

BYLAWS OF THE  
TUSCALOOSA ASSOCIATION OF REALTORS®  
Last Amended March 2018

NOTE: The terms “Association” and “Board” will be used interchangeably throughout this document.

**ARTICLE I - NAME**

Section 1. Name

The name of this organization shall be the Tuscaloosa Association of REALTORS®, Incorporated, hereinafter referred to as the “Association.”

Section 2. REALTORS®

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

Section 3. Mission Statement

The Tuscaloosa Association of REALTORS® (TAR) promotes, educates and supports its members in serving the public while adhering to the REALTOR® Code of Ethics. In partnership with the Alabama Association of REALTORS® and the National Association of REALTORS®, TAR exists to expand opportunities for real property ownership and to preserve private property rights. (Adopted 8/15)

Section 4. Indemnification

The Tuscaloosa Association of REALTORS® shall indemnify each and all of its Directors, Officers, Staff and former Directors, Officers, and Staff, against any expenses incurred by them, including legal fees or judgments and penalties rendered or levied against such a person in a legal action brought against any such person for action or omissions alleged to have been made by such person while acting in the scope and duties as Director, Officer, or Staff member of the Association, provided that such person did not act, fail to act, or refuse to act willfully with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action.

**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 professional and related interests.

Section 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

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

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

Section 5. To unite those engaged in the real estate profession in this community with the Alabama 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®.

Section 7. To assure that the commissions payable for the sale, lease, exchange or management of property are not set by the Tuscaloosa Association of REALTORS®, but in all cases are negotiable between the broker and his/her client.

### **ARTICLE III – JURISDICTION**

Section 1. The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is: Tuscaloosa County and any other counties proximately located to Tuscaloosa County not already affiliated with any other local Board or Association, including: Bibb, Fayette, Greene, Hale, Lamar, Pickens.

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.**

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

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

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

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

(b) Franchise REALTOR® Membership.

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

(c) Primary and Secondary REALTOR® Members.

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

(d) Designated REALTOR® Members.

Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the Association) pursuant to Article 17 of the Code of Ethics and the payment of Association dues. The “Designated REALTOR®” must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm’s principal(s) and must meet all other qualifications for REALTOR® membership.

(e) Institute Affiliate Members.

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

(f) Privileges of REALTOR® Members.

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

(g) Obligation of REALTOR® Members.

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

Section 2.

(a) 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) or (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.

(b) 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.

(c) Honorary Members.

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

(d) 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 1. Application

An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Tuscaloosa Association of REALTORS®, the Alabama Association of REALTORS, and the NATIONAL ASSOCIATION OF REALTORS®, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and National Associations, and, if elected 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 the Association, through its Board of Directors or otherwise, may invite and receive information and comment about applicant from any member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Rules and Regulations and Code of Ethics referred to above.

### Section 2. Qualification

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board of Directors 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 New REALTOR® Orientation within 180 days of joining the Association, and shall agree in writing that if elected to membership, he/she will abide by the Bylaws and Rules and Regulations of the Tuscaloosa Association of REALTORS®, the Bylaws of the Alabama Association of REALTORS®, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

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

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 Association and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

\*\*No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider:

A. judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

B. criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

NOTE: Article IV, Section 2, of the NAR *Bylaws* prohibits Member Boards from knowingly granting REALTOR® or REALTORS® 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.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct\*, shall complete New REALTOR® Orientation within 180 days of joining the Association, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Board of Directors, and shall agree in writing that if elected to membership he/she will abide by the Bylaws and Rules and Regulations of the Tuscaloosa Association of REALTORS®, the Bylaws of the Alabama Association of REALTORS®, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

\*No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider:

A. judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

B. criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

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

1. All final findings of Code of Ethics violations and violations of other membership duties in this Association or any other REALTOR® Association within the past three (3) years.

