

CAPE MAY COUNTY ASSOCIATION OF REALTORS[®], Inc.
BYLAWS
2026

ARTICLE I - NAME

- Section 1** The name of this organization shall be the Cape May County Association of REALTORS[®], Incorporated, herein after referred to as the Association.
- Section 2** Inclusion and retention of the Registered Collective Membership Mark REALTORS[®] in the name of the Association shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS[®] as from time to time amended.

ARTICLE II - OBJECTIVES

The objectives of the Association are:

- Section 1** To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.
- Section 2** To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS[®].
- Section 3** To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.
- Section 4** To further the interest of home and other real property ownership.
- Section 5** To unite those engaged in the real estate profession in this community with the NEW JERSEY ASSOCIATION OF REALTORS[®] and the NATIONAL ASSOCIATION OF REALTORS[®], obtaining the benefits and privileges of membership therein.
- Section 6** To designate, for the benefit of the public, those individuals authorized to use the terms REALTOR[®] and REALTORS[®] as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS[®].

ARTICLE III – JURISDICTION

Section 1 The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is: all of Cape May County with the exception of and excluding the City of Ocean City, New Jersey.

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

There shall be six classes of Members as follows:

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

- (1) Individuals who, as sole proprietors, partners, or corporate officers, or branch 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 located within the State of New Jersey or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a State contiguous thereto, shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (*except as provided in the following paragraph*) in a Board/Association of REALTORS® within the State or a 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 board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership.

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

- (2) **Franchise REALTOR® Members** 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 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.

- (3) **Primary and secondary REALTOR® Members** An individual is a primary member if the Association/Board 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.
- (4) **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 mediate and arbitrate pursuant to Article 17 of the Code of Ethics Bylaws and the payment of Board dues as established in Article X of the Bylaws. The Designated REALTOR® must: be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established.
- (b) **Institute Affiliate Members** Institute Affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society, or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership.
- (c) **Affiliate Members** Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association.
- (d) **Public Service Members** Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.
- (e) **Honorary Members** Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1 Application

- (a) An application for membership shall be made in such manner and form as prescribed by the Board of Directors and made available to anyone requesting it.
- (b) The application form shall contain among the statements to be signed by the applicant:
 - (1) that REALTOR® applicant agrees as a condition to membership to thoroughly familiarize

himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and the Rules and Regulations of the Association, State and National Associations, and if a REALTOR® will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to mediate and 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 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 REALTOR® applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2 Qualification

- (a) An applicant for REALTOR® Membership who is a sole proprietor, partner, or corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the Association that he/she is actively engaged in the real estate profession and maintains a current New Jersey Real Estate Broker's license or Salesperson 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 ***(1)** recent or pending bankruptcy, has ***(2)** no record of official sanctions involving unprofessional conduct, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the Association, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations and Code of Ethics.

***(1)** 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, or 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 years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Association establishes that its interest 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 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

***(2)** NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT is intended to mean that the Association may only consider judgments within the past three (3) years of violations of (1) civil rights

laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts.

- (b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, or 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® of another Board/Association (if secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Association. The applicant shall agree in writing that if accepted to membership he/she will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.
- (c) **Affiliate Member** An applicant for Affiliate Membership shall certify that he/she is not engaged in the real estate brokerage business. He/she shall agree to abide by the Constitution, Bylaws and Rules and Regulations of the local, State and National Associations.

Section 3 Acceptance to Membership

The procedure for acceptance to membership shall be as follows: Applicants for REALTOR® Membership shall be granted membership immediately upon submission of a completed application form, evidence of licensure and the remittance of applicable Association dues and any application fees. Applicants for REALTOR® membership may be required to attend an Orientation Course as may be determined by the Board of Directors.

Dues shall be computed from the first day of the quarter from which a member is accepted and shall be prorated for the remainder of the year. In the event applicants for REALTOR® membership are terminated then dues must be returned to the individual less a prorated amount to cover the number of days that the individual received Association services.

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 may electronically or mechanically record the proceedings.

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). 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 a declaratory judgment by a court of competent jurisdiction of a final judgment

declaring that the rejection violates no rights of the applicant.

