

**BYLAWS OF THE NORTHEAST TENNESSEE ASSOCIATION OF REALTORS®
INCORPORATED**

Adopted December 15, 1995

Amended: June 24, 1999, April 13, 2000, September 14, 2000, June 14, 2001, May 2, 2002, June 13, 2002, September 11, 2003, April 1, 2004, September 9, 2004, September 8, 2005, May 11, 2006, December 1, 2006, May 10, 2007, August 9, 2007, September 9, 2010, November 11, 2010, May 5, 2011, April 2, 2015, June 9, 2016, February 16, 2017, March 2, 2017, June 15, 2017, February 1, 2018, February 1, 2019, February 13, 2020, March 5, 2020, September 15, 2020, November 3, 2021, February 28, 2022, October 12, 2023, October 24, 2024, November 20, 2024

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ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the NORTHEAST TENNESSEE ASSOCIATION OF REALTORS®, INCORPORATED, hereinafter referred to as the "Association."

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

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 the community with the TENNESSEE REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation and obtaining the benefits and privileges of membership therein.

Section 6. To designate, for the benefit of the public, individuals are 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 Carter, Johnson, Unicoi, Greene, Hawkins, and Washington Counties, and beginning at a point 100 yards east of the point where Latture Road crosses the state line and running south 100 yards east of Latture Road to its intersection with Cold Springs Road, turning southeast 100 yards northeast of Cold Springs Road and following same at its intersection with US 11W, turning east 100 yards north of US 11W and following same to its intersection with Tenn. Hwy #37, turning southeast 100 yards southwest of Tenn. Hwy #37 and following same to its intersection with Island Road, turning southwest 100 yards northwest of Island Road and following same to the intersection of an unnamed dead-end road (cut off by I-81), turning south 100 yards west of this unnamed road and following same across the break created by I-81 and continuing to its intersection with Tenn. Hwy. #126, turning east 100 yards south of Tenn. Hwy #126 and following same to a point 100 yards from the Blountville, TN corporate limits, thence circling Blountville 100 yards outside the westerly corporate limits to a point bisected by the Camp Placed Road, turning east 100 yards south of the Camp Placed Road and following same to its intersection with Big Hollow Road, turning southeast 100 yards southwest of Big Hollow Road and following same to its first intersection with an unnamed road running southeast, following same 100 yards southwest to its intersection with Buffalo Church Road and continuing

straight southeast to the center of the main channel of the Holston River, turning southwest and following the main channel of the Holston River to its junction with Watauga River and continuing downstream to the point where Sullivan/Washington County line departs from the center of the Holston River, Thence continuing west along the Sullivan/Washington County line to a point 100 yards east of the Eastern Star Road (where Tenn. Hwy #137 crosses the County line) and then turning southwest into Washington County. Beginning at a point in the Sullivan/Washington County line 100 yards east of Eastern Star Road and running southwest 100 yards southeast of the Eastern Star Road to its intersection with Ridge Road, continuing southwest 100 yards southeast of ridge Road to its intersection with Kincheloe Road, turning southeast 100 yards southwest of Kincheloe Road and continuing to its intersection with an unnamed road to the right, turning southwest 100 yards northwest of said unnamed road and continuing to its intersection with Valley View Road, continuing southwest 100 yards southeast of Valley View Road to its intersection with Painter Road, turning northwest 100 yards southwest of Painter Road and following same to its intersection with Mitchell Ridge Road, turning southwest 100 yards southeast of Mitchell Ridge Road and following same to its intersection with Tenn. Hwy #93, turning northwest 100 yards southwest of Tenn. Hwy. #93 and following same to its intersection with Martin Road, turning southwest 100 yards southeast of Martin Road and following same to its intersection with Blakely Creed Road, continuing southwest 100 yards northwest of Blakely Creek Road and following same to its intersection with Glendale Road turning northwest 100 yards northeast of Glendale Road and following same to its intersection with an unnamed road, turning southwest 100 yards northwest of said unnamed road and following same to the Greene/Washington County Line, turning north with the Greene/Washington County line and following said county line to its intersection with the Hawkins/Washington County line. Leaving the Sullivan County line on Blairs Gap Road on a line 100 yards west of Blairs Gap Road to its intersection with Goad Hollow turning west 100 yards south of Goad Hollow to its intersection with Blairs Gap Road, turning north 100 yards west of Blairs Gap Road and following same to an unidentified road turning south, following 100 yards on the southerly side of this road to its intersection with Smith Road, turning southwest 100 yards southwest of this intersection and following Smite Road to its intersection with Simpson Road, turning north 100 yards west of Simpson Road to its intersection with Hunt Gap Road, turning northeast 100 yards northeast of Hunt Gap Road and following same and on into its name change to Collins Road and turning northwest 100 yards southwest of an unnamed dead end road terminated by the Holston River, across said river to a point 100 yards south of an unnamed road, continuing west to its intersection with Elm Springs Road, turning north, northwest 100 yards west of Elm Springs Road and following it to its intersection with Carters Valley Road, turning northeast 100 yards northwest of Carters Valley Road and following same to its intersection with Payne Ridge Road, turning north/northwest 100 yards west of Payne Ridge Road and following same to its intersection with Okolona Road, turning west 100 yards south of Okolona Road and following same to its intersection with Stanley Valley Road, turning northeast 100 yards northwest of the Stanley Valley Road and following same to the Virginia State Line, turning east and following Virginia/Tennessee State line to the point of beginning.

