



CONSTITUTION AND BYLAWS

*Effective April 29, 2019
(amended as of April 29, 2019)*

ALABAMA ASSOCIATION OF REALTORS®

522 Washington Avenue
Montgomery, AL 36104

REALTOR® is a registered collective membership mark which identifies real estate professionals who are members of the National Association of REALTORS® and subscribe to its strict Code of Ethics.

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Alabama Association of REALTORS® CONSTITUTION AND BYLAWS

Last Amended April 29, 2019

CONSTITUTION

Article I. Name

The name of the organization shall be: Alabama Association of REALTORS®, Inc.

Article II. Mission

The Alabama Association of REALTORS® exists to organize, serve, and unite its membership in areas where it can be more effective than local boards and the National Association of REALTORS®, and shall, as its primary mission:

- Provide professional opportunities;
- Foster the highest standards of ethical conduct and enforce the Code of Ethics of the National Association of REALTORS®;
- Protect and promote the political, legal, and business interests of its members;
- Promote and enhance the image of REALTOR® and REALTOR-ASSOCIATE® Members; and
- Safeguard the rights of private property ownership.

Article III. Executive Offices

The Alabama Association of REALTORS® shall maintain executive offices at such location or locations within the state as designated by the Board of Directors.

BYLAWS

Article I

Name, Mission, and Offices

Section 1. Name

The name of the organization shall be the Alabama Association of REALTORS®, Inc. (sometimes hereinafter referred to as the Association).

Section 2. Mission

The objects of this Association shall be to unite local boards of REALTORS® (hereinafter referred to as Boards), their members, and REALTOR® and REALTOR-ASSOCIATE® Members in the State of Alabama for the purpose of exerting effectively a combined influence upon matters affecting real estate, to elevate the standards of the real estate business throughout the state, and the professional conduct of persons engaged therein, and shall, as its primary mission:

- Provide professional educational opportunities;
- Foster the highest standards of ethical conduct and enforce the Code of Ethics of the National Association of REALTORS®;
- Protect and promote the political, legal, and business interests of its members;
- Promote and enhance the image of REALTOR® and REALTOR-ASSOCIATE® Members; and
- Safeguard the rights of private property ownership.

Section 3. Offices

The Alabama Association of REALTORS® shall maintain executive offices at such location or locations within the state as designated by the Board of Directors.

Article II Membership

Section 1. Classes

The members of this Association shall consist of nine classes of membership:

- A. Member Boards/Associations
- B. Board Members
- C. REALTOR® Members
- D. Institute Affiliate Members
- E. Individual Members
- F. Affiliate Members
- G. Honorary Members
- H. Special Affiliate Members
- I. REALTOR® Emeritus

Section 2. Definitions

The foregoing classes of membership are defined as follows:

- A. **Member Boards/Associations** shall consist of local boards/associations of REALTORS® (hereinafter referred to as Boards), Local Boards or Member Boards, and all of the Board Members of the Member Board shall hold membership in the National Association of REALTORS® (NAR).
- B. **Board Members** shall be either REALTOR® members or REALTOR-ASSOCIATE® members of a Board as previously mentioned.
- C. **REALTOR® Members** shall be any individual engaged in the real estate profession as a principal, partner, corporate officer, or branch manager acting on behalf of the firm's principal(s), and licensed or certified individuals affiliated with said REALTOR® Member whose place of business is located in an area outside the jurisdiction of any Board who meets the qualification for REALTOR® membership established by the Association, which must be consistent with NAR's membership qualification criteria. The Board of Directors may establish procedures and standards whereby salespersons and licensed or certified appraisers affiliated with a REALTOR® Member may become REALTOR® Members of the Association. Secondary REALTOR® membership shall be available to individuals who hold primary membership in a board/association in another state, and who desire to obtain direct membership in the Association without holding membership in a local board/association in the state.
- D. **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. Individuals whose places of business are located in an area outside the jurisdiction of a Board shall be eligible to apply for Institute Affiliate membership in the Association, if they meet the requirements as specified above.

- E. Individual Members** shall be those persons who are currently employed in an executive, administrative, or management capacity by a Board or the Association, and shall be eligible for individual membership without payment of dues and shall be entitled to all rights and privileges of individual membership except the right to use the term REALTOR®, and the right to vote on matters pertaining to their individual employment and personal benefits.
- F. Affiliate Members** shall be individuals or firms who are affiliate members of local boards/associations.
- G. Honorary Members** shall be individuals other than those actively engaged in the real estate business who have contributed notably to the Association, and who shall be elected to such status by the Board of Directors.
- H. Special Affiliate Members** shall be students or educators or others who affiliate with the Association and/or Boards, provided that the Board of Directors may recognize other classes of individuals eligible for affiliation as Special Affiliate Members.
- I. REALTOR® Emeritus** shall be those REALTOR® or REALTOR-ASSOCIATE® Members recognized for their service by the National Association of REALTORS®, and given the designation at the National level.

