

ALL REALTOR FORMAT

Bylaws of the Rockland County Board of REALTORS® Inc.

Adopted by the Membership on June 8, 2005
as amended to April 7, 2009

Article I - Name

Section 1. Name. The name of this organization shall be "The Rockland County Board of REALTORS®, Inc.", hereinafter referred to as "RCBOR".

The seal shall be in the shape of an outline of Rockland County surrounded by two concentric circles in which shall appear the words "The Rockland County Board of REALTORS®, Inc. – Founded December, 1941. Incorporated 1961.

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

Note: 1) Local Boards of Realtors are chartered by the National Association of Realtors and may refer to themselves as "Associations" or "Boards" of Realtors. For purposes of these Bylaws, such entities are referred to as "Associations".

2) All references to the "Board of Directors" refer to the Board of Directors of RCBOR unless otherwise stated.

3) All "Notes" reflected herein are for informational purposes and are deemed to be a part of these Bylaws. If any conflict exists between a provision of the Bylaws and a Note, the provision of the Bylaws shall be deemed to control.

Article II - Objectives

The objectives of RCBOR are:

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

Section 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® (sometimes referred to herein as "NAR" or "National Association").

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

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

Section 5. To unite those engaged in the real estate profession in this community with the New York State Association of REALTORS® (sometimes referred to herein as “NYSAR”) and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering the objectives of these organizations 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 RCBOR as a Member of the NATIONAL ASSOCIATION OF REALTORS® shall include the area within the county lines of the County of Rockland, State of New York.

Section 2. Territorial jurisdiction is defined to mean:

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

Article IV - Membership

Section 1. There shall be seven classes of members as follows:

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

(1) Individuals who, as sole proprietors, partners, or corporate officers, or branch office managers, are engaged actively in the real estate profession, as licensed real estate agents or as licensed or certified appraisers, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located within the State of New York or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership, except as provided in the following paragraph, in a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(c) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the Association in which one of the firm's principals holds REALTOR® membership, shall be required to hold

REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (c) of Article IV. (Amended 1/01)

NOTE: REALTOR® Members may obtain membership in a "secondary" Board in another state.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications set out in Article V.

(3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the Commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to RCBOR mandated education, meeting attendance, or indoctrination classes or other similar requirements, the right to use the term REALTOR® in connection with their franchise organization's name, and the right to hold elective office in RCBOR, NYSAR and NAR.

(4) Primary and secondary REALTOR® Members. An individual is a primary member if RCBOR pays State and National dues based on such Member. An individual is a secondary Member if State and National dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® member of RCBOR in order for licensees affiliated with the firm to select RCBOR as their "primary" Association.

(5) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of RCBOR dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.

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

(c) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a), (b) or (c) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of RCBOR. 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 RCBOR, 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 who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

(f) 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 RCBOR, or for the public.

(g) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

Article V - Qualification and Election

Section I. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of RCBOR, NYSAR and NAR, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of RCBOR, NYSAR and NAR, 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 of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that RCBOR, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to RCBOR by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above, and (3) must supply such application with at least two (2) REALTOR® Member references.

Section 2. Qualification

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to RCBOR that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of RCBOR, the Bylaws of NYSAR, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

* No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a

bankruptcy proceeding as described above exists, membership may not be rejected unless RCBOR 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 RCBOR 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 RCBOR may only consider judgments within the past three (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.

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

NOTE 2: Article IV, Section 2, of the NAR Bylaws prohibits Member Associations from knowingly granting REALTOR® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics. (Adopted 1/01)

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of RCBOR or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of RCBOR, the Bylaws of NYSAR, and the Constitution and Bylaws and Code of Ethics of NAR, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

(c) RCBOR will also consider the following in determining an applicant's qualifications for REALTOR® membership:

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

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

Section 3. Election.

The procedure for election to membership shall be as follows:

(a) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable RCBOR dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to 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 RCBOR's bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within ninety (90) days from RCBOR's receipt of his/her application, 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 RCBOR'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 RCBOR services and any application fee.