Section 2. Territorial jurisdiction is defined to mean: (a) The right and duty to control the use of the term REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Association agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

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

- (a) **REALTOR® Members.** REALTOR® Members, whether primary or secondary, shall be
 - (1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the State of Tennessee 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 Tennessee 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 local Board/Association of REALTORS® within Tennessee or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership.

- (2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications.
- (3) 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.
- (4) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions, and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges, and obligations of REALTOR® membership (including compliance with the Code of Ethics) **except** obligations related to Association mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local Board, State Association and National Association.
- (5) Primary and Secondary REALTOR® Members. An individual is a primary Member if the Association pays state and National dues based on such member. An individual is a secondary Member if state and National dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® Member of the Association in order for licensees affiliated with the firm to select the Association as their "primary" Association.
- (6) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the Association) pursuant to Article 17 of the Code of Ethics and the payment of the Association dues. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® membership.

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

c) **Business Partners.** Business Partners shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession, 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.

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

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application

(a) An application for membership shall be made in such a manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that the applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTOR®, the Constitution, Bylaws, and Rules and Regulations of the State and National Associations, the Bylaws and Rules and Regulations of the Association, and if elected a Member, will abide by the

Constitution, Bylaws and the Rules and Regulations of the State and National Associations, the Bylaws and Rules and Regulations of the Association, and if a REALTOR®, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Association, through its Membership Committee or otherwise, may invite and receive information and comment about the applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, 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, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's, or salesperson's license or is a 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 of Tennessee or a state contiguous thereto (unless a secondary member) has no record of recent or pending bankruptcy (*), has no record of official sanctions involving unprofessional conduct (**), agree to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the Tennessee

Association of REALTORS®, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®. All Applicants for REALTOR® membership shall be required to complete a minimum of two hours and 30 minutes of orientation on the Code of Ethics and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. Applicants who have attended orientation within the past year shall not be required to attend another orientation session.

*If the applicant or the applicant's real estate firm is named as a debtor in such bankruptcy proceeding, membership may not be denied unless the Board establishes that its interests and those of its members and the

public could not be adequately protected by requiring that the applicant pay cash in advance for association dues and MLS fees for up to one (1) year from the date that membership is approved. 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.

****An Applicant must have no record of civil judgments imposed within the past seven (7) years involving judgments of civil rights laws, real estate license laws, or other laws prohibiting unprofessional conduct rendered by the courts or other lawful authorities.**

An applicant who has a record of criminal conviction(s) within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, must provide, and the Association must consider, mitigating factors relating to that criminal history.