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 90 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 4 Continuing REALTOR® Code of Ethics Training

Effective January 1, 2019, through December 31, 2021 and for successive three 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 REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, 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 three year cycle shall not be required to complete additional ethics training until a new three 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 three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three 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.

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.

Enforcement of the Code

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 5 Continuing Fair Housing Training

Effective January 1, 2025, through December 31, 2027 and for successive three 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 Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed Fair Housing training as a requirement of membership in another association shall not be required to complete additional Fair Housing training until a new three year cycle commences.

Failure to satisfy the required periodic Fair Housing training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three 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.

New Member Fair Housing Orientation

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to gain or maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to 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 90 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.

ARTICLE VI - PRIVILEGES & 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 Board Rules and Regulations not inconsistent 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 Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3 Any REALTOR® Member of the Association may be disciplined by the Board of Directors for violation 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 **Enforcement of the Code**
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 5 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 6 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 this 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 ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an Association of REALTORS®.

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

Section 7

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 real estate profession.

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 re-admission 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 re-admission 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 connection with the REALTOR® and affiliates with another REALTOR® member 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.

In any action taken against a REALTOR® Member for suspension or expulsion under Section 6 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 shall apply.

Section 8

INSTITUTE AFFILIATE MEMBERSHIP Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the National Association of

REALTORS®.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, 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 9 **AFFILIATE MEMBERS** Affiliate Members shall have rights and privileges subject to obligations prescribed by the Board of Directors.

Section 10 **PUBLIC SERVICE MEMBERS** Public Service Members shall have the rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 11 **HONORARY MEMBERS** Honorary Membership shall confer only the right to attend meetings and participate in discussions.

Section 12 **CERTIFICATION BY REALTOR®** Designated REALTOR® Members of the Association shall certify to the Association during the month of June, on a form provided by the Association, a complete listing of all individuals licensed or certified with the REALTORS® office(s) and shall designate a primary Board/Association for each individual who holds membership. Designated REALTOR® Members shall also identify any non-member licensees in the REALTORS® Office(s) and if Designated REALTOR® dues have been paid to another Board/Association based on said non-member licensees, the Designated REALTOR® shall identify the Board/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 additional individual(s) licensed or certified with firms within thirty (30) days of the date of affiliation or severance of the individual. Designated REALTORS® who fail to certify and report licensees in accordance with procedures as outlined in this section shall be fined \$50.00 for every licensee left uncertified or unreported.

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 Association, as from time to time amended, which by this reference is made a part of these Bylaws.

Section 2 It shall be the duty and responsibility of every REALTOR® Member of this Association to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by the governing documents and policies of the Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to mediate and 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.

Every REALTOR® member shall maintain a high level of integrity and adhere to the Association's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership.

Section 3 The responsibility of the Board and Board members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Board, which by this reference is made a part of these Bylaws.

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 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 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.

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 5 Institute Affiliate members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

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

Section 1 **Application Fee** The Board of Directors may adopt an application fee for REALTOR® Membership in a 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® Member 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.

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, partner, corporate officer, or branch office manager of the firm, partnership or corporation 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, partner, corporate officer, or branch office manager of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with 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.

Section 3 REALTOR® Member Dues The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the board of directors.

Institute Affiliate Member Dues The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

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

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

Honorary Member Dues The annual dues of each Honorary Member shall be in such amount as established annually by the Board of Directors.

Section 3 Dues Payable Dues for all Members shall be payable annually in advance on or before the first business day of January. Dues for new members shall be computed from the first day of the quarter in which a Member is notified of acceptance and shall be prorated for the remainder of the year. The Board of Directors may levy a fine for late payment of dues.

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

Section 4 Nonpayment of Financial Obligations If dues, fees, fines, or other assessments including amounts owed to Association are not paid by the due date, the nonpaying Member may be subject to suspension. One (1) month 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. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for memberships, after making payment in full of all accounts due as of the date of termination.

Section 5 Deposit All monies received by the Board for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6 Expenditures The Board of Directors shall administer the finances of the Association, but shall not incur any obligation in excess of \$10,000 over the amounts budgeted. Nor shall the Board of Directors incur any obligations in excess of \$10,000 for any emergency unbudgeted expenditure.