2. Pending ethics complaints (or hearings).
3. Unsatisfied discipline pending.
4. Pending arbitration requests (or hearings).
5. Unpaid arbitration awards or unpaid financial obligations to this or any other REALTOR® Association or REALTOR® Association MLS.
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other Associations or where the applicant for membership has unsatisfied discipline pending in another Association, (except for violations of the Code of Ethics; see Article V, Section 2(a) NOTE 2), provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another Association with an ethics complaint or arbitration pending, the Association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the Association to which the applicant has made application) and will abide by the decision of the hearing panel.

### Section 3. Election

The procedure for election to membership shall be as follows:

(a) The Chief Staff Executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the Association has adopted Provisional Membership, applicants for REALTOR® membership may be granted Provisional Membership immediately upon submission of a completed application form and remittance of applicable Association dues and any application fee. Provisional Members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional Membership is granted subject to final review of the application by the Board of Directors.

(b) If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 180 days from the Association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. 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 reject an application without providing the applicant with advance notice of the findings, 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 the application should be rejected, it shall record its reasons with the Chief Staff Executive (or duly authorized designee) of the Association. If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Association for declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

(e) All TAR annual dues are payable IN FULL by January 15<sup>th</sup> of each calendar year, are non-refundable, and there will be **no exceptions** in amount or due date.

(f) Previous members of TAR that have been out of the Association for 12 months or longer will be required to reapply and pay application fees and dues as are currently due at the time of application.

#### Section 4. New Member Code of Ethics Orientation

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another Association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

Failure to satisfy this requirement within 180 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.

#### Section 5. Continuing REALTOR® Code of Ethics Training

Effective January 1, 2017, through December 31, 2018, and for successive two year periods thereafter, each REALTOR® member of the Association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another Association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any two (2)-year cycle shall not be required to complete additional ethics training until a new two (2)-year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, Amended 11/16).

#### Section 6. Status Changes:

(a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within thirty (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 forty-five (45) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed with thirty (30) days of the date the Association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

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

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

(c) Dues shall be prorated from the first day of the month in which the member applies for election by the Board of Directors and shall be based on the new membership status for the remainder of the year. The application fee(s) and dues are non-refundable.

## **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.** Any member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of the Association. Although members other than REALTORS® are not subject to the Code of Ethics, nor its enforcement by the Association, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, members other than REALTORS® may, upon recommendation of the Board of Directors 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 the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

**Section 3. Discipline of REALTOR® Members.**

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

**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 the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed.

**Section 5.** If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Association with respect to disposition of the complaint is final by the Association (if respondent does not hold membership in any other Association) or by any other Association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the Association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an Association of REALTORS®.

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

## Section 6. REALTOR® Members.

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

(a) If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, 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. 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 unless the REALTOR® member (non-principal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® in good standing in the Association, 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 the Board of Directors consistent with the *Constitution and Bylaws* of the NATIONAL ASSOCIATION OF REALTORS®.

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

## Section 8. Affiliate Members.

Affiliate Members shall have 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 rights to attend meetings and participate in discussions.

## Section 11. Student Members.

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

## Section 12. Certification by REALTOR®.

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

## Section 13. Harassment.

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

NOTE: Suggested procedure for processing complaints of harassment are available online at [www.nar.realtor](http://www.nar.realtor) or from the Member Policy Department.

## **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®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Section 2. It shall be the duty and responsibility of every REALTOR® member of this Association to abide by the Constitution, Bylaws, and the Policies and Procedures of the Association; the Constitution and Bylaws of the State Association; the *Constitution and Bylaws* of the NATIONAL ASSOCIATION OF REALTORS®; and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS® as from time to time amended.

## **ARTICLE VIII - REALTOR® Trademark**

Section 1. 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.

Section 2. Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the *Constitution and Bylaws* of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the NATIONAL ASSOCIATION OF REALTORS'® Code of Ethics and Arbitration Manual.

Section 3. REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

Section 4. A REALTOR® principal member may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate Members.

Section 5. In the case of a REALTOR® principal member whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

Section 6. 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 MEMBERSHIP**

Section 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the Alabama Association of REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Alabama 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 a 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.