- a. Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Association (if a secondary member), and must maintain a current, valid real estate broker's, or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, 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 Board of Directors, and shall agree in writing that if elected to membership he/she will abide by such *Constitution*, Bylaws, rules and regulations, and the Code of Ethics. (Amended 5/07)

***Note:** An Applicant must have no record of civil judgments imposed within the past seven (7) years involving judgments of civil rights laws, real estate license laws, or other laws prohibiting unprofessional conduct rendered by the courts or other lawful authorities.

An applicant who has a record of criminal conviction(s) within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, must provide, and the Association must consider, mitigating factors relating to that criminal history.

- (b) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership: All final findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® association within the past three (3) years.

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

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; see Article V, Section 2(a), NOTE 2), provided all

other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the Association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the Association to which the applicant has made application) and will abide by the decision of the hearing panel. (Amended 11/09)

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

Section 3. Election The procedure for election to membership shall be as follows.

- (a) The Chief Executive Officer (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the Association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the Board of Directors.
- (b) If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's Bylaws, or if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 90 days from the Association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee. The Board of Directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he/she shall be declared elected to membership and shall be advised by written notice.
- (c) The Board of Directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- (d) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Chief Executive Officer (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. (Adopted 1/98, Amended 1/05)

Section 4. New Member Code of Ethics Orientation Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous or that any break in membership is for one (1) year or less.

Failure to satisfy this requirement within ninety (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.

NOTE: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®. (Adopted 1/01)

Section 5. 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 Association, the State Association of REALTORS®, 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 (3) year cycle shall not be required to complete additional ethics training until a three (3) year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of membership duty. Failure to meet the requirement in any three (3) year cycle will result in the suspension of membership for the first two months (January and February) of the year following the end of any two (2) cycles or until the requirement is met whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

Section 6. 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.

Section 7. 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 ninety (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 8. Status Changes

- (a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within ten (10) days. A REALTOR® (non-principal) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within-thirty (30) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors. (Amended 7/24)

A REALTOR® who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all the privileges and obligations of membership during the period of transition. If the transfer is not completed within thirty (30) days of the date the Association is advised of disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors. (Amended 7/24)

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

- (b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.
- (c) Dues shall be pro-rated from the first day of the month in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year. (Amended 1/05)

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations 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 by a hearing panel of the Tennessee REALTORS® Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the Tennessee REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3.: 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 described in the *Code of Ethics and Arbitration Manual* of the Association, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.

Section 4. Resignations of Members shall become effective when received in writing at the Association office 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 such monies owed.

Section 5. If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Association with respect to the disposition of the complaint is final by this Association (if the 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 the 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 arbitration (or to mediation if required by the Association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

Section 6. Privileges of REALTOR® Members - REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the association are paid in full are entitled to vote and to hold elective office in the Association; and may use the term REALTOR®; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the association and the real estate profession. For purposes of this section, the term "good standing" means the member is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR's trademark rules.

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member or unless connection of the

disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former member is admitted to membership in the Association. The foregoing is not intended to preclude a suspended or expelled member from functioning as an employee or independent contractor, provided no management control is exercised. Further, the membership of REALTORS® other than principals who are employed 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 unless connection of the disciplined member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply.

If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

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

Section 7. REALTOR® Emeritus. Any person who has held REALTOR® membership in the National Association as a REALTOR®, REALTOR®- Associate®, or a combination of both, for a cumulative period of 40 years in one or more Associations of REALTORS® is eligible for REALTOR® Emeritus status. Upon approval by the Board of Directors of the National Association of REALTORS®, no further payment of dues is necessary to the National Association by the Member Association of which the REALTOR® Emeritus is a member.

Section 8. Institute Affiliate Members. Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

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

Section 9. Other Memberships. All other members (as defined by the NETAR Board of Directors in the Policy Manual) have the rights and privileges of the association, except they shall not have the right to vote, to use the terms "REALTOR®" or "REALTORS®", to hold elective office in the Association, or to participate in the Multiple Listing Service of the Association unless otherwise approved. Such members may attend membership meetings and luncheons, education sessions, and any social functions of the Association, and participate in discussions at such meetings or events. Although members other than REALTOR® members are not subject to the Code of Ethics nor its enforcement by the

Association, such members are encouraged to abide by the principles established in the Code of Ethics of the National Association of REALTORS® and conduct their business and professional practices accordingly.