(c) The Board of Directors may not terminate any provisional membership without providing the provisional member with twenty-one (21) days advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

(d) If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with RCBOR's Association Executive. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by RCBOR for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

Section 4. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership 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 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 thirty (30) days after approval of the membership application by the Board of Directors will result in denial of the membership application.

Note: Orientation programs must meet the 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 (4) year periods thereafter, each REALTOR® member of RCBOR shall be required to complete quadrennial ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the National Association of REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the National Association of REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association, and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four (4) year cycle shall not be required to complete additional ethics training until a new four (4) 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 through 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 through 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 a member who is still suspended as of that date will be automatically terminated.

Section 6. Status Changes.

(a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to RCBOR within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised RCBOR 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 such person's 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 sixty (60) days of the date RCBOR 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 RCBOR's Bylaws.

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

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

Article VI - Privileges and Obligations

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

Section 2. (a) Any Member of RCBOR may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and RCBOR Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of RCBOR. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by RCBOR, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of RCBOR, NYSAR, and NAR.

(b) Any member of RCBOR may be reprimanded, placed on probation, suspended, or expelled for sexual harassment of an RCBOR employee after an investigation in accordance with the procedures of RCBOR. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one (1) member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

Sexual Harassment of Board/Association Staff

Sexual harassment is illegal conduct and is contrary to the policy of RCBOR.

Sexual harassment is any verbal or physical conduct of a harassing nature, request for sexual acts or favors, unwelcome sexual advances, 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.

Complaint Procedure

Any employee who believes that he/she has suffered sexual harassment by any member of RCBOR must bring the problem to the attention of the President (or if the complaint is against the President, than to the attention of the next highest ranking officer). The complaint does not have to be in writing, however, it is helpful if details of dates, times, places and witnesses, if any, to the harassment alleged can be provided.

All complaints will be investigated promptly and with strictest confidentiality by an investigatory team composed of the President, President-Elect and one member of RCBOR's Board of Directors selected by the highest ranking officer not named in the complaint, after consultation with counsel for RCBOR. If the complaint names the President or President-Elect, they shall be replaced on the investigatory team by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

Both complainant and the accused will be provided a full opportunity to present their cases. Witnesses interviewed will be provided only such information as is necessary to elicit from them their observations and other relevant information. Disciplinary action against any member found to have sexually harassed an RCBOR employee may include verbal or written warning, probation, suspension or expulsion depending on the gravity of the incident. Prior incidents of similar behavior shall be taken into consideration when determining the appropriate disciplinary action. Such decision shall be made by the Investigatory Team.

"Clear, strong and convincing" shall be the standard of proof by which alleged allegations of sexual harassment are determined. Clear, strong and convincing shall be defined as that measure or degree of proof which will produce a firm belief as to validity of the allegations sought to be established.

It is contrary to the policy of RCBOR for a member to retaliate against any employee who files a charge of sexual harassment. All possible steps will be taken to eliminate the possibility of retaliation resulting from the filing of the complaint.

In the event a complaint of sexual harassment is found to be totally and completely without basis, appropriate disciplinary measures may be taken against the employee who brought the complaint.

Section 3. Any REALTOR® Member of RCBOR may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of RCBOR, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

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

Section 5. If a Member resigns from RCBOR or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning

Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

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

Section 6. REALTOR® Members. REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to RCBOR are paid in full shall be entitled to vote and to hold elective office in RCBOR; may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of RCBOR and the real estate profession.

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, (whichever may apply), or unless the REALTOR® who is suspended or expelled removes himself/herself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to RCBOR by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is readmitted to membership in RCBOR. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, provided that no management control is exercised.

Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in RCBOR, whichever may apply.

If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

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

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

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

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

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

Section 10. Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

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

Section 12. Certification by REALTOR®. "Designated" REALTOR® Members of RCBOR shall certify to RCBOR during the month of July on a form provided by RCBOR, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the Association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify RCBOR of any additional individual(s) licensed or certified with the firm(s) within 30 days of the date of affiliation or severance of the individual.