#### **ARTICLE X – DUES**

##### **Section 1. Application Fee.**

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

## Section 2. Designated REALTOR® Members Dues.

The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any Association in the state or a state contiguous thereto or Institute Affiliate members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the Association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association. (Amended 1/05)

A REALTOR® member of a Member Board shall be held to be any member who has a place or places of business within the state or a state contiguous thereto and who, as a principal is actively engaged in the real estate profession as defined in Article III, Section 1 of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the Association on a form approved by the Association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, renting, managing, counseling, or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®. Designated REALTORS® shall notify the Association within three (3) days of any change in status of licensees in a referral firm.

The exemption for any licensee included on the certification form shall automatically be revoked upon the individual being engaged in real estate licensed activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

Membership dues shall be prorated for any licensee included on a certification form submitted to the Association who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® membership in the Association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year. (Amended 11/09 and 11/14)

## Section 3. REALTOR® Members Dues.

The annual dues of REALTOR® Members other than the designated REALTOR® shall be established annually by the Board of Directors.

## Section 4. 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®.

Section 5. Affiliate Members.

The annual dues of each Affiliate Member shall be as established annually by the Board of Directors.

Section 6. Public Service Members.

The annual dues of each Public Service Member shall be as established annually by the Board of Directors.

Section 7. Honorary Members.

Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 8. Student Members.

Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 9. Dues Payable.

Dues shall be computed from the first day of each month in which a Member is notified of election and shall be prorated for the remainder of the year. Dues for all Members shall be billed in November with payment due January 1. Dues are delinquent if not received by the 15<sup>th</sup> day of January. Dues that are 1-9 days delinquent will incur a 13% late fee; dues that are 10-14 days delinquent will incur a 25% late fee; dues that are 15-29 days delinquent will incur a 38% late fee; and dues that are 30 or more days delinquent will incur a 50% late fee. Dues that are not received by March 31 will result in automatic termination of membership in the Tuscaloosa Association of REALTORS®, the Alabama Association of REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS®.

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

Section 10. Nonpayment of Financial Obligations.

If dues, fees, fines, late fees or other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within one (1) month after due date, the nonpaying member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had his/her membership terminated for nonpayment of dues, fees, fines, late fees, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 11. Deposit and Expenditures.

All monies 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 12. Notwithstanding the provisions of Article X, Dues and Assessments, Section 2, the Board of Directors shall have the authority to levy a special assessment for specific purposes and shall provide for collection of same.

Section 13. Notice of Dues, Fees, Fines, and Other Financial Obligations of Members.

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

Section 14. The dues of REALTOR® Members who are REALTOR® Emeritus (as recognized by the National Association), Past Presidents and Past Treasurers of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

Note: A Member Association's dues obligation to the NATIONAL ASSOCIATION OF REALTORS® is reduced by an amount equal to the amount which the Association is assessed for a REALTOR® member, times the number of REALTOR® Emeritus (as recognized by the National Association), Past Presidents and Past Treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Association. The dues obligation of such individuals to the local Association should be reduced to reflect the reduction in the Association's dues obligation to the National Association. The Association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association's obligation to the State Association with respect to such individuals. Member Associations should determine whether the dues payable by the Association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a Designated REALTOR®'s dues obligation to the Association with respect to those licensees employed by or affiliated with the Designated REALTOR® who are not Members of the local Association. (Amended 11/13)

Section 15. Dues are non-refundable.

## **ARTICLE XI - OFFICERS and DIRECTORS**

### Section 1. Officers.

The elected officers of the Association shall be: a President, a President-Elect, a Vice President, and a Secretary/Treasurer. They shall be elected for terms of one year. The officers of TAR shall serve consecutive terms until the time he/she completes the Past President year.

### Section 2. Duties of Officers.

The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Executive Vice President of the Association to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Alabama Association of REALTORS®.