Section 3. Method of Admission

Method of admission to membership shall be as follows:

- A.** All applications for Board status must be in writing and shall be sent to the Executive Committee. Subsequent approval of the application by the Association's Board of Directors and the National Association's Board of Directors is required for membership.
- B.** Board members shall be admitted to the membership of the Association by virtue of membership in their respective Board.
- C.** Applications for REALTOR® Membership
 - 1.** All applications from principals, partners, corporate officers, or branch office managers for REALTOR® or REALTOR-ASSOCIATE® membership or Institute Affiliate membership must be in writing and shall be sent to the Executive Committee.
 - 2.** 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 the following:
 - a.** That applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the National Association of REALTORS® and the Constitutions, Bylaws, and Policy Manuals of the State and National Association of REALTORS®, and if a REALTOR® Member will abide by the Code of Ethics of the National Association of REALTORS®, except that the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and further specified in the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as from time to time amended, shall not be

- binding, and
- b. That applicant consents that the State, through its Executive Committee may invite and receive information and comment about the applicant from any member or other persons, and the applicant agrees that any information and comment furnished to the State by any person shall be conclusively deemed to be privileged and not form the basis of 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, Policy Manual, and Code of Ethics referred to above.
- D. Institute Affiliate Members - May elect to hold REALTOR® membership subject to payment of applicable dues for such membership.
 - E. Individual Members - Admission is specifically provided for in Article II, Section 2.E of these Bylaws.
 - F. Affiliate Members - Shall be enrolled as Members of the Association upon acceptance into membership of their respective Board.
 - G. Honorary Members - Shall be enrolled as Members of the Association upon election to Honorary membership by action of the Board of Directors of this Association.
 - H. Special Affiliate Members - Shall be enrolled as members of the Association upon election by action of the Board of Directors of the Association.
 - I. REALTOR® Emeritus - Shall be so designated at such time as the Association is notified by the National Association of REALTORS® that the designation has been conferred.

Section 4. Rights and Privileges of Members

Only Board Members, REALTOR® Members, REALTOR® Emeritus Members, and Individual Members whose financial obligations to the Association are paid in full shall be entitled to vote and hold office. All Members are eligible to serve on standing committees, task forces, and action groups.

Section 5. National Membership

- A. The State Association shall be a member of the National Association of REALTORS®.
- B. By virtue of such membership, all of the State Association's Board Members and REALTOR® Members shall also be Members of the National Association of REALTORS®, and shall be required to pay such dues as set by the National Association of REALTORS®.
- C. The State Association shall continue as a member of the National Association of REALTORS®, unless by a two-thirds (2/3) vote of its REALTOR® Members and Board Members, who are REALTOR® Members, a decision is made to withdraw, in which case the National Association of REALTORS® shall be notified at least thirty (30) days in advance of the designated date for the termination of such membership.
- D. This article may be amended only if such amendment is approved by two-thirds (2/3) of the Board Members, who are REALTOR® Members of the State Association present and voting at an annual meeting.

Section 6. Resignations

Resignations of Boards shall be considered and acted upon by the Board of Directors of the State Association; provided, however, that any Board tendering its resignation shall not be delinquent in its dues to the State or National Association, and provided further, that such resignation shall state

the reasons, and shall verify that at least a majority of all its REALTOR[®] Members shall have voted in favor of such resignation.

Article III Annual Dues

Section 1. Amount, Computation, and Responsibility

- A.** Each Board will be assessed an amount as established by the Board of Directors of the Alabama Association of REALTORS[®] times the number of REALTOR[®] and REALTOR-ASSOCIATE[®] Members, who hold primary membership in the Board, plus an amount as established by the Board of Directors of the Alabama Association of REALTORS[®] times the number of real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with REALTOR[®] Members of the Board who are not themselves REALTORS[®], REALTOR-ASSOCIATE[®], or Institute Affiliate Members. In calculating the dues payable by a Board, nonmembers, as defined in the preceding sentence, shall not be included in the computation of dues if dues have been paid in another Board in the State or a state contiguous thereto, provided the Board notifies the State Association in writing of the identity of the Board to which dues have been remitted.
- B.** The annual dues of each REALTOR[®] Member actively engaged in the real estate business from areas not within the jurisdiction of a Board shall be an amount as established by the Board of Directors of the Alabama Association of REALTORS[®], plus an amount as established by the Board of Directors of the Alabama Association of REALTORS[®] times the number of real estate salespersons and licensed or certified appraisers who (a) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR[®] Member, and (b) are not REALTORS[®], REALTOR-ASSOCIATES[®], or Institute Affiliates, provided however, that if two or more REALTORS[®] are principals of the same firm, partnership, or corporation, then only that REALTOR[®] designated from time to time in writing (the designated REALTOR[®]) by the firm, partnership, or corporation shall be required to pay that portion of the dues, which is computed on the basis of the real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with such firm, partnership, or corporation, and the dues of the remaining REALTORS[®] who are principals of such firm, partnership, or corporation shall be an amount as established by the Board of Directors of the Alabama Association of REALTORS[®].

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 the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, renting, 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 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.

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.

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

The annual dues of each REALTOR® or REALTOR-ASSOCIATE® Member holding secondary membership directly in the Association shall be an amount as established by the Board of Directors of the Alabama Association of REALTORS®.

- C. The amount of dues paid by the categories of membership as set forth in Article II, Section 1.A through I, of these Bylaws will be left to the discretion of the Board of Directors. The Board of Directors shall have the authority to increase or decrease dues provided that:
 - 1. A thirty (30) day advance notice in writing of a meeting to consider such action is sent to each Director, and
 - 2. A quorum is in attendance at such meeting, which will consist of fifty-five (55) percent of the members of the Board of Directors, and
 - 3. The action taken must receive the favorable vote of two-thirds (2/3) of the Directors present.
- D. All dues are payable annually in advance, and due on or before January 1 of each year. Members joining during the year shall pay their first year's dues prorated on a monthly basis.
- E. Upon payment to the Alabama Association of REALTORS® of the dues required under Section 1 through 3 of this Article, each REALTOR® and REALTOR-ASSOCIATE® Member, Institute Affiliate Member, and Affiliate Member of Boards within the state, and each REALTOR® and REALTOR-ASSOCIATE® and Institute Affiliate Member from areas not within the jurisdiction of a Board within the state shall be deemed a REALTOR®, REALTOR-ASSOCIATE®, Institute Affiliate Member, or Affiliate Member, as the case may be, in good standing of the Alabama Association of REALTORS®. Upon payment of dues required under any other Sections of this Article, the individual making such payment shall be deemed a Member as designated in good standing of the Alabama Association of REALTORS®.