Authorization for expenditures in excess of these amounts shall require approval by a two thirds vote of those members present and eligible to vote, excluding blanks and/or abstentions, at a regular or properly called meeting of the General Membership at which a quorum is present. Neither proxy votes nor absentee ballots will be accepted.

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

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

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1 Officers The elected officers of the Association shall be: a President, President-Elect, First Vice President, Treasurer and an Executive Officer/Secretary. They shall be elected for terms of one 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.

(a) **President** The President shall be the Chair of the Board and shall preside at its meetings and those of the Board of Directors. He/she shall represent the Association and act in its name, subject only to its declared policies. He/she shall appoint all committees unless otherwise directed by the Board of Directors. He/she shall be ex-officio member of all committees and shall perform all other duties usual to such office.

(b) **President-Elect** The President-Elect shall perform all of the President's responsibility when the President is unavailable. He/she shall serve on the Executive Committee. He/she shall work with the President to develop and implement Officer transition plans and shall perform all other duties usual to such office.

(c) **First Vice President** The First Vice President shall serve on the Executive Committee and report to the President. He/she shall be the liaison to all committee chairs and shall report to the Board on the committees' decisions/recommendations.

(c) **Treasurer** The Treasurer shall be responsible for all funds of the Board; he/she shall serve on the Executive Committee; see that dues collected for the New Jersey Association of REALTORS® and the National Association of REALTORS® are deposited in a financial institution or institutions selected by the Directors; see that all Association funds are deposited in the general account; provide a regular report of the Association's financial condition and provide a budget for the Board of Directors' approval.

(e) **Executive Officer/Secretary** There shall be an Executive Officer who shall be employed by the Board of Directors. He/she shall be the Chief Executive

Officer of the Association, subject to the direction of the President and the Board of Directors. He/she shall also serve as an appointed secretary and shall maintain the minutes of all meetings and keep the records of the Association along with such other duties as are customary to the office of secretary.

Section 3 Board of Directors

The governing body of the Association shall be a Board of Directors consisting of fourteen (14) REALTOR® Members and one (1) Affiliate Director. The fifteen (15) members shall include:

- i. President
- ii. President-Elect
- iii. First Vice President
- iv. Treasurer
- v. Seven (7) Directors
- vi. One (1) Immediate Past President
- vii. Two (2) Past Presidents
- viii. One (1) Affiliate Director

The Officers shall be elected for one (1) year. The Directors shall be elected to serve for one of the following terms: three (3) Directors for 1-year term and four (4) Directors for two (2) year terms.

The one (1) Immediate Past President of the Association who continues to maintain REALTOR® Membership in this Association shall serve as Director and shall have voting privileges if he/she complies with the annual attendance requirements of the elected Directors. In the event of a vacancy on the Board of Directors by the resignation or retirement of any Immediate Past President, the position may be filled only by another Past President.

The two (2) Past Presidents of the years preceding the Immediate Past President of the Association who continue to maintain REALTOR® Membership in this Association shall serve as Directors and shall have voting privileges if they comply with the annual attendance requirements of the elected Directors. In the event of a vacancy on the Board of Directors by the resignation or retirement of any Past President, the position may be filled only by another Past President.

The one (1) Affiliate Director shall be elected for a 1-year term. As a member of the Board of Directors, the Affiliate Director will not vote on Professional Standards matters before the Board of Directors relating to the enforcement of Professional Standards or the recommendations of hearing panels related to ethics and arbitration hearings.

Section 3a Eligibility

Applicants for open positions on the Board of Directors must meet the following requirements:

- a) Are Members in Good Standing
- b) Have actively participated in at least one (1) year of committee work
- c) Have regularly attended General Membership Meetings

Section 4 Election of Officers and Directors

At least two (2) months before the annual election, a Nominating Committee of five (5) REALTOR® Members shall meet. It shall consist of: The Immediate Past President, who will be the acting as Chair, two (2) members appointed by the President and two (2) members appointed by the Board of Directors.