### Section 3. Executive Committee.

(a) The Executive Committee shall be composed of the President, President-Elect, Vice President, Secretary/Treasurer, and the Immediate Past President, and the Executive Vice President shall be an ex-officio member.

(b) The Executive Committee shall conduct the affairs of the Association in accordance with the policies established in the TAR Policy Manual and at the direction of the Board of Directors whenever the full Board of Directors is not in session. The Executive Committee shall meet at the call of the President, or any two of its members. The President shall act as chairman.

(c) If a vacancy occurs on the Executive Committee before expiration of a term, the President shall submit to the Board of Directors the nomination of a Director to fill the unexpired Executive Committee term. The vacancy then created by moving the Director to the Executive Committee shall be filled by the REALTOR® Member receiving the next most votes by the Nominating Committee.

### Section 4. Board of Directors.

The governing body of the Association shall be a Board of Directors consisting of the elected officers, the Immediate Past President of the Association, and 6 elected REALTOR® members of the Association. Directors shall be elected to serve for terms of three (3) years, except that at organization, one-third of the elected Directors shall be elected for terms of one, two and three years, respectively, or for lesser terms as may be necessary to complete the first fiscal year.

Thereafter, as many Directors shall be elected each year as are required to fill vacancies on the Board of Directors. (Amended 3/18)

- (a) The Immediate Past President shall serve as a voting member of the Board of Directors.
- (b) The President shall vote only when necessary to break a tie.
- (c) Term Limits: No director shall serve more than two (2) consecutive three (3)-year terms.

#### Section 5. State Directors.

The Tuscaloosa Association of REALTORS® shall have state director positions as per the Bylaws of the Alabama Association of REALTORS®. (Amended 3/18)

#### Section 6. Chief Executive Officer.

There shall be a Chief Executive Officer, hired by the Board of Directors, who shall be the chief executive officer of the Association. The Chief Executive Officer shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. The Chief Executive Officer shall also have the authority to disperse funds in accordance with every day operations. Amounts over \$5,000 not included in general operating expenses, shall require signature by the current President. Checks must be signed by 2 parties. The Chief Executive Officer, President, President-Elect, Vice President, Secretary/Treasurer, Immediate Past President, and MLS Services Director shall have the authority to sign checks. (Amended 3/18)

The terms “Chief Executive Officer,” “Executive Vice President,” and “Association Executive” are synonymous.

#### Section 7. Election of Officers and Directors.

(a) At least two (2) months before the annual election (to be held prior to the November Annual Meeting), a Nominating Committee of nine (9) REALTOR® members shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall be comprised of at least two REALTOR® members who are Past Presidents of the Association, and no more than two REALTOR® members from the same firm may serve on the Nominating Committee. The Nominating Committee shall meet initially to prepare a slate of nominees for vacant Executive Committee Officers. Current Directors wishing to be considered for Executive Committee positions must meet minimum standards/qualifications as outlined below. The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors. Each candidate will complete an application to prove eligibility and may or may not be interviewed. The report of the Nominating Committee shall be distributed electronically to each member eligible to vote at least four (4) weeks before voting begins. Additional candidates for the offices to be filled may be placed in nomination by a petition signed by at least 20% of the REALTOR® members eligible to vote. The petition shall be filed with the Chief Executive Officer of the Association at least two (2) weeks before voting begins. The Chief Executive Officer shall send notice of such additional nominations to all members eligible to vote. (Amended 3/18)

The slate of Executive Committee Officer nominees and the positions they are candidates for shall be included on the Election Ballot distributed electronically to the membership.

(b) Qualifications for Executive Officers: Any current Director interested in serving as an Executive Committee Officer must meet the following minimum standards:

1. Must be in good standing with the Association.
2. Has been an active REALTOR® member for at least three (3) years.
3. Must be engaged full-time in the Real Estate business.
4. Has served as a Committee Member or Chaired a Committee for at least one (1) year.
5. Has served as a Director on the current Board of Directors for a minimum of one (1) year.