Section 2. Non-Payment of Dues

- A. Any Board delinquent in dues more than seventy-five (75) days may, at the discretion of the Board of Directors, be suspended, dropped, or expelled provided that said Board has been notified of the delinquency in writing at least thirty (30) days prior to such action being taken.
- B. REALTOR® Members from areas not within the jurisdiction of a Board, delinquent in dues more than seventy-five (75) days may be suspended, dropped, or expelled provided that such member has been notified of the delinquency in writing at least thirty (30) days prior to such action being taken. The Chief Executive Officer is empowered to fulfill the above administrative duties without further clarification and/or vote of the Board of Directors.
- C. There shall be added to the total dues owed by the Board or other Members, a \$100.00 processing fee where such delinquency extends beyond seventy-five (75) days of January 1. The executive Committee is empowered to fulfill the above administrative duties without further clarification and/or vote of the Board of Directors. (10/14/2018)

Section 3. Accountability

- A. At the time of payment of dues for Board membership, each Board Secretary shall send to this Association completed membership forms provided by the Alabama Association of REALTORS®. In such format as shall be determined by the Association, a list of its REALTOR®, REALTOR-ASSOCIATE®, Institute Affiliate Members, and Affiliate Members, and the number of real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with such REALTOR® Members, who are not themselves

members, certified by the President and Secretary of the Board, and that Board shall pay dues for the current year on the basis of such list; provided, however, that adjustments shall be made each month for Members dropped or enrolled by the Board during the preceding month.

- B. On a monthly basis, the Board shall report to the Association the names and addresses of REALTORS[®], REALTOR-ASSOCIATES[®], Institute Affiliate Members, and Affiliate Members dropped or enrolled during the preceding month.

Article IV Officers

Section 1. Elected Officers *(Amended 01/2009)*

The elected officers of the Association shall be a President, a President-Elect, a Treasurer, a Secretary, (service as an Alabama Association of REALTORS[®] Regional Vice President (RVP) shall be prerequisite to being eligible for election to these offices), and five (5) Regional Vice Presidents. Qualification requirements for elected officers are in the Alabama Association of REALTORS[®] Policies and Procedures Manual.

Section 2. Terms of Office *(Amended 04/29/2019)*

Officers, Regional Vice Presidents, State Directors, and National Entitlement Directors shall be elected by electronic voting fifteen (15) days prior to the beginning of Annual Meeting. They will begin their terms at the conclusion of the annual National Convention's Delegate Body Meeting following the election, however no later than December 1 following their election, and they shall serve until their successors are elected and qualified. They shall be members of the Board of Directors. The President shall not be eligible to a second successive elected term, unless something unforeseen happens to the President-Elect, and he/she cannot serve the term.

Section 3. General Duties of Officers

The duties of the officers shall be such as their respective titles, by general usage, would indicate, and as may be assigned to them, respectively, by the President or the Board of Directors, and as required by law.

Section 4. Chief Executive Officer *(Amended 10/2013)*

A Chief Executive Officer may be employed as provided in Article VI, Section 8. He/she shall be the Chief Administrative Officer of the Association, subject to the direction by the President, and shall perform such other duties as may be delegated to him/her or directed to be performed by the President, Executive Committee, or the Board of Directors. He/she shall be responsible for researching and seeking new directions and initiatives for the Association and recommending the same. He/she shall have sole authority to employ, manage, supervise, terminate, and fix the compensation of such other staff, and assign suitable titles thereto, as are necessary to conduct the activities of the Association within the approved budget of the Association. He/she shall keep the minutes, records, and archives of the Association. He/she shall be the Chief Financial Officer of the Association, shall provide financial reports to the President, Treasurer, and others as directed, and shall provide a surety bond in such amounts as the Board of Directors may determine, the cost of which shall be paid by the Association.

A formal performance evaluation of the Chief Executive Officer shall be conducted annually by a committee consisting of the Association's Immediate Past President, President, and President-Elect no later than October 31 of each year. These officers shall also determine any salary adjustment for the following year, and determine any bonus.

Article V

Officers and Directors Removal from Office

Section 1. Resignation *(Amended 04/29/19)*

Officers, Regional Vice Presidents, and members of the Board of Directors shall be deemed to have submitted a resignation from their elected or appointed positions upon the occurrence of any of the following:

- A.** Failure to abide by the Code of Ethics of the National Association of REALTORS[®], or by the Constitution, Bylaws, and Rules and Regulations of the Local, State, and National Association, which failure results in a suspension of, or expulsion from, membership in the Association; or
- B.** Failure to remain qualified as a REALTOR[®] Member; or
- C.** Incapacity by reason of mental or physical condition to the extent that the officer or Director is unable or unwilling to fulfill the duties of the office for a period of ninety (90) days or more; or
- D.** Convicted of a felony.

