceedings and shall be replaced by the Immediate Past Chairman of the Board or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. Disciplinary action may also consist of any sanction authorized in the association's Code of Ethics and Arbitration Manual. 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.

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. 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®, with supplement, as from time to time amended, which by this reference is made a part of these Bylaws; provided, however, that any provision deemed inconsistent with 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 the Association to abide by the Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Association as from time to time amended.

Section 3. The responsibility of the Association and of 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 Northern Virginia Association of REALTORS® with the Virginia Association of REALTORS®, which by this reference is made a part of these Bylaws.

ARTICLE VIII - USE OF THE TERMS REALTOR® OR 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 Association shall have authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction.

Section 2. REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® or 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® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® or REALTORS® only if all of the principals of such firm, partnership or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members of the Association or Institute Affiliate Members as described in Section 1 (B) of Article IV.

A. In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

Section 4. Institute Affiliate Members shall not use the terms REALTOR® 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 of the Virginia Association of REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Virginia Association of REALTORS® without further payment of dues. The Association shall continue as a member of the state and National Associations, unless by a majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case the state and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

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

Section 3. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce 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 Virginia Association.

ARTICLE X - DUES AND ASSESSMENTS

Section 1. *Application Fee*

The Board of Directors may adopt an application fee which may vary by Membership category. The application fee for REALTOR® Membership shall not exceed three (3) times the amount of the REALTOR® Membership annual dues. All applications shall become the property of the Association upon final approval.

Section 2. *Dues*

The annual dues of members shall be as follows:

- A. REALTOR® Members. The annual dues of each REALTOR® Member shall be:
1. A sum as determined annually by the Board of Directors of the Association.
 2. Any Designated REALTOR® Member shall be required to pay as an addition to his/her own local dues, an amount equal to the dues times the number of real estate sales persons and licensed or certified appraisers who are (a) employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Members, and (b) are not REALTOR® Members of any Board in the state or state contiguous thereto, or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a designated Member, non-member licensees as defined in 2(a) and 2(b) above 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 state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the Board to which dues have been remitted. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (2) hereof) 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 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 Designated REALTOR® (as defined in 2(a) and 2(b) 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 board.

B. Limited Function Referral Office: A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

C. Institute Affiliate Members. The annual dues for each Institute Affiliate Member shall be in such amount as established annually by the Board of Directors.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$75.00). The National Association shall credit \$25.00 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 \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$25.00 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 and Public Service Members. The dues of each Affiliate Member and Public Service Member shall be in such amount as established annually by the Board of Directors for each category or subcategory.

E. Honorary and Student Members. Dues payable, if any, shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. *Dues Payable*

Dues for all Members shall be payable annually in advance on the first day of the month designated by the Board of Directors. Dues shall begin on the first day of the month of the date of application and granting of provisional membership and shall be prorated for the year.

In the event a real estate sales person or licensed or certified appraiser who holds a REALTOR® Membership is dropped for non-payment of Association dues, and the real estate sales person or licensed or certified appraiser remains with the principal broker's firm, the dues obligations of the principal broker [as set forth in Article X, Section 2, (A)], will be increased to reflect the addition of a non-member real estate sales person or licensed or certified appraiser. 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 of membership.

Section 4. *Nonpayment of Financial Obligations*

If dues, fees, fines, and other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid by the due date, an administrative fee to be set by the Board of Directors will be assessed. If dues, fees, fines and other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within one month after the due date, the member will be terminated from Membership by the Board of Directors without reference to any other provision of these Bylaws.

Such action shall become final ten (10) days after giving written notice of the action unless, within that time and subject to acceptance by the Board of Directors, the amount due including the administrative fee is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had his Membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments or divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 5. *Deposit*

All money received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. *Expenditures*

The Board of Directors shall administer the finances of the Association. An annual capital budget and an annual budget for operations shall be developed by the Budget and Finance Committee for approval by the Board of Directors. Any significant departure from the budgets must be approved by a majority vote of the Board of Directors present at a meeting at which a quorum is present. An annual audit of the books and accounts shall be made by an independent Certified Public Accountant. A summary of this report shall be provided by the Board of Directors to the Membership.