6. Has no outstanding financial obligation to the Association.

(c) Qualifications for Directors: Any REALTOR® member interested in serving as a Director must meet the following minimum standards:

1. Must be in good standing with the Association.
2. Has been an active REALTOR® member for at least two (2) years.
3. Must be engaged full-time in the Real Estate business.
4. Has served as a Committee Member for at least one (1) year.
5. Has no outstanding financial obligation to the Association.

(d) The election of Officers and Directors shall take place at the Annual Membership Meeting in November. Election shall be by ballot and all votes shall be cast in person. The ballot shall contain the names of all candidates and the offices for which they are nominated. Where permitted by state law, and in accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors.

(e) Voting: Voting shall be in person by ballot or via electronic means as permitted by Paragraph (d) above for one (1) week preceding the Annual Membership Meeting. Voting will close at 5:00PM on the day before the Annual Membership Meeting, and the Election Committee shall tabulate the votes.

(f) The President, with the approval of the Board of Directors, shall appoint an Election Committee of 3 REALTOR® members to conduct the election and tabulate the votes. In case of a tie vote, the issue shall be determined by lot.

#### Section 8. Vacancies.

If a vacancy occurs on the Executive Committee before expiration of a term, the President shall submit to the Board of Directors the nomination of a Director to fill the unexpired Executive Committee term. The vacancy shall be filled by a simple majority vote of the Board of Directors within 45 days of the vacancy occurring. The vacancy then created by moving the Director to the Executive Committee shall be filled by the REALTOR® Member receiving the next most votes by the Nominating Committee unless the vacancy occurs within the last quarter of the year, in which case the position shall remain vacant. The term of the position shall be until the next annual election. (Amended 3/18)

#### Section 9. Removal of Officers and Directors.

All Officers and Directors are required to read and sign a Board of Directors Code of Conduct and Agreement to Serve on the Tuscaloosa Association of REALTORS® Board of Directors. All Officers and Directors acknowledge that any failure to abide by the Code of Conduct and Agreement to Serve may result in action by the Board of Directors, including, but not limited to, removal from office.

In the event of a failure to abide by the Code of Conduct and Agreement to Serve by an Officer or Director, upon a motion duly considered and approved by the Board of Directors pursuant to these Bylaws, the Officer or Director may be removed from office. In order for the Board of Directors to properly consider a motion to remove an Officer or Director from office due to a failure to abide by the Code of Conduct and Agreement to Serve, the highest ranking officer of the Board of Directors not in violation of the Code of Conduct and Agreement to Serve shall deliver a notice of the violation to the Officer or Director which shall include notice that the Board of Directors may consider a motion to remove the Officer or Director from office. A majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for the passage of a motion to remove an Officer or Director from office. (Amended 3/18)

## ARTICLE XII - MEETINGS

### Section 1. Annual Meetings.

The Annual Meeting of the Association shall be held during November of each year; the date, place, and hour to be designated by the Board of Directors.

### Section 2. Meetings of Directors.

The Board of Directors shall designate a regular time and place of meetings. A Director's absence from two (2) regular meetings shall be deemed a resignation by that Director, absent the showing of extraordinary circumstances as approved by a majority vote of the remaining Directors. Further, a Director who arrives to a regularly scheduled meeting more than fifteen (15) minutes after such meeting has been called to order shall be deemed to be absent from such meeting. Five (5) Directors shall constitute a quorum. A majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for passage of motions. (Amended 1/17).

### Section 3. Other Meetings.

Meetings of the members may be held at other times as the President or the Board of Directors may determine, or upon written request of at least 10% of the members eligible to vote.

### Section 4. Notice of Meetings.

Written notice shall be given to every member entitled to participate in the meeting at least one (1) week preceding all meetings unless a specific meeting time is prearranged. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

### Section 5. Quorum.

Five Directors shall constitute a quorum for the transaction of business.

### Section 6. Electronic Transaction of Business.

To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

### Section 7. Action without Meeting.

Unless specifically prohibited by the Articles of Incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Chief Executive Officer to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.