Section 2. Removal *(Amended 04/29/19)*

Officers, Regional Vice Presidents, and members of the Board of Directors may be removed from their respective offices for any of the following reasons:

- Conflicts of interest that limit his/her ability to fulfill fiduciary and/or legal duties;
- Subject to civil litigation that brings shame, ridicule, or unnecessary public scrutiny to the Alabama Association of REALTORS[®] and its membership; or
- Subject to criminal investigation and criminal proceedings by state and/or federal authorities that brings shame, ridicule, or unnecessary public scrutiny to the Alabama Association of REALTORS[®] and its membership.

Upon finding of reasonable cause and conferring with the Association's General Counsel, the President and Chief Executive Officer will first speak with the individual member and attempt to work through an amicable resolution to resolve any conflict. If no resolution can be reached, the matter will be referred to the AAR Professional Standards Committee to convene a hearing panel in compliance with the Association's Bylaws, Policies, and Procedures. The hearing panel will make any findings consistent with this Association's Bylaws, Policies, and Procedures.

In all matters herein, a spirit of good faith, cooperation, common sense, reasonableness, and fair dealing shall prevail.

Section 3. Voluntary Resignations

Voluntary resignations shall become effective when submitted in writing.

Article VI

Board of Directors

Section 1. Composition *(Amended 04/29/2019)*

The government of the Alabama Association of REALTORS[®] shall be vested in a Board of Directors consisting of the following:

- A. Executive Committee.** The Executive Committee, composed of the President, President-Elect, Treasurer, Secretary, Immediate Past President, and the five (5) Regional Vice Presidents,

shall serve on the Board of Directors for a term for one (1) year.

- B. Presidents of Local Boards/Associations.** The President of each Local Board shall serve on the Board of Directors during the term of office for one (1) year.
- C. Presidents-Elect of Local Boards/Associations.** The President-Elect of each Local Board shall serve on the Board of Directors during the term of office for one (1) year.
- D. State Directors.** The total number of State Directors serving on the Board of Directors shall not exceed 30 in any given year. The number of State Directors allocated per board size category shall be calculated on the total REALTOR® and REALTOR-ASSOCIATE® membership as determined by the Alabama Association of REALTORS® official membership count compiled as of December 31 of each year and be based on each board size category's proportional percentage of overall Association membership, with fractions to be rounded down to the nearest whole. State Directors shall serve staggered, two (2) year terms.
- E. Past President Directors.** A total of five (5) Past Presidents of the Alabama Association of REALTORS® shall serve on the Board of Directors. Past President Directors shall serve staggered, two (2) year terms.

Section 2. Financial Responsibility

The Board of Directors shall administer the finances of the Association and shall have sole authority to appropriate money. Notwithstanding the provisions of Article III, Section 1 through 3, the Board of Directors shall have the authority to levy a special assessment for specific purposes and shall provide for the collection of the same. The accounts of the Association shall be audited annually by a certified public accountant.

Section 3. Meetings

The Board of Directors shall meet not less than two (2) times each year, once at the Capitol Conference which shall be held in the first quarter of the fiscal year, and once at the time of the Annual Meeting.

Section 4. Attendance Requirements *(Amended 04/29/2019)*

A Director is expected to attend all meetings of the Board of Directors. A Director serving by virtue of Section 1 of this Article who, during the term of office, is absent from two (2) meetings of the Board of Directors shall be removed from service on the Board of Directors. If this Director can show just cause to the Executive Committee that the absences were due to serious personal emergency, the Executive Committee may grant a reprieve for the Director to continue to serve.

Section 5. Special Meetings *(Amended 04/2012)*

Special meetings of the Board of Directors may be called at any time by the President, or upon two-week advance written notice by twenty (20) percent of the Directors. The notice shall be provided to all Directors by email (as listed in the NRDS database) and posted on the Alabama Association of REALTORS® website, stating the place, time, and purpose of the meeting.

Section 6. Quorum and Voting

The Directors present for any meeting shall constitute a quorum of the Board of Directors, except as provided in Article III, Section 1.C of the Bylaws. No Director shall have more than one (1) vote, notwithstanding the fact that he/she may be qualified as a Director by meeting more than one criteria to be a Director under Section 1 of this Article. In computing the required number for a quorum, only active status Director positions shall be counted.

Section 7. Vacancies *(Amended 04/29/2019)*

A vacancy in any office shall be filled in the manner the position is elected.

Section 8. Executive Committee *(Amended 09/2013)*

There shall be an Executive Committee of the Board of Directors, composed of the President, President-Elect, Treasurer, Secretary, Immediate Past President, and the five (5) Regional Vice Presidents. The Executive Committee shall conduct the affairs of the Association in accordance with the policies of the Board of Directors. However, in the event a decision or action is required between meetings of the Board of Directors on any matter on which the Board of Directors has not established a policy or instructions, the Executive Committee is authorized to take such action, and make such decisions to carry out the mission of the Association as expressed in Article I, Section 2 of these Bylaws, and to report the same in full to the Board of Directors at its next meeting.

As provided in Article IV, Section 4, the Executive Committee shall employ and supervise a Chief Executive Officer. In the event of death, disability, resignation, or removal from office of the Chief Executive Officer, the Executive Committee shall appoint an acting Chief Executive Officer until such time as the Chief Executive Officer is replaced or is able to return to work. The Executive Committee shall have such other duties, responsibilities, and authority as may be delegated to it by the Board of Directors.

The Executive Committee shall meet at least six (6) times annually, and special meetings may be called by the President by providing reasonable notice to all members thereof. A quorum of the Executive Committee for the conducting of business shall consist of any six (6) members.