Section 13. Harassment Other Than Sexual Harassment. Any member of RCBOR may be reprimanded, placed on probation, suspended or expelled for harassment of an RCBOR employee or Association Officer or Director after a hearing in accordance with the established procedures of RCBOR. Disciplinary action may also consist of any sanction authorized in RCBOR's Code of Ethics and Arbitration Manual. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for RCBOR. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. (Amended 5/03).

Note: Suggested procedures for processing complaints of sexual harassment are available online through <http://www.REALTOR.org> or from the Member Policy Department of NAR.

Section 14. Legal Liability Training. Within two years of the date of election to membership, and every two years thereafter, each REALTOR® Member of RCBOR shall be required to demonstrate that they have completed a course of instruction of anti-trust laws, agency laws, civil rights laws or the REALTOR® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement.

This requirement will be considered satisfied upon presentation of evidence that the member has completed an educational program conducted by another Association, NYSAR, NAR, or any of its affiliated institutes, societies or councils, or any other recognized educational institution which, in the opinion of the Board of Directors, is an adequate substitute for the training programs conducted by RCBOR.

Failure to satisfy this requirement biennially will result in membership being suspended from the date it otherwise would be renewed until such time that the member provides evidence of completion of the aforementioned educational requirements.

Note: Any education requirement must comply with Interpretation No. 37 of Article 1, Section 2, Bylaws, National Association of REALTORS®.

Article VII - Professional Standards and Arbitration

Section 1. The responsibility of RCBOR and of RCBOR 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 RCBOR, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with New York State Law shall be deleted or amended to comply with New York State Law.

Section 2. It shall be the duty and responsibility of every REALTOR® Member of RCBOR to abide by the Constitution and Bylaws and the Rules and Regulations of RCBOR, the Constitution and Bylaws of NYSAR, the Constitution and Bylaws of the NAR 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 RCBOR as from time to time amended.

Section 3. The responsibility of RCBOR and its 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 any cooperative professional standards enforcement agreement entered into by RCBOR, which by this reference is made a part of these Bylaws.

Section 4. Professional Standards Council.

(a) Establishment – There shall be a Professional Standards Council which operates and conforms to the Professional Standards Manual of the National Association of REALTORS®. This Council shall consist of two subcommittees: The Grievance Committee and the Arbitration and Ethics Committee.

The Council shall be headed by a Chairperson appointed by the President subject to approval by the Board of Directors. The Chairperson of each subcommittee shall be appointed by the Chairperson of the Professional Standards Council subject to the approval of the President.

(b) The total membership of the Council shall be appointed by the President in cooperation with the Chairperson of the Council. It shall consist of no fewer than 12 members nor more than 30. Membership shall be for a period of three (3) years with one third appointed each year so as to create continuity. Initially 1/3 shall be appointed for one year, 1/3 for two years, and 1/3 for three years. No member shall serve for more than two full terms, except where their first term is less than the full three year term. The President shall have the power to replace any member for valid reason or to fill vacancies for the balance of the term. There shall be no more than three members of the Board of Directors appointed to serve on the professional Standards Council

exclusive of the President, who shall serve as an ex-officio member. For purposes of these Bylaws, an ex-officio member shall have all rights, privileges and obligations as any other member, including the right to vote.

(c) The Grievance Committee shall be staffed by members of the Professional Standards Council to provide Grievance Hearing Panels. The functions of the Grievance Committee shall be as described in the Professional Standards Manual.

(d) The Arbitration and Ethics Committee shall be staffed by members of the Professional Standards Council to provide Arbitration and Ethics panels. No panel members shall have served on the Grievance Panel that reviewed that particular case to be reviewed by the Arbitration or Ethics Panel. The functions of the Arbitration and Ethics committee shall be as described in the Professional Standards Manual.

Section 5. The total membership of the Professional Standards Council shall meet periodically to review the procedures for better coordination and operations of the Council. However, there shall be no discussions of the details of any specified Professional Standards case at the joint meeting so as not to prejudice any case and to ensure due process.