## ARTICLE XIII - COMMITTEES

### Section 1. Standing Committees.

The President shall appoint from among the REALTOR® members and Affiliate Members the following standing committees:

- Professional Standards
- Grievance
- ARPAC
- Awards
- Caravan
- Community Projects
- Education

- Equal Opportunity
- Governmental Affairs
- Programs
- Public Relations
- REALTOR® Safety
- Social

Note: The following Committees shall be comprised of REALTOR® Members only: Professional Standards, Grievance, and Awards. In addition, no more than two REALTOR® Members from the same firm may simultaneously serve on these Committees.

Section 2. Special Committees.

The President shall appoint, subject to approval by the Board of Directors, special committees, work groups and/or task forces as deemed necessary.

Section 3. Committee 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.

(a) Committee Chairman: The President shall appoint a member of each Committee to serve as Chairman of the Committee.

(b) Grievance Committee: the Grievance Committee shall be comprised of fifteen (15) members of the Association from the various disciplines of real estate. The President will annually appoint five (5) members (or the number necessary to fill vacant positions) to this committee to serve a term of three years. To be eligible for service on the Grievance Committee, a REALTOR® must have three (3) years of full-time service and complete a three-hour Professional Standards Procedural Training seminar during each year of service on the committee. To be eligible to serve as Chairman of the Grievance Committee, a member must have served the two (2) previous years on the committee. Should any vacancy occur on the committee, the President shall appoint a qualified member to fill the remainder of the term that was vacated.

Only REALTOR® members may serve on the Grievance Committee. No more than two REALTOR® Members from the same firm may serve simultaneously on the Grievance Committee.

When a grievance complaint comes before the Grievance Committee, the committee shall not ask for or consider a response from the respondent prior to rendering a decision on the complaint.

Notification of Grievance Committee meetings where a complaint will be heard shall be by electronic mail with delivery acknowledged by the recipient within twenty-four (24) hours by return email. If receipt of the notice has not been acknowledged, the recipient will be contacted by telephone to confirm receipt and confirmation noted in the file. If unable to contact by telephone the notice will be sent via Certified U.S. Mail with response requested. The majority vote of committee members present to hear a complaint shall rule.

(c) Professional Standards Committee: the Professional Standards Committee shall be comprised of fifteen (15) members of the Association from the various disciplines of real estate. The President will annually appoint five (5) members (or the number necessary to fill vacant positions) to this committee to serve a term of three years. To be eligible for service on the Professional Standards Committee, a REALTOR® must have three (3) years of full-time service on the Grievance Committee and complete a three-hour Professional Standards Procedural Training seminar during each year of service on the committee. To be eligible to serve as Chairman of the Professional Standards Committee, a

member must have served the two (2) previous years on the committee. Should any vacancy occur on the committee, the President shall appoint a qualified member to fill the remainder of the term that was vacated.

Only REALTOR® members may serve on the Professional Standards Committee. No more than two REALTOR® Members from the same firm may serve simultaneously on the Professional Standards Committee.

A Hearing Panel of the Professional Standards Committee shall consist of three (3) or five (5) members, at the discretion of the Chair of the Hearing Panel. The Hearing Panel shall convene at least thirty minutes prior to a hearing to review pertinent materials. There shall be no review of materials by the Panel prior to this time.

The time frame for completion of disciplinary action shall be at the discretion of each Hearing Panel so long as it is not less than ninety (90) days or greater than one (1) year from the date of the dissemination of the findings to the respondent. Every disciplinary action by a Hearing Panel shall have the last paragraph, "Failure to comply with this action within the specified time frame shall result in expulsion from the Tuscaloosa Association of REALTORS®."

If a respondent is found in violation of the Code of Ethics a second time within three (3) years, the respondent's name, the fact that the respondent has been found in violation of the Code of Ethics, the Article(s) violated, and the discipline imposed will be published in the official communication vehicle of the Association. Such publication shall not include the name of the firm the respondent is (or was) licensed or affiliated with. In cases where the violator's name is similar to another member's name, the violator's license number or office address (or both) may be also published.