The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed or, where permitted by state law, electronically transmitted to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates, who meet the requirements for eligibility according to section 3a, for the offices to be filled may be placed in nomination by petition signed by at least ten (10) % of the REALTOR® Members eligible to vote. The petition shall be filed with the Executive Officer at least two (2) weeks before the election. The Executive Officer shall send notice of such additional nominations to all Members eligible to vote before the election. No member of the Nominating Committee may also be a candidate for any position.

The election of Officers and Directors shall take place at the annual meeting or where permitted by state law, electronically. 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.

Section 5 Term Limitations Any REALTOR® member may serve not more than 7 (seven) consecutive years as a member of the Board of Directors with not more than 2 (two) consecutive years in each executive position and not more than 3 (three) consecutive years in any Director's position.

Section 6 Vacancies Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

Section 7 Removal of Officers and Directors In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

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

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

The special meeting shall be noticed to all voting Members at least ten (10) days

prior to the meeting, and shall be conducted by the President of the Board unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

ARTICLE XII - MEETINGS

Section 1 Annual Meetings The annual meeting of the **Association** shall be held during September of each year. Date, place and hour shall 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. Absence from two consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.

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 the written request of at least ten (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. If a special meeting is called it shall be accompanied by a statement of the purpose of the meeting.

Section 5 Quorum A quorum for the transaction of business shall consist of five (5) percent of the Members eligible to vote.

Section 6 Voting No proxy voting or absentee voting will be permitted at any meeting for which there will be a vote of the members eligible to vote.

ARTICLE XIII - COMMITTEES

Section 1 Standing Committees The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

Budget Community Service Professional Standards Grievance
Government Affairs Member Services Communications Technology
Education Nominating Scholarship

Section 2 Task Forces The President shall appoint, subject to confirmation by the Board of Directors, Task Forces as deemed necessary.

Section 3 Organization All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws.

Section 4 President The President shall be an ex-officio member of all standing committees

and shall be notified of their meetings.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1 The fiscal and elective year of the Association shall be January 1st to December 31st.

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 may be amended by a 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, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy by a majority vote.

Section 2 Notice of all meetings at which amendments are to be considered shall be delivered via regular mail, email or other electronic delivery to every Member eligible to vote at least one (1) week prior to the meeting.

Section 3 Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR®, 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 any other non-profit tax exempt organization.

ARTICLE XVIII – MULTIPLE LISTING

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 New Jersey, all the stock of which shall be owned by this Association of REALTORS® and subject to its own Bylaws and Rules and Regulations.

Section 2 Purpose A multiple listing service is a means 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.

Section 3 Governing Document A change of ownership must be approved by a majority vote of the Participants of the Multiple Listing Service.

The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its corporate charter, constitution, bylaws, rules, regulations, policies, practices, and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the National Association of REALTORS®.

Section 4 Participation Any REALTOR® of this or any other association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in multiple listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to multiple listing service membership or participation unless they hold a current, valid real estate broker's license and cooperate, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. 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.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperates 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, shares information on listed property, and makes property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of their clients, and to cooperate. "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 provided by the Participant or potential Participant as long as the level of service satisfies state law.

The key is that the Participant or potential Participant cooperates with respect to properties of the type that are listed on the MLS in which participation is sought. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of their client(s). 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 cooperate. An MLS may evaluate whether a Participant or potential Participant actively endeavors during the operation of its real estate business to cooperate 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.

Section 5 Subscribers Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

Section 6 Removal of Officers and Directors In the event that an Officer or Director of the Multiple Listing Service is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

- a. A petition requiring the removal of an Officer or Director and signed by not less than one-third of the participants or a majority of all Directors of the MLS shall be filed with the President of the MLS, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- b. Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Participants of the MLS shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.
- c. The special meeting shall be noticed to all Participants at least ten (10) days prior to the meeting, and shall be conducted by the President of the MLS unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the Participants. Provided a quorum is present, a three-fourths vote of Participants present and voting shall be required for removal from office.
- d. Any vote taken by the Participants to remove an Officer or Director must ultimately be confirmed by a majority vote of the Directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the shareholder(s).