Section 9. Policies and Procedures *(Amended 10/1/2017)*

The Chief Executive Officer and Executive Committee should annually review the Association's Policies and Procedures Manual and governing documents for proposed changes, edits, and/or modifications to keep up with current Association operating procedures, trends, and/or proposed changes from NAR, and developments in organized real estate, the political, legal, and/or business environment affecting the Association, its mission, and membership. The Chief Executive Officer and Executive Committee should report proposed changes to the Board of Directors for review and approval at the next scheduled meeting of the Board of Directors. Amendments to the Policies and Procedures Manual shall become effective upon the following January 1, subsequent to their approval unless otherwise designated by the Board of Directors and/or legal counsel.

Article VII Membership Meetings

Section 1. Membership Meetings *(10/14/2018)*

The Association shall hold membership meetings only as the need to conduct official business arises (e.g., to vote on changes to the Association's Constitution or Bylaws). Membership meetings shall be open to all Members without payment of a registration fee.

Section 2. Special Membership Meetings *(Amended 04/2012)*

Special membership meetings may be called by the Board of Directors. Any call for a meeting shall state the purpose, time, and place of the meeting, and shall be issued by email (as listed in the NRDS database) at least twenty-one (21) days in advance of such meeting.

Section 3. Quorum

All REALTOR® Members duly accredited as provided in Section 4 of this Article who are personally in attendance shall constitute a quorum and shall be a voting delegate to such membership meeting, entitled to participate fully in all discussions and deliberations, and entitled to vote. A quorum shall not be established through the use of proxy representation.

Section 4. Accreditation

In order to be duly accredited as a delegate to any membership meeting, REALTOR® Member must personally notify the Association prior to the membership meeting.

Section 5. Voting

The right to vote in any membership meeting shall be limited to those REALTOR® Members duly accredited by Section 4 of this Article and who are actually present at the time the vote is taken in any membership meeting properly noticed. Proxy voting will not be allowed.

Article VIII Committees, Task Forces, and Presidential Advisory Groups

Section 1. Standing Committees

Standing Committees shall be the following permanent committees:

- A. Executive Committee** (as created in Article VI, Section 8)
- B. Credentials and Elections Committee** (as created in Article IX, Section 2)
- C. Finance Committee.** To oversee the physical plant, build a yearly budget plan, review financial audits, and administer the Legal Action Fund.
- D. Planning Committee.** To conduct structural audits and help review and develop long-term strategic objectives of the Association. *(Amended 10/1/2017)*
- E. Information & Member Services Committee.** To develop communication programs, propose affinity programs, recommend board support, propose meeting programs, select award recipients, and provide forums for the Institutes, Societies, and Councils.
- F. Public Policy Committee.** To plan and coordinate the public policy agenda of the Association. *(Amended 10/1/2017)*
- G. Professionalism Trustees.** To plan and coordinate professional development offerings. *(Amended 10/1/2017)*
- H. Professional Standards Committee.** To promote the understanding, practice, and enforcement of the REALTOR® Code of Ethics and to provide hearing panels for ethics and arbitration hearings when appropriate (as provided in the NAR Code of Ethics and Arbitration Manual) for the Alabama Association of REALTORS® to provide this service. Membership in this committee is restricted to Alabama's NAR trained professional standards (procedural) instructors, local board officers, directors, grievance committee members, professional standards committee members, and executive officers.
- I. Grievance Committee.** To receive from Boards and from members-at-large, when appropriate (as provided in the NAR Code of Ethics and Arbitration Manual), ethics complaints and arbitration requests to determine if, taken as true on their face, a hearing is to be warranted. [Committee's composition: The President appoints two persons from each of the five (5) Alabama Association of REALTORS® regions; members are restricted to Alabama's NAR trained professional standards (procedural) instructors, local board officers, directors, grievance committee members, professional standards committee members, and executive officers.]

Section 2. Committee Leadership Appointments *(Amended 10/1/2017)*

Unless otherwise designated by these Bylaws or the Policies and Procedures Manual, the

President-Elect and Treasurer shall appoint the chair and vice-chair of each committee. Such appointments shall be reported to the Board of Directors at the next meeting following the appointment.

Section 3. Committee Chair Duties and Member Duties *(Amended 10/1/2017)*

Committee Chairs and members shall have such duties as their titles indicate and as the Board of Directors may assign. All actions of the committees relative to the Association's budget, bylaws, and policies and procedures documents shall be subject to review by the Executive Committee and the approval of the Board of Directors.

Section 4. Ex-Officio Members

The President and Chief Executive Officer shall be ex-officio members of all committees, except the President shall not be an ex-officio member of the Credentials and Elections Committee, and shall be notified of all meetings.

Section 5. Committee Reporting

All committee chairs shall report to the President at his/her request and to the Directors at regular or called meetings.

Section 6. Committee Attendance

Those members in attendance at a committee meeting shall constitute a quorum.

Section 7. Committee Absence

Those members absent without an excuse deemed valid by the balance of the committee for two (2) consecutive committee meetings shall be construed to have resigned.

Section 8. Committees, Task Forces, and Presidential Advisory Groups (PAGs) *(Amended 01/2009)*

The chair of the standing committees shall charge and appoint their respective task forces to function as authorized by these Bylaws or the Policies and Procedures Manual. The President may appoint special presidential advisory groups as necessary. Committee Chairs and the President shall coordinate these appointments.

Article IX Election of Officers

Section 1. Time and Location *(Amended 04/29/2019)*

The election of Officers, Regional Vice Presidents, State Directors, and National Entitlement Directors shall be by electronic voting within fifteen (15) calendar days prior to the beginning of Annual Meeting with the polls being open for 48 hours.