Section 7. *Notice of Dues, Fees, Fines, Assessments, and other Financial Obligations of Members*

All dues, fees, fines, assessments, or other financial obligations to the Association or Multiple Listing Service shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

Section 8. *REALTOR® Emeriti Dues*

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. However, a REALTOR® Emeritus who is the Designated REALTOR® of the firm shall be required to pay dues based on the number of licensees employed by or affiliated with such firm, partnership, or corporation and who are not REALTOR® Members.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. *Officers*

The Officers of the Association shall be: a Chairman of the Board, a Chairman of the Board-Elect, and a Secretary-Treasurer. The Chairman of the Board-Elect and the Secretary-Treasurer are elected by the Board of Directors. The Chairman of the Board-Elect serves the term for which elected and succeeds to the Office of the Chairman of the Board the following year. The term of office for Chairman of the Board-Elect and Chairman of the Board is for one (1) year each. The term of office for the Secretary-Treasurer is for one (1) 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 them by the Board of Directors.

Section 3. *Term Limits*

REALTORS® who have served six or more consecutive years on the Board of Directors may not be reelected or appointed to a new term of office for one (1) year. Any REALTOR® who has served on the Board of Directors for the last six consecutive years is automatically ineligible for nomination or election to a new term of office as a Director-at-large. The Chairman of the Board shall not appoint a Director who has served on the Board of Directors for the last six consecutive years. If a current Director-at-large will exceed this period of six consecutive years (i.e. for someone who was reelected after having served for only five consecutive years), he or she shall complete their current term of office but shall not seek reelection or accept reappointment for one (1) year after he or she completes their existing term of office. This term limit provision shall not prevent an officer from completing his or her current term of office or assuming another officer position (i.e. Chairman of the Board-Elect becoming Chairman of the Board) once his or her current term of office is completed.

Section 4. **Board of Directors**

The governing body of the Association shall be a Board of Directors consisting of the Immediate Past Chairman of the Board, and fifteen (15) REALTOR® Members of the Association, twelve (12) of whom shall be Directors-at-large and three (3) of whom shall be appointed by the Chairman of the Board for a one (1) year term.

In the event there is no Immediate Past Chairman of the Board of the Northern Virginia Association of REALTORS®, Inc., one (1) additional REALTOR® Member shall be elected as an additional Director-at-large for a one (1) year term. Twelve (12) Directors-at-large elected by the membership shall all be elected to serve a term of two (2) years and their terms shall be alternated so that each year the offices of six (6) Directors-at-large shall become vacant. Three (3) Directors shall be appointed by the Chairman of the Board to serve a one (1) year term of office.

Section 5. *Nomination and Election of Directors*

A. The Nominating Committee shall be appointed and shall begin leadership development by May 1 of each year.

B. At least 60 days prior to the annual election, a Nomination Form will be sent to each REALTOR® Members of the Association. This form may be used, at the option of the member, to submit nomination(s) to the Nominating Committee. The form will list the directorships to be filled, and give instructions needed in making the respective nominations. REALTOR® members may submit nomination(s) the Nominating Committee for a period of 21 days after the release of the Nomination Form. Only REALTOR® Members of the Association may be nominated.

C. At least 45 days prior to the annual election, each member of the Nominating Committee shall submit nominations for at least three REALTOR® Members of the Association. These nominations shall be considered along with all nominations submitted by any REALTOR® Member of the Association.

D. From these nominees, the Nominating Committee will interview all the individuals who indicate a willingness to serve if elected and select at least one (1) candidate for each Director-at-large position.

E. At least 30 days preceding the election, the Nominating Committee shall cause to be made available, electronically or otherwise, the report of the recommended candidates for the Board of Directors to each REALTOR® Member.