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

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

Section 2. REALTOR® Members of RCBOR shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the State of New York 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® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the State of New York or a state contiguous thereto are REALTOR® Members of RCBOR 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. RCBOR shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the New York State Association of REALTORS®. By reason of RCBOR's Membership, each REALTOR® Member of RCBOR shall be entitled to membership in NYSAR and NAR without further payment of dues. RCBOR shall continue as a Member of NYSAR and NAR, unless by a majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case NYSAR and NAR shall be notified at least one month in advance of the date designated for the termination of such membership.

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

Section 3. RCBOR adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® Members. RCBOR and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of NAR and NYSAR.

Article X - Dues and Assessments

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

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

(a) REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be in such an amount to be established annually by the Board of Directors plus an additional amount to be established annually by the Board of Directors times the number of Licensed Real Estate Salespersons, Licensed Associate Brokers and Licensed Real Estate Brokers and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Association in this State or a state contiguous thereto or Institute Affiliate Members of RCBOR. In calculating the dues payable to RCBOR by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Association in this State or a state contiguous thereto, provided the Designated REALTOR® notifies RCBOR in writing of the identity of the Association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of RCBOR.

(1) For the purpose of this Section, a REALTOR® Member of an Association shall be held to be any Member who has a place or places of business within this State or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article

III, Section I, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

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 RCBOR on a form approved by RCBOR 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®.

Membership dues shall be prorated for any licensee included on a certification form submitted to RCBOR who during the same calendar year applies for REALTOR® membership in RCBOR. However, membership dues shall not be prorated if the licensee held REALTOR® membership during the preceding calendar year.

(b) REALTOR® Members. The annual dues of each REALTOR® Member other than the Designated REALTOR® and of Members in all other categories of membership, shall be in such amount as established annually by the Board of Directors.

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

NOTE: The Institutes, Societies and Councils of NAR shall be responsible for collecting and remitting dues to NAR 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 Association. NAR 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 Members: The dues of each Affiliate Member shall be such amount as established annually by the Board of Directors.

(e) Public Service Members: The dues of each Public Service Member shall be such amount as established annually by the Board of Directors.

(f) Honorary Members: The dues of each Honorary Member shall be such amount as established annually by the Board of Directors.

(g) Student Members: The dues of each Student Member shall be such amount as established annually by the Board of Directors.

(h) Initiation fees and dues as determined from time to time by the Board of Directors shall be posted at the office of RCBOR and may be modified from time to time in accordance with any guidelines, directives or policies of NYSAR and/or NAR. Provided that the establishment of any

specific dues or initiation fee schedule is not contrary to any policy of NYSAR and NAR, the Board of Directors shall have the sole and exclusive right to establish such initiation fees and dues for classifications of membership as set forth in these Bylaws.

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

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

Section 4. Nonpayment of Financial Obligations. If dues are not paid within one (1) month after the due date, there shall be a late charge of 10% of the dues amount. Two months after the due date, membership will be automatically suspended. On March 15th of any given year, two and a half months after due date, membership shall automatically terminate, unless, within that time, the amount due, including late charge, is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the Board of Directors has confirmed the accuracy of the amount owed. 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 RCBOR or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination. The Board of Directors shall fix the charges for any services rendered by RCBOR other than through a subsidiary. A person or Member who fails to pay any such charge when due, or a Member who is in arrears in dues or any other financial obligation to a division or subsidiary of RCBOR, may be denied any and all services of RCBOR including membership in RCBOR at the discretion of the Board of Directors until all the accumulated indebtedness is paid in full.

Section 5. Deposit. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors.

Section 6. Expenditures. The Board of Directors shall supervise the day to day finances of RCBOR. Any expenditure in excess of \$50,000 shall require a positive vote of two-thirds (2/3) of the Members of the entire Board of Directors.

Section 7. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to RCBOR shall be noticed to the delinquent RCBOR Member in writing setting forth the amount owed and due date.

Section 8. The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by NAR), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

NOTE: An Association's dues obligation to NAR is reduced by an amount equal to the amount which the Association is assessed for a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by NAR), Past Presidents of NAR, and recipients of the Distinguished Service Award of NAR who are REALTOR® Members of an Association. The dues obligation of such individuals to the local Association should be reduced to reflect the reduction in the Association's dues obligation to NAR. The Association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association's obligation to NYSAR with respect to

such individuals. Each Association should determine whether the dues payable by the Association to NYSAR are reduced with respect to such individuals. It should be noted that this does not affect a "Designated" REALTOR®'s dues obligation to said Association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not Members of the local Association.