Section 2. Credentials and Elections Committee *(Amended 04/29/2019)*

- A.** A Credentials and Elections Committee shall review candidates for Officer, Regional Vice President, State Director, and National Entitlement Director based on the criteria for the offices of the Association they seek.

The Credentials and Elections Committee shall be comprised of knowledgeable and experienced members as appointed by the President. Members shall consist of two (2) members from each region serving a two-year staggered term. Members cannot serve more than two (2) consecutive terms. The Immediate, Immediate Past President shall be Chair. The Immediate Past President shall serve as Vice Chair. The Chief Executive Officer shall serve as an ex-officio, non-voting member of the Committee.

- B. If a member of the Credentials and Elections Committee becomes a candidate for any elected position, his/her position on the Committee is vacated.
- C. Members of the Credentials and Elections Committee may not publicly endorse any candidate. A member of the Executive Committee may not publicly endorse any candidate other than himself or herself during his or her term.

Section 3. Declaration of Intent to Run for Office *(Amended 04/29/2019)*

- A. Any active Member in good standing desiring to seek an elected office of the Association shall submit a completed application for elected office to the Credentials and Elections Committee to be received at the Association not later than **March 1** of the year seeking office to be considered a candidate for that office.
- B. The application must be completed in its entirety and signed by the candidate and the candidate's local association executive officer or president.

Section 4. Qualification of Officers *(Amended 04/29/2019)*

- A. The Credentials and Elections Committee shall meet within two (2) weeks of the March 1 application deadline for the purpose of reviewing the candidates to be placed on the ballot. The Credentials and Elections Committee shall verify that the candidate meets the position requirements as outlined in Association's Bylaws and Policies and Procedures Manual.
- B. The Credentials and Elections Committee shall provide a list of all qualified candidates to be called the "Slate of Qualified Candidates". The Slate of Qualified Candidates will be posted on the Association's website and sent to Board Presidents and Association Executives not more than three (3) days after the Credentials and Elections Committee has met.
- C. In the event no candidate qualifies for an officer or RVP position after March 1, or there is an unforeseen circumstance that leaves an officer or RVP position with no candidate from March 1 until August 1, the Credentials and Elections Committee may petition the Executive Committee to reopen the application period for that office for a period of no more than two (2) weeks.
- D. Local Boards/Associations are encouraged to allow candidates to speak to their members prior to the election.

Section 5. Report of the Committee *(Amended 04/29/2019)*

The final slate of candidates submitted by the Credentials and Elections Committee shall be made available to the membership by April 30 by posting the Slate of Qualified Candidates on the Alabama Association of REALTORS® website.

Section 6. Election Procedure *(Amended 04/29/2019)*

Election shall be by electronic voting within fifteen (15) calendar days prior to the beginning of Annual Meeting. All Members who are in good standing shall be entitled to vote.

Regional Vice Presidents shall be elected only by the Members in good standing in the respective region of their primary board.

National Entitlement Directors shall be elected only by Members in good standing of the Alabama Association of REALTORS® Board of Directors.

State Directors shall be elected only by the Members in good standing in the respective board size category of their primary board. Candidates for State Director from Large Boards shall be elected only by the Members in good standing from Large Boards as their primary board. Candidates for

State Director from Medium Boards shall be elected only by the Members in good standing from Medium Boards as their primary board. Candidates for State Director from Small Board and At Large members shall be elected only by the Members in good standing from Small Boards and At Large territories as their primary board.

Past President Directors shall be elected only by Past Presidents in good standing.

The Credentials and Elections Committee shall meet to certify the election results the day following an election.

Section 7. Majority Required *(Amended 04/29/2019)*

In the event there is more than one (1) candidate for a single Officer, Regional Vice President, or National Entitlement Director position, the candidate receiving a majority of the votes cast shall be declared the winner.

In the event no candidate receives a majority of the votes cast, the two (2) candidates receiving the greater number of votes shall be placed into a runoff election, which will commence twenty-four (24) hours after the posting of the primary election results. The polls will be open for twenty-four (24) hours. The candidate receiving the majority of votes cast in the run-off election shall be declared the winner.

If there is more than one National Entitlement Director vacancy, the candidates with the greatest number of votes for the available positions shall be declared the winners.

For State Directors, the candidates with the greatest number of votes for the available positions shall be declared the winners. *(*see footnote)*

Section 8. Executive Committee *(09/2016)*

In the event that issues arise that are not specifically contemplated herein, the Executive Committee may act in the best interest of the Association to maintain a fair and impartial election in accordance with Article VI, Section 9 of the Bylaws of the Association.

Section 9. Candidate Endorsements *(10/14/2018)*

No candidate for state-wide or regional association office or the Board of Directors shall solicit or receive endorsements by boards, associations, or organizations affiliated with the Alabama Association of REALTORS®.

Section 10. State Director Candidate Criteria *(04/29/19)*

A. No member shall be a candidate for more than one office at the same time.

B. A State Director is expected to attend all meetings of the Board of Directors.

****Initial Staggering of Terms:*** *State Directors are to serve staggered, two-year terms. During the first election, for the purpose of staggering the initial terms within board size category, the terms of office assigned to the candidates receiving the highest number of votes will be as follows:*

- *The candidates shall be assigned two- and one-year terms on an alternating basis.*
- *The candidate receiving the highest number of votes shall serve a two-year term, the candidate receiving the second highest number of votes shall serve a one-year term, the candidate receiving the third highest number of votes shall serve a two-year term, and so on, alternating in this pattern until all positions for each board size category's allocation of State Directors have been filled for the first year of election.*
- *In subsequent elections, the elections shall be for full two-year terms.*

- C. **Term.** Two (2) years, can repeat but cannot exceed three (3) consecutive terms as a State Director. Cannot exceed three (3) terms in a ten (10) year period.
- D. **Qualification Requirements.** Any one (1) of the following: served as Local Board President; served two (2) consecutive years on Local or AAR Board of Directors; Leadership AAR graduate; served two (2) consecutive years on the same AAR Committee, Task Force, or PAG; served as Chair/Vice Chair of an AAR Committee, Task Force, or PAG; or served as trustee/director of an AAR-owned subsidiary (ARPAC, Disaster Relief, REALTOR® Foundation, etc.).