F. At least 20 days before the annual election, nomination of eligible members for Director-at-large on the Board of Directors, in addition to those made by the Nominating Committee, may be made by petition to the Chairman of the Board of the Association. The nominating petition is to carry the signature of the member being nominated confirming the member's willingness to serve if elected and the signature of no fewer than 300 members eligible to vote in the annual election for which the nomination is made.

G. If within 15 days before the election, a nominee shall withdraw from the race, and no other candidates shall have been nominated for that office, the Nominating Committee shall name a substitute nominee.

H. At least 10 days prior to the election, the Chairman of the Board shall cause to be made available, electronically or otherwise, ballots to each REALTOR® Member eligible to vote. The ballot shall contain all of the nominees for Director-at-large recommended by the Nominating Committee. If petitions for nominations have been made in compliance with Article XI, Section 4 (E), the official voting ballot shall include those names petitioned. The ballot will serve as a report by the Nominating Committee of the final slate of candidates. In the event the Nominating Committee is required to make a substitute nominee, the ballot will serve as a report by the Nominating Committee.

I. In the instance of all Director-at-large positions, election shall be by a ballot, or other

confidential procedure in accordance with procedures adopted by the Association. The official election procedures adopted by the Association shall be made available, electronically or otherwise, to each REALTOR® Member eligible to vote at least 30 days before the annual meeting. No vote shall be cast for any person whose name does not appear on this official ballot or on any equivalent document utilized under the above-referenced published Association procedures.

J. Announcement of the newly elected Directors will be made at the annual meeting.

K. In case of a tie vote, the issue shall be determined by lot under the supervision of an Election Committee which in such situation shall be appointed by the Chairman of the Board.

Section 6. *Vacancies*

A. In the event the Chairman of the Board cannot serve the entire one (1) year term, the vacancy will be filled by:

1. The Chairman of the Board-Elect. This action shall, in no way, preclude the Chairman of the Board-Elect from serving a full term as Chairman of the Board under normal rules of succession.
2. In the event the Chairman of the Board-Elect cannot serve as Chairman of the Board in the normal succession, the Board of Directors shall elect a replacement Chairman of the Board and Chairman of the Board-Elect.

B. In the event of a vacancy, in the Chairman of the Board-Elect or Secretary-Treasurer position the Board of Directors shall elect a replacement to serve the remaining term.

C. In the event a Director-at-large elected by the membership is unable to serve his/her full term of office, the office shall be filled for the balance of the remaining term by the Director-at-large candidate who received the next greatest number of total votes cast in the immediately previous election and is able and willing to serve. Should the office of a Director who is appointed by the Chairman of the Board become vacant, a new Director shall be appointed by the Chairman of the Board for the remainder of the term.

D. Directors appointed by the Chairman of the Board or Directors-at-large who are elected to Officer positions retain their directorships. A Director or Director-at-large elected to an Officer position simultaneously serves as both an Officer and a Director. However, if the original elected or appointed directorship term shall expire while a Director is still serving a term as an Officer, the directorship term will be temporarily extended to allow the Director to complete the term as an Officer and the size of the Board of Directors will be temporarily increased.

Section 7. *Removal of Officers or Directors*

In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

A. A petition requiring the removal of an Officer or Director and signed by at least twenty (20) percent of the voting Membership or three-fourths (3/4) of all Officers and Directors shall be filed with the Chairman of the Board, or if the Chairman of the Board is the subject of the petition, with the next highest-ranking Officer, and shall specifically set forth the reason the individual is deemed disqualified from further service.

B. Upon receipt of the petition, and not fewer than twenty (20) days nor 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 who is the subject of the petition and to render a decision on such petition.

C. 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 Chairman of the Board of the Association unless the Chairman of the Board's continued service in office is being considered at the meeting. In such case, the next highest-ranking Officer who is not being considered for removal shall conduct the meeting of the hearing by the members. Provided a quorum equal to that required for an annual election meeting is present, a three-fourths (3/4) vote of members present and voting shall be required for removal from office.