Article XI - Officers and Directors

Section 1. Officers. The elected officers of RCBOR shall be in the order of their rank: a President, a President-Elect, (who shall also be deemed to be the Vice President), a Secretary, and a Treasurer. The Secretary and Treasurer may be the same person. Each officer shall be elected for terms of one year. Each officer with the exception of the Association Executive shall enter upon their respective terms of office on the first day of the calendar year following their election. An Association Executive, Executive Officer or other paid employee of RCBOR with a title as determined by the Board of Directors may be appointed and/or employed on a full-time basis, by the Board of Directors and serve at the pleasure of the Board of Directors and shall be a REALTOR® Member whose rank as an officer shall be that of Vice President behind the President-Elect.

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors.

It shall be the duty of the President to preside over all local, general membership, and Board of Directors meetings and be an ex-officio member of committees as per ARTICLE XII, SECTION 4 of these Bylaws. The President is the representative of the Rockland County Board of REALTORS® and therefore, shall make every effort during his or her term of office to attend Regional, State and National Business meetings.

It shall be the particular duty of the Association Executive or such Executive's designee to keep the records of RCBOR and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the New York State Association of REALTORS®. The Association Executive shall also prepare and write all checks for RCBOR and shall have the authority to sign checks in an amount up to \$1,000.00. Any two officers or the Association Executive and an officer who is the President, the President-Elect, the Secretary, the Treasurer or the Immediate Past President shall be required to sign any check in excess of \$1,000.00. The Board of Directors shall establish from time to time the role and duties of the Association Executive as said Directors deem appropriate. The Association Executive shall report to the Board of Directors.

Included amongst the duties of the Treasurer is to act as chairperson of the Finance Committee and to annually submit a budget for approval by the Board of Directors.

It is the duty of the Secretary to supervise the maintenance of minutes of meetings of the membership and meetings of the Board of Directors and to certify to all banking, credit card and similar resolutions duly adopted by such bodies.

Section 3. Board of Directors. The governing body of RCBOR shall be vested in a Board of Directors consisting of not less than seventeen (17) nor more than nineteen (19) directors who are:

- (a) The officers of RCBOR (excluding the Association Executive).
- (b) The Immediate Past President.
- (c) Any one other Past President of RCBOR.

- (d) The chairman of the Professional Standards Committee and the Education Committee of RCBOR.
- (e) Two Affiliate Members.
- (f) Nine (9) elected Members who are Directors at Large who will be elected initially 3 for 1 year terms and 3 for 2 year terms and 3 for 3 year terms.

Affiliate Members shall be elected for a one–year term.

No member of the Board of Directors may serve as a Director at Large for more than two consecutive three year terms. An individual who has served as a Director at Large for two consecutive three year terms may continue to serve as a Director if said individual is serving a one year term as a Director in categories a, b, c and d above.

Any Director at Large may be appointed by the President to serve as Chairman of the Professional Standards or Education Committees. The vacancy created amongst the nine Directors at Large shall be filled by the Board of Directors. The new Director at Large shall function in the role of Director until the next annual election of Directors.

Section 4. Election of Officers and Directors.

(a) At the monthly meeting in September of each year, a Nominating Committee of five (5) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors.

(b) The number of persons affiliated with the same firm, partnership or corporation, who may be Directors or Officers at the same time shall be limited as follows:

- (1) One, among the Officers of RCBOR;
- (2) No more than three (3) Directors including any Officer who also serves as a Director of RCBOR.

As to officers of the Corporation, the foregoing limitations shall apply to the affiliations of officers and directors at the time of their election to office. The limitation shall not be deemed to be violated on account of changes of affiliation by an officer that may occur after the officer has been elected.