Any appeal to the Board of Directors from the decision and recommendation of the ethics Hearing Panel shall be accompanied by a deposit of \$250 and should include a statement of the basis for the appeal – i.e. misapplication or misinterpretation of the Article(s) of the Code of Ethics, procedural deficiency or lack of due process, or the recommended discipline. The deposit will be returned to the appellant if the Board of Directors' decision is to dismiss the charge. If the Hearing Panel's decision and recommendation is modified, the Directors will determine the disposition of the deposit. If the Hearing Panel's decision is affirmed, the \$250.00 will be deposited into the General Fund of the Association. There will also be an Administrative Fee of \$250.00 if Appellant is found guilty. (Amended 11/9/05 per TAR)

Any request for Arbitration shall include a non-refundable filing fee of \$250.00.

Any application for appeal of an Arbitration Hearing shall include a non-refundable filing fee of \$500.00.

(d) Education Committee: The Education Committee shall have a minimum of eight (8) REALTOR® Members.

(e) Awards Committee: The Awards Committee shall have a minimum of eight (8) REALTOR® members. Only REALTOR® members may serve on the Awards Committee. No more than two REALTOR® Members from the same firm may serve simultaneously on the Awards Committee.

(f) Bylaws Committee: The Bylaws Committee shall be comprised of 2 Past Presidents, 1 WAMLSI Board Member, 1 TAR Board member and other members as appointed by the President. Only REALTOR® members may serve on the Bylaws Committee. No more than two REALTOR® Members from the same firm may serve simultaneously on the Bylaws Committee.

(g) Budget Committee: The Budget Committee shall be comprised of the current TAR Treasurer, 2 Past Presidents, the WAMLSI President and other members as appointed by the President. Only REALTOR® members may serve on the Budget Committee. No more than two REALTOR® Members from the same firm may serve simultaneously on the Budget Committee.

(h) Programs Committee: The Programs Committee shall be chaired by the President-Elect of TAR.

Section 4. President.

The President shall be an ex-officio member of the Bylaws Committee, the Budget Committee, and all Standing Committees, except for the Grievance and Professional Standards Committees, and shall be notified of their meetings.

Section 5. Quorum.

At committee meetings, the members present shall constitute a quorum, provided that when a committee consists of more than seven members, four members shall constitute a quorum, unless otherwise provided in the Constitution or Bylaws of the Association.

**ARTICLE XIV - FISCAL and ELECTIVE YEAR**

Section 1. The fiscal and elective year of the Association shall be the calendar year (January 1 – December 31).

**ARTICLE XV - RULES OF ORDER**

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

**ARTICLE XVI - AMENDMENTS**

Section 1. These Bylaws and the TAR Policies Manual may be amended by a two-thirds (2/3) majority vote of Directors or majority vote of the members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting.

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 term REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

**ARTICLE XVII - DISSOLUTION**

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

**ARTICLE XVIII - MULTIPLE LISTING SERVICE**

**Multiple Listing Service Operated as a Separate Corporation Wholly-Owned by the Association**

Section 1. Authority.

The Association of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be a lawful corporation of the State of Alabama, all the stock of which shall be owned by the Tuscaloosa Association of REALTORS®.

## Section 2. Purpose.

A Multiple Listing Service is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in other agency or a non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

## Section 3. Governing Documents.

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

## Section 4. Participation.

Any REALTOR® member of this or any other Association who is a principal, partner, or corporate officer, or branch office manager acting on behalf of the principal, without further qualification, except as 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 offer or accept compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed or published by an Association multiple listing service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies the law. (Amended 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Amended 11/08)

(a) Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom or online hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within 180 days after membership is approved.

(b) Participation to establish nonmember participation rights. A nonmember applicant for MLS participation who is a principal, partner, corporate officer or branch officer manager acting on behalf of a principal, shall supply evidence satisfactory to the Board of Directors that he/she has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS Rules and Regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a participant, he/she will abide by such Rules and Regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate license, and/or broker's license, and offer and accept compensation to and from other participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law.