Section 8. Election of Officers

Beginning in 2008, the Officers for the following year will be elected by the current Board of Directors at a meeting held on or before September 1st.

Section 9. Indemnification

A. *General.* The Association shall to the maximum extent allowed by the Virginia Non-Stock Corporation Act indemnify each Director, Officer, committee member, or NVAR staff member of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrate, or investigative (including any action or suit by or in the right of the Association to procure a judgment in its favor) by reason of the fact that such person is or was a Director, Officer, committee member, or NVAR staff member of the Association, or is or was serving at the request of the Association in any capacity for another corporation, partnership, joint venture, trust, or other entity, against judgments, fines, amounts paid in settlement and expenses (including attorneys' fees) actually and reasonably incurred by such person in good faith; provided that such person acted in good faith and in a manner which such person believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. Notwithstanding the above provisions in this paragraph no indemnification shall be made in any proceeding referred to in this paragraph by or in the right of the Association to procure a judgment in its favor where such person shall have been finally adjudged to be liable for gross

negligence or willful misconduct in the performances of such person's duty to the Association unless, and only to that extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification.

B. *Determination.* Any indemnification under Paragraph (A) of this Section (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination made in accordance with those procedures set forth in the Virginia Non-Stock Corporation Act.

C. *Advances.* Expenses (including attorneys' fees) incurred in defending any proceeding, referred to in Paragraph A of this Section shall be paid by the Association in advance of the final disposition of such proceeding to the extent allowed by and in accordance with the procedures of the Virginia Non-Stock Corporation Act as authorized in the manner provided in Paragraph (B) of this Section, upon receipt of an undertaking by or on behalf of the Director, Officer, committee member or staff member of the Association to repay such amount unless it ultimately shall be determined that such person is entitled to be indemnified by the Association as authorized in this Section.

D. *Insurance.* The Association may purchase and maintain insurance to indemnify it against the whole or any portion of the liability imposed upon it in accordance with this Section and may also purchase and maintain insurance on behalf of any person who is or was a Director, Officer, or agent of another corporation, partnership, joint venture, trust, or other entity against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power or obligation to indemnify such person under the provisions of this Section.

E. *Miscellaneous.* Every reference herein to Director, Officer, committee member, or staff member of the Association shall include former Directors, Officers, committee members, or staff members of the Association and their respective heirs, executors, and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred on the Board of Directors shall not be exclusive of any other indemnification to which any Directors, Officers, committee members, or staff members of the Association may be entitled.

ARTICLE XII - MEETINGS

Section 1. *Annual Meetings*

The annual meeting of the Membership of the Association shall be held during the last quarter of each year, the date, place, and hour to be designated by the Board of Directors. The Chairman of the Board shall direct that written notification be addressed to said Directors and to the Membership-at-large.

Section 2. *Meeting of Directors*

The Board of Directors shall designate a regular time and place of meeting. Emergency meetings may be called at the discretion of the Chairman of the Board. Absence from three regular meetings without an excuse deemed valid by the Board of Directors shall be construed as

resignation from the Board of Directors.

Section 3. *Other Meetings*

Meetings of the Members may be held at such other times as the Chairman of the Board of the Board of Directors may determine, or upon the written request of at least ten (10) percent of the REALTOR® Members.

Section 4. *Notice of Meetings*

Unless a greater notice is required by applicable law or elsewhere in these Bylaws, written notice of any Members meeting shall be given to every Member entitled to participate in such meeting at least ten (10) days preceding such meeting. If a special Member meeting, it shall be accompanied by a statement of the purpose of the meeting and written or phone notice of any Directors or committee meetings shall be given to every Director or committee member at least one (1) day preceding a meeting.

Section 5. *Quorum*

A quorum for the transaction of business of the Membership shall consist of seventy (70) REALTOR® Members of the Association, except that the annual election of directors shall require the vote of at least one hundred and fifty (150) REALTOR® members of the Association to be effective. A quorum for the transaction of business by the Board of Directors or any Committee shall consist of a majority of the then existing Board or Committee.