As to directors however, the foregoing limitations shall apply to the affiliations of directors both at the time of their election to office and in the event that a change of affiliation occurs during their term in office. If, as a result of such change of affiliation, the office with which the director has newly affiliated, will have more than three (3) Directors of the Corporation then acting, such change of affiliation shall be deemed to be a resignation by the director who changes such affiliation.

(c) (i) Directors and Officers of independent multiple listing services which are not affiliated with a Board of Realtors, shall not be eligible to be Officers or Directors of RCBOR or its divisions or subsidiaries.

(ii) To be eligible to serve as an Officer of RCBOR an individual shall have served on the Board of Directors for a minimum of one year or have been licensed to act as a broker, broker associate or salesperson by the New York State Department of State, for a continuous period of two or more years.

(d) The report of the Nominating Committee shall be mailed or where allowable by law, electronically transmitted, to each Member eligible to vote at least twenty-one (21) days

preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least five (5%) percent of the REALTOR® Members eligible to vote. The petition shall be filed with the Association Executive or the President at least ten (10) days before the election. (There shall be no nominations from the floor). The Association Executive or the President shall send notice of such additional nominations to all Members eligible to vote before the election.

(e) The election of Officers and Directors shall take place at the annual meeting. In the event there are two (2) or more candidates for an office or position, the election shall be by closed ballot and all votes shall be cast in person as to that particular Officer or Director. The ballot shall contain the names of all candidates and the offices for which they are nominated. Except as noted above, election may be by voice vote and all votes shall be cast in person. Alternatively, a member may request such an election shall be made by ballot. The method of balloting shall be decided by the President.

(f) The candidates who shall receive a majority of all votes cast by REALTOR® Members present shall be declared elected. The President, with the approval of the Board of Directors, may appoint three (3) REALTOR® Members to assist with the conduct of the election and count votes. In case of a tie vote, the issue shall be determined by lot.

(g) Notwithstanding the foregoing, if any member of the Board of Directors is absent without good and sufficient cause for three or more Meetings, such member may be removed by a simple majority vote of the Directors at a duly constituted Board of Directors meeting.

Section 5. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors and the persons so elected shall hold office until the next annual meeting at which the election of officers and directors is in the regular order of business and until such person's successor is elected or appointed and qualified (N-PCL§705).

Section 6. Removal of Officers and Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected or has an impermissible conflict of interest or good cause exists for such person's removal from office, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

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

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

(c) The special meeting shall be noticed to all voting Members of RCBOR at least fifteen (15) days prior to the meeting, and shall be conducted by the President unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present in person or by proxy and voting shall be required for removal from office.

Section 7. Association Executive. An Association Executive, Executive Officer and/or Executive Vice-President and/or Administrative Secretary may be appointed by the Board of Directors as provided in these Bylaws and shall be the general Administrative Officer of RCBOR in charge of RCBOR Headquarters (such individual is herein referred to as "Association

Executive"). Said Association Executive shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. The duties and the compensation of said person shall be determined by the Board of Directors. He or she shall follow out the reasonable requests of the elected officers of RCBOR, but shall be responsible only to the Board of Directors. The Association Executive shall not be elected to any office or have the right to vote and shall have the rank of Vice President, following the President-Elect.

Section 8. Divisions and Societies. The Board of Directors shall have the authority from time to time to create such Divisions and Societies of RCBOR as it deems proper and necessary with the approval of the REALTOR® Members. The Divisions and Societies may operate only in a manner and method prescribed and approved by the Board of Directors. The Board of Directors of the Rockland County Board of REALTORS® must receive a current copy of the bylaws and any bylaw changes, as they occur. The President and/or Chairperson of such Division or Society shall automatically serve as a Director of the Board of Directors from the time he or she assumes office and until such office is vacated.

Article XII- Meetings

Section 1. Annual Meetings of the Members. The annual meeting of RCBOR shall be held after October 1 and before December 31 of each year. The date, time and place shall be designated by the Board of Directors. Written notice shall be given to the entire REALTOR® Membership at least ten (10) days prior to the date of the meeting. This meeting shall be open to REALTORS®.