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The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

The Board of Directors will also consider the following in determining a non-member applicant's qualifications for MLS Participation or membership:

1. All final findings of Code of Ethics violations of other membership duties in any other REALTOR® Association within the past three (3) years.
2. Pending ethics complaints (or hearings).
3. Unsatisfied discipline pending.

4. Pending arbitration requests (or hearings).
5. Unpaid arbitration awards or unpaid financial obligations to this or any other REALTOR® association or REALTOR® Association MLS. (Amended 11/09)

#### 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 the Association’s MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

#### Section 6. Subscribers.

Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

### **Membership Policy Statements**

Approved by the Board of Directors, NATIONAL ASSOCIATION OF REALTORS®.

#### Statements of Membership Policy Related to Implementation of Board of Choice:

That, effective upon approval by the Board of Directors, the following statements of membership policy and amendments to the Model Association Bylaws to implement the Association of choice proposal be adopted.

1. The primary Association of affiliation elected by a REALTOR® must be in the state where the REALTOR® is licensed and maintains his/her principal place of business. Licensees affiliated with a REALTOR® firm may choose as their “Primary” Association any Association in the state where the firm maintains a Designated REALTOR®.
2. Membership shall be available in a Secondary Association on terms and conditions no more stringent than the requirements established in the Association’s Bylaws for REALTOR® (and REALTOR®-ASSOCIATE where applicable) membership. The privileges of membership shall be the same including the right to vote and hold office.

Membership will be granted to individuals who hold REALTOR® or REALTOR®-ASSOCIATE membership in their Primary Association without any requirement that the Designated REALTOR® they are licensed or affiliated with hold membership in the Secondary Association. However, MLS services will only be available if the Designated REALTOR® participates in the MLS. Association dues shall not include a national allocation since NAR dues have been paid through the member’s Primary Association. A state allocation may only be included if the member’s Primary Association is located in a different state.

3. REALTORS® shall be entitled to purchase services from Associations other than their Primary Association without the necessity of holding membership in those Associations. Service fees will be determined by the individual Associations except that fees for MLS services may not exceed those for members of the Association. However, the Association may require that a REALTOR® (principal) be licensed in the state as a condition of MLS participation. (Adopted 2/94)

#### Concerning Board of Choice Across the State Lines:

That the membership choices currently provided under Board of Choice be expanded across state lines as follows: Members may join a Primary Association across contiguous state lines. State Association membership would be in the

state where Primary Association membership is held. To become effective July 1, 1996, with optional local Association adoption sooner. (Adopted 11/95)

Portability of Membership Records (Files):

In order to facilitate timely processing of applications for membership and to assist Associations in determining an applicant's qualification for REALTOR® or REALTOR®-ASSOCIATE membership, Associations shall be based on a request from another Association, share information about current or former members. Minimum "core" member information shall include:

1. Previous applications for membership,
2. All final findings of Code of Ethics violations and violations of other membership duties within the past three (3) years (when available),
3. Pending complaints alleging violations of the Code of Ethics or alleging violations of other membership duties,
4. Incomplete or (pending) disciplinary measures,
5. Pending arbitration requests (on hearings), and
6. Unpaid awards or unpaid financial obligations to the Association or its MLS.

An Association may, at its discretion, consider information received from other Associations when determining whether an applicant satisfies the Association's membership requirements as established in the Association's Bylaws (not to exceed NAR's Membership Qualification Criteria). (Adopted 2/96)

Adopted this the 7<sup>th</sup> day of March, 2018.

Chris Lee

Chris Lee

Tuscaloosa Association of REALTORS®, 2018 President

Gerald Ross

Gerald Ross

Tuscaloosa Association of REALTORS®, 2018 Secretary

Shay Lawson

Shay Lawson

Tuscaloosa Association of REALTORS®, Chief Executive Officer