ARTICLE XIII - COMMITTEES

Section 1. *Standing Committees*

The Chairman of the Board shall appoint and/or approve, subject to confirmation by the Board of Directors, such standing and special committees and their Chairpersons from the ranks of the membership as is deemed necessary except the Board of Directors shall elect the Nominating Committee in accordance with Article XI, Section 4(B).

There shall be a Professional Standards, Grievance and Arbitration Committee.

Section 2. *Organization*

All Committees shall be of such size and shall have such duties, functions, and powers as may be assigned to them by the Chairman of the Board or the Board of Directors, except as otherwise provided in these Bylaws.

Section 3. *Chairman of the Board*

The Chairman of the Board shall be an ex officio member of all standing and special committees and shall be notified of their meetings.

ARTICLE XIV - CONTRACTS, CHECKS, DEPOSITS, GIFTS, COPYRIGHTS, AND TRADEMARKS

Section 1. *Contracts*

The Board of Directors may authorize any officer or officers, agent or agents of the association, in addition to the officers so authorized by these Bylaws to enter into any contract or execute and deliver any instrument in the name of and on behalf of the association, and such authority may be general or confined to specific instances.

Section 2. *Checks, Drafts, etc.*

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the association shall be signed by such officer or officers, agent or agents of the association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instrument shall be signed by the Secretary-Treasurer or Chief Executive Officer and countersigned by the Chairman of the Board or Chairman of the Board-Elect of the Association.

Section 3. *Deposits*

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. *Gifts*

The Board of Directors may accept on behalf of the Association any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Association.

Section 5. *Powers of Copyright and Trademark Usage*

The assignment of copyright privileges or trademark usage may only be granted by majority vote of the Board of Directors.

ARTICLE XV - BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors.

ARTICLE XVI - FISCAL AND ELECTIVE YEARS

Section 1. The elective year of the officers and Board of Directors shall be the calendar year.

Section 2. The fiscal year of the Association shall be the calendar year.

ARTICLE XVII - CORPORATE SEAL

The Board of Directors shall provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the Corporate Seal, Virginia@.

ARTICLE XVIII - RULES OF ORDER

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

ARTICLE XIX - AMENDMENTS

Section 1. These Bylaws may be amended by two-thirds (2/3) of the REALTOR® Members present at any meeting at which a quorum is present and qualified to vote, provided such amendment or amendments shall be stated in their entirety 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. Article IX may be amended only by a majority vote of all REALTOR® Members.

Section 2. Notice personally delivered or by mail of all meetings at which amendments are to be considered, shall be given to every REALTOR® Member at least fifteen (15) days prior to the time of 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® or REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval by the Board of Directors of the National Association.

Section 4. Rules and Regulations which conflict with any section of the Bylaws of the Association, or Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® are prohibited and same shall not be enacted by any committee or any creature of said Association of REALTORS®.

ARTICLE XX - DISSOLUTION

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

ARTICLE XXI - MULTIPLE LISTING

Section 1. *Authority*

The Association shall maintain for the use of its Members a Multiple Listing Service which shall be a lawful corporation, all the stock of which shall be owned by the Association and other Associations/Boards of REALTORS® subscribing to such service.

Section 2. *Purpose*

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants; (acting either as subagents, buyer agents, or in a non-agency capacity defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare

appraisals and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so that they 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).

Section 3. *Governing Documents*

The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Constitution, Rules, Regulations, and Policies, Practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. *Participation*

Any REALTOR® of this or any other REALTOR® Association or Real Estate Licensee who is a principal, partner, corporate officer, or branch manager acting on behalf of the principal, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid real estate broker's license and are capable of offering and accepting cooperation and 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.