Section 2. Regular Meetings of the Board of Directors. Regular meetings of the Board of Directors shall be held a minimum of 4 times per year except when otherwise designated by the President or the Board of Directors. Written notice shall be given to all members of the Board of Directors at least five (5) days prior to each meeting. At the discretion of the Directors, regular meetings of the Board of Directors may be waived during the months of July and August. All committees will function during the entire year. The time and place shall be determined by the Directors.

Section 3. Special Meetings of the Members. A Special meeting of the entire membership shall be called upon the request of twenty (20) REALTOR® Members within ten (10) days from the date of receipt of request. Written notice of any Special Meeting must be given at least 10 days prior to the meeting. Such notice shall be accompanied by a statement of the purpose of the meeting. Special meetings for REALTOR® Members only may be called at the discretion of the President and/or the Board of Directors upon at least ten (10) days written notice to all REALTOR® Members.

Section 4. Quorum. A quorum for the transaction of business shall consist of ten (10%) percent of REALTOR® Members. If pursuant to Section 7 below, the Board of Directors authorizes voting by mail and/or by ballot and/or by electronic voting, those persons who vote by such methods, shall be deemed to be present for purposes of constituting a quorum. A quorum of the Board of Directors shall be nine (9) Members.

Section 5. Annual Report of Directors. Pursuant to Section 519 of the Not For Profit Corporation Law of the State of New York, the Board of Directors of RCBOR shall present an annual report to the Membership.

Section 6. Proxies. Proxies are not permitted for meetings of the Board of Directors. Proxies shall be permitted for a meeting of the Members pursuant to Article XVI hereof provided:

- (a) The person who votes by proxy is a REALTOR Member of RCBOR and acts for only one (1) absent REALTOR;

- (b) A duly executed proxy authorization is presented to the Secretary/Treasurer at or prior to the meeting;
- (c) There are a minimum of twenty-five (25) persons present in person; and
- (d) The proxy is used for voting only on those matters which have been duly set forth in the notice of the meeting; and provided that such notice has been mailed or provided to the Members in accordance with these Bylaws.
- (e) A ballot signed by a Member prepared in accordance with these Bylaws, submitted to the Secretary in accordance with the notice of meeting may serve the purpose of voting on any issue and shall be used for purposes of constituting a quorum at any meeting of the Members.

Note: As a matter of law, Directors are never permitted to vote by proxy.

Section 7. Electronic or Ballot Voting. Provided that the Board of Directors elects to do so at a meeting of the Board of Directors and sets forth notice of same in a notice of any meeting of the Membership, the Board of Directors may authorize voting electronically or by ballot as follows:

- (a) A ballot setting forth the matters to be voted upon shall be created specifically for the purpose of the meeting and approved by the Board of Directors for forwarding to each of the Members. The Members shall be provided with a specific date by which the ballot shall be mailed to the office of RCBOR and provided that the postmark for the mailing of such ballots is in accordance with the notice of the meeting, voting by ballot under such circumstances shall be deemed to be valid for both quorum purposes and for voting only on the issues presented; and/or
- (b) Electronic voting by email using the same ballot form described in (a) above, or a combination of votes by any of the methods authorized by this Section 7, and/or
- (c) Voting in person by voice or by written ballot; and/or
- (d) Voting by ballot physically delivered on or before a specified date and time to secure repositories at locations specified by the Board of Directors.
- (e) Each member voting shall be required to designate in the ballot or email communication that he or she has elected to vote in the particular format and certify that such person has voted once and in only one format authorized by the Board of Directors.
- (f) The counting of votes or ballots or electronic votes shall be supervised by a committee which shall consist of:
 - (i) One past President of RCBOR; and
 - (ii) One Officer of RCBOR; and
 - (iii) One Employee or non-member of RCBOR.
- (g) Whenever voting occurs using a written ballot and/or electronic voting, no other business shall be conducted or made the subject of a vote unless specifically set forth in the written form of ballot.

Article XIII - Committees

Section 1. Executive Committee.

(a) The Executive Committee is to function in an advisory capacity to the President and is empowered to make decisions on behalf of the Board of Directors between regular meetings of the Board of Directors.