Article X National Directors and National Officers

Section 1.

- A. **Selection Procedure.** National Entitlement Directors shall be selected by electronic voting consistent with Article IX Election of Officers. Only duly accredited members of the Alabama Association of REALTORS® Board of Directors, as provided by Article VI, shall be entitled to vote. *(Amended 09/2016)*
- B. **Recommendations for Entitlement Directors.** The selection of National Entitlement Directors shall take place by electronic voting consistent with Article IX Election of Officers. The Board of Directors will vote to recommend to the National Association of REALTORS® a person to fill each entitlement director position for a term beginning the next available term. Whenever a directorship shall become vacant prior to expiration of the term, the Executive Committee shall recommend a replacement director to the National Association of REALTORS®. *(Amended 09/2016)*
- E. **Removal.** In instances where a local board is awarded a National Director allocation and the National Association requires that the State Association give up a National Director allocation to “pay back” this local board allocated Director position, the most recently elected state-allocated National Director will be the Director designated to vacate their seat. In instances where multiple state-allocated National Directors were elected in the most recent year, the National Director with the lowest vote total will be the National Director who will vacate their seat. *(10/14/2018)*

Section 2. Recommendations for National Officers *(Amended 04/2012)*

The President shall at least annually provide for a joint caucus of the President, President-Elect, Treasurer, Secretary, and the National Directors from Alabama, and upon the action by a majority thereof, the President may communicate to the National Association of REALTORS® the name(s) of the endorsed candidate(s).

Article XI Fiscal Year

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

Article XII Code of Ethics

The responsibility of the Association and its 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 from time to time amended, which by this reference is made a part of these Bylaws. Arbitration of such disputes shall be conducted in a manner consistent with the laws of the State of Alabama.

It shall be the duty and responsibility of every REALTOR[®] Member of the Association to abide by the Constitution and Bylaws and the Policies and Procedures Manual of the Association, the Constitution and Bylaws of the National Association of REALTORS[®], and to abide by the Code of Ethics of the National Association of REALTORS[®]. Arbitration of controversies arising out of real estate transactions shall be conducted in a manner consistent with the laws of the State of Alabama.

Applicants for REALTOR[®] and REALTOR-ASSOCIATE[®] membership 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 who have completed comparable orientation in another association, provided that membership has been continuous, or that any break in membership is for one (1) year or less. Failure to satisfy this requirement within one (1) year of the date of application, unless otherwise required by the Members' local association, will result in suspension of the membership. **Note:** This orientation program must meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS[®].

Effective January 1, 2017, through December 31, 2018, and for successive two-year periods thereafter, each REALTOR[®] and REALTOR-ASSOCIATE[®] 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, or the National Association of REALTORS[®], or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the National Association of REALTORS[®]. Members who have completed training as a requirement of membership in another association, and members who have completed the New Member Code of Ethics Orientation during any two-year cycle, shall not be required to complete additional ethics training until a new two-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. Failure to meet the requirement in any two (2) year cycle will result in suspension of membership for the first two (2) months (January and February) of the year following the end of any two-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. *(Amended 10/1/2017)*

Article XIII Professional Standards

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

this delegation of authority. If no other entity is amenable to conducting the review, the State Association shall be responsible for conducting the hearing.

Section 1. Violations

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

- A. Contractual disputes (and specific non-contractual disputes as defined in Standards of Practice 17-4) between REALTORS® who are not Members of the same Board where the matter has been referred to the State Association by both local Boards.
- B. Contractual disputes (and specific non-contractual disputes as defined in Standards of Practice 17-4) between REALTORS® who are directly Members of the State Association and not Members of any Board.
- C. Contractual disputes (and specific non-contractual disputes as defined in Standards of Practice 17-4) between an Individual REALTOR® who does not hold membership in any Board, but is directly a Member of the State Association, and a REALTOR® who is a Member of a Board.
- D. Contractual disputes (and specific non-contractual disputes as defined in Standards of Practice 17-4) between REALTOR® Members of the same Board where the Board with good and sufficient reason is unable to arbitrate the controversy. (Explanation: This provision is not designed to relieve the Local Board of its primary responsibility to resolve differences arising between members of the same Board. The section recognizes that in some Boards with a limited membership, usual arbitration procedures may be impossible).
- E. Contractual disputes between a customer or a client and a REALTOR® where the Board with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a direct Member of the Association.
- F. Allegations of unethical conduct by a REALTOR® who is directly a Member of the Association and not a member of any local Board.
- G. Allegations of unethical conduct by a REALTOR® or REALTOR-ASSOCIATE® in the instance in which the local Board, because of size or other valid reason, determines that it cannot provide a due process hearing of the matter and petitions the State Association to conduct a hearing.