A non-member applicant for MLS Participation who is a principal, partner, corporate officer or branch office manager acting on behalf of a principal, shall also comply with such other requirements that may be imposed by the Multiple Listing Service in accordance with NAR policy.

Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's Licensor(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation," or "Membership" or any right of access to information developed or published by an Association/Board Multiple Listing Service where access to such information is prohibited by law.(*)(See note at conclusion of this Article.)

Section 5. *Access to Comparable and Statistical Information*

Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as an Association Service or through such an MLS, are subject to the applicable provision of the MLS Rules and

Regulations.

NOTE: Generally, Association/Boards of REALTORS[®], when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS "Participant." Brokers or salespersons other than principals are not considered "Participants" in the Service but have access to and use of the Service through the principal(s) with whom they are affiliated.

These Bylaws were accepted by the Board of Directors of the Board, after prior approval by a majority vote of the Active Membership taken pursuant to Article XVI, Amendments of the former Constitution and Bylaws of the body on this 1st day of March 1962. (Northern Virginia Real Estate Board became Northern Virginia Board of REALTORS[®], Inc. on March 1, 1962.)

Amended as provided in Article XVI by two-third vote of the Active Members present at a regular meeting of the Board on June 28, 1962; April 25, 1963; March 18, 1964; December 9, 1964; February 25, 1965; January 27, 1966; October 27, 1966; March 25, 1971; July 22, 1972; April 27, 1972; October 26, 1972; March 1, 1973; March 29, 1973; September 20, 1973; October 25, 1973; January 24, 1974; September 26, 1974; October 24, 1974; January 23, 1975; September 25, 1975; January 29, 1976; March 25, 1976; January 21, 1977; June 2, 1977; September 29, 1977; January 26, 1978; September 26, 1978, November 17, 1978; June 7, 1979; September 6, 1979; November 1, 1979, June 5, 1980; July 21, 1980; February 5, 1981; June 4, 1981; January 28, 1982; May 12, 1982; July 23, 1982; January 13, 1983; February 17, 1983; May 17, 1983; June 16, 1983; November 17, 1983; February 16, 1984; October 18, 1984; June 13, 1985; October 24, 1985; June 12, 1986; October 21, 1986; June 16, 1988; October 18, 1988; December 1, 1988; June 7, 1990; and October 16, 1990; October 29, 1991; October 27, 1992; October 12, 1994; October 20, 1995; June 12, 1996; October 23, 1996; October 15, 1997; October 29, 1998; October 27, 1999; October 25, 2000; October 24, 2001. October 23, 2003, November 4, 2005. On October 25, 1973 by a majority vote of the Active Members present at a regular meeting of the Northern Virginia Board of REALTORS[®], Inc. extensive revisions were adopted in order to bring the Bylaws into compliance with those of the NATIONAL ASSOCIATION OF REALTORS[®] in preparation for the establishment of the REALTOR[®] ASSOCIATE category on January 1, 1974. On February 5, 1981 by a majority vote of the Active Members present at a regular meeting of the Northern Virginia Board of REALTORS[®], Inc., extensive revisions were adopted in order to bring the Bylaws into compliance with those of the NATIONAL ASSOCIATION OF REALTORS[®] in preparation for the establishment of an all REALTOR[®] Board effective April 1, 1981. On June 12, 1986 by a unanimous vote of the Active Members present at a regular meeting of the Northern Virginia Board of REALTORS[®], Inc., extensive revisions were adopted in order to bring the Bylaws into compliance with those of the NATIONAL ASSOCIATION OF REALTORS[®] in preparation of the new Professional Standards procedures. On October 18, 1988, by a majority vote of the Active Members present at a regular meeting of the Northern Virginia Board of REALTORS[®], Inc., a name change was approved to become the Northern Virginia Association of REALTORS[®], Inc. This change became effective April 1, 1989. On November 2, 2000 by a unanimous vote of the Active Members present at a regular meeting of the Northern Virginia Association of REALTORS[®], Inc., both Article XI, Section 5(A) and Article XI, Section 8 were updated.