(b) The Executive Committee shall be composed of the President, President-Elect, Immediate Past President (or if such person is unable or unwilling to serve, a Past President designated by the Board of Directors), Treasurer and Secretary.

Section 2. Standing Committees. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

- Professional Standards
- Grievance
- Education

The following are optional committees and when constituted shall be deemed to be “standing committees”:

- Legislative
- Community Service
- Membership
- Finance
- Personnel
- Programs
- RPAC

Section 3. Special Committees. Special committees are not standing committees and act to advise the Board of Directors. They are responsible to the Board of Directors of the Rockland County Board of REALTORS®, Inc.

The Board of Directors or the President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

(a) Nominating Committee. The Nominating Committee shall be comprised of five (5) REALTOR® Members, two (2) of whom shall be Past Presidents. All positions shall be appointed by the President at the September meeting, subject to confirmation by the Board of Directors.

(b) The REALTOR® and Affiliate of the Year Committee shall be created in the month of September. It shall consist of seven (7) members, four (4) REALTORS®, three (3) Affiliate Members, who are past recipients of the award. The chairperson shall be the current recipient of the REALTOR® of the Year Award.

Appointments to the Professional Standards Committee and Grievance Committee shall be consistent with any cooperative professional standards enforcement agreement which RCBOR may by vote of its Board of Directors, elect to enter into with another Association; and in any event such appointments shall be consistent with the policies of the National Association of Realtors.

Section 4. Organization. All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws.

Section 5. President as Ex-Officio. (a) The President shall be an ex-officio member of all standing committees and shall be notified of their meetings with the exception of the Nominating Committee and the REALTOR® and Affiliate of the Year Committee. In such capacity, the

President shall have all of the rights, duties and responsibilities of all other members of each committee including the right to vote.

(b) It shall be the duty of the President to preside over all Local, General Membership and meetings of the Board of Directors and be an ex-officio member of all standing committees as per Article XIII, Section 4 of these Bylaws. (The President is the representative of the Rockland County Board of REALTORS® and, therefore, shall make every effort during his/her term of office to attend Regional, State and National Business Meetings.)

Section 6. Action without Meeting. Any action which may be taken at a meeting of a committee may be taken without a meeting if an acknowledgment in writing, delivered by mail or electronically, by one or more written consents setting forth the action so taken, is signed by all of the members of a committee entitled to vote on the matter.

Section 7. Attendance by Telephone. Members of a committee may participate in any meeting through the use of a conference telephone, video conference or similar communications equipment by means of which all person participating in the meeting can hear each other. Such participation shall be at the discretion of the Chairman of the Committee and shall constitute presence at the meeting.

Article XIV - Fiscal and Elective Year

Section 1. The fiscal year of RCBOR shall be the calendar year commencing on January 1st and ending on December 31st of each year.

Article XV - Rules of Order

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

Article XVI - Amendments

Section 1. These Bylaws may be amended by the majority vote of the REALTOR® Members present in person, by proxy or by e-mail or written ballot if so elected by the Board of Directors, at any meeting of the Members at which a quorum is present in person, by proxy or by ballot authorized by these Bylaws, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy. Article IX may be amended only by a majority vote of all REALTOR® Members.

Section 2. Notice of all meetings at which amendments are to be considered shall be mailed to every member eligible to vote at least one (1) week prior to the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of RCBOR shall become effective immediately upon their approval by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS® when accompanied by a directive from NAR that all Associations must adopt such amendments.

Section 4. Pursuant to Section 602(e) of the Not For Profit Corporation Law of the State of New York, any by-law regulating an impending election of directors which has been adopted, amended or repealed by the Board of Directors, shall be set forth in the notice of the next meeting of the members for the election of directors, together with a concise statement of the changes made.

Article XVII - Dissolution

Section 1. Upon the dissolution of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the New York State Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

Article XVIII - Notices

Section 1. Unless otherwise stated, all notices required by these Bylaws shall be in writing and shall be deemed to be sent on the business day in which such notice is deposited in a postage pre-paid envelope in a depository under the supervision of the United States Post Office and shall be deemed to be received three (3) business days thereafter.