Section 2. Adjudication of Complaints

- A. **Mediation.** The Alabama Association of REALTORS® offers mediation services as an alternative to a formal ethics hearing provided all parties agree to participate and follows the mediation process outlined in the Code of Ethics and Arbitration Manual of the National Association of REALTORS®. (10/14/2018)
- B. **Citation.** The Alabama Association of REALTORS® uses a citation system of discipline for complaints. The citation process will be employed in a manner as laid out in the NAR Model Citation Policy, as modified in accordance with specific policies and procedures of the Alabama Association of REALTORS®. (10/14/2018)
- C. **Hearings.** Professional Standards hearings and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®. The Code of Ethics and Arbitration Manual of the National Association as hereby adopted shall be deemed to be amended and changed whenever said

Code of Ethics and Arbitration Manual is amended or changed by the National Association.

Section 3. Action of the Board of Directors (10/14/2018)

The Executive Committee of the State Association, on behalf of the Board of Directors, shall serve as the final decision authority on ethics hearing panel rulings and ethics hearing appeals.

Section 4. Resignation

If a REALTOR® Member (as defined in Article II, Section 2, of these Bylaws) resigns from the Board 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.

If a REALTOR® Member (as defined in Article II, Section 2, of these Bylaws) 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 5. Publication of Code of Ethics Violators (10/14/2018)

The state Association, as authorized by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, will publish the names of ethics violators, subject to the following qualifications.

- A. Publication can occur in instances in which violators are disciplined with a letter of reprimand, a fine, a suspension, and/or an expulsion.
- B. Prior to publication, the State Association's legal counsel must review the decision, discipline, and information to be published.
- C. Publication can only be made in an official communication vehicle intended primarily for members of the Board in which the violator holds (held) membership. Where the official communication vehicle is electronic or internet-based, access must be limited to local Board members.
- D. The name of the firm the violator is (or was) licensed with cannot be published.
- E. Publication must be consistent and uniform. This means that publication may not occur selectively but must be used in each instance where the discipline imposed meets the Association's publication criteria.
- F. Other than the violator's name and a photo of the violator, the only additional information that may be published is the Article(s) violated, a description of the violation(s) with all names redacted except for the name of the violator, and the discipline imposed, except in cases where the violator's name is similar to another member's name, the violator's license number may be published.
- G. Publication must be based on conduct that occurs after the adoption of these publication procedures.

Section 6. Appeals (10/14/2018)

For complaints referred to the State Association's Professional Standards Committee through a cooperative enforcement agreement, appeals will be remanded to the State Association for adjudication in accordance with the NAR Code of Ethics and Arbitration Manual.

Article XIV

Use of the terms REALTOR[®], REALTORS[®], and REALTOR-ASSOCIATE[®]

Section 1. Member Boards *(Amended 01/2009)*

Use of terms REALTOR[®], REALTORS[®], or REALTOR-ASSOCIATE[®] by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the National Association of REALTORS[®] and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have authority to control, jointly and in full cooperation with the National Association of REALTORS[®], use of the terms within those areas of Alabama not within the jurisdiction of a Board. 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

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

Section 3. Firms

A REALTOR[®] Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR[®] or REALTORS[®] only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate business within the state or a state contiguous thereto are REALTOR[®] or Institute Affiliate Members.

Section 4. REALTOR-ASSOCIATE[®] Member

REALTOR-ASSOCIATE[®] Members of the Association shall have the right to use the term REALTOR-ASSOCIATE[®] so long as they remain REALTOR-ASSOCIATE[®] Members in good standing and the REALTOR[®] Member with whom they are associated or by whom they are employed is also a REALTOR[®] Member in good standing.

Section 5. Institute Affiliate Member

An Institute Affiliate Member shall not use the terms REALTOR[®], REALTORS[®], or REALTOR-ASSOCIATE[®] and shall not use the imprint of the emblem seal of the National Association of REALTORS[®].

Article XV

Regions

The state shall be divided into five (5) districts or regions for administrative purposes. A Vice President shall be elected from each of the regions so created. It shall be the duty of the Executive Committee, beginning at the January 1989 Board of Directors meeting and each 4th year thereafter to apportion the regions on an equitable basis, effective the following January 1, unless otherwise modified by action of the Board of Directors.

Article XVI

Rules of Order

Section 1. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Association may adopt.

Section 2. A Parliamentarian shall be appointed by the President each year.

Article XVII Amendments

Section 1. Process *(Amended 04/2012)*

These Bylaws may be amended at any membership meeting as defined under Article VII, Membership Meetings, by the affirmative vote of two-thirds (2/3) of the voting delegates present and voting, provided that a quorum is present and provided further that notice of the substance of any proposed amendments shall first have been issued by email (as listed in the NRDS database) and posted on the Alabama Association of REALTORS® website at least twenty-one (21) days in advance of the meeting.

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 that are mandated by NAR policy. Amendments to these Bylaws shall become effective upon the next following January 1, subsequent to their approval, unless otherwise designated by the Board of Directors and/or legal counsel.

Section 2. Jurisdiction

Amendments to these Bylaws affecting the admission or qualifications of Board Members and Institute Affiliate Members, the use of the terms REALTOR®, REALTORS®, and REALTOR-ASSOCIATE®, or any alteration in the territorial jurisdiction of a Board shall become effective upon the approval of the Board of Directors of the National Association.

Article XVIII Harassment

Harassment is illegal conduct and is contrary to the policy of the Association. Any Member of the Association may be reprimanded, placed on probation, suspended, or expelled for harassment of an Association Member, employee, 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, President-Elect, 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 or President-Elect, 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.

Article XIX Dissolution

Upon the dissolution or conclusion of the affairs of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Boards on a proportionate basis to be determined by the then current Board Members and REALTOR® Members.