Members, may, 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 non-discriminatory 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 Northeast Tennessee Association of REALTORS®, the Tennessee REALTORS® and the National Association of REALTORS®.

Section 10. Certification by REALTOR®. Designated REALTOR® Members of the Association shall certify to the Association during the month of September on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary local Board/Association for each individual who holds membership. Designated REALTORS® shall also identify all non-member licensees in the REALTOR®'s office(s), and if Designated REALTOR® dues have been paid to another local Board/Association based on said non-member licensees, the Designated REALTOR® shall identify the local Board/Association to which dues have been remitted. These declarations shall be used for the purpose of calculating dues under Article X, Section 2 (a) of these Bylaws. Designated REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

Section 11. Harassment. Any member of the Association may be reprimanded, placed on probation, suspended, or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the Association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for the Association. Disciplinary action may include any sanction authorized in the Association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect, or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the *Code of Ethics and Arbitration Manual* of the *National Association of REALTORS®*, as from time to time amended, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Section 2. It shall be the duty and responsibility of every REALTOR® member of this Association to 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 governing documents and the policies of the Association, of 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 arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics-and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

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 a 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 Association and Association members are responsible for the enforcement of the Code of Ethics, the discipline of members, the arbitration of disputes, and the organization and procedures incident thereto, consistent with the cooperative Professional Standards Enforcement Agreement entered into by the Association and TENNESSEE REALTORS®, which by this reference is made a part of these Bylaws.

ARTICLE VIII- USE OF THE TERMS REALTOR® AND REALTORS®

REALTOR® Trademark

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

Section 2. 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 contiguous state thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

Section 3. 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 real estate profession within the state or a contiguous state thereto, are REALTOR® Members of the Association, or Institute Affiliate Members.

(a) In the case of a REALTOR® member who is a principal 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 4. Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

Section 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS®, and the TENNESSEE REALTORS®. By reason of the Association's Membership, each REALTOR® member of this local Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the TENNESSEE 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, a 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 Ethics of the NATIONAL 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. Dues

Designated REALTOR® Members. 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 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, 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 section (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 local Board/Association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the local Board/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.

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

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

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

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

- a) **REALTOR® Members.** The annual dues of REALTOR® Members other than the Designated REALTOR® shall be in such amount as established annually by the Board of Directors. The annual dues of each secondary REALTOR® member shall be the same as local dues for REALTOR® members.
- b) **Institute Affiliate Members.** The annual dues of each Institute Affiliate Member shall be in such amount as established in Article II of the Bylaws of the National Association of REALTORS®.

***Note:** The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$75.00). The National Association shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that Association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other Board. The National Association shall also credit \$25.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.*

Section 3. Dues Payable. Dues for all members shall be payable annually in advance on November 1. Dues for new members shall be computed from the first day of the month in which a member is notified of election and shall be prorated for the remainder of the year. No refund or proration of dues will be made for reasons of termination of membership.

- (a) Upon death of any member and receipt of a request from the deceased member's family, local association dues shall be refunded in a monthly prorated amount based on the date of death.
- (b) In the event a real estate licensee or licensed or certified real estate appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the Designated REALTOR's® firm, the dues obligation of the Designated REALTOR®, as set forth in Article X, Section 2(a), will be increased to reflect the addition of a nonmember licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination.

Section 4. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Board or the Board's Multiple Listing Service are not paid within one (1) month after the due date, the nonpaying member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his 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 Board or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

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

Section 6. Expenditures. Expenditure of funds shall be in accordance with policies established by the Board of Directors.

Section 7. Annual Audit. The Association's financial records and accounts shall be audited annually. The Board of Directors shall retain a Certified Public Accountant who shall conduct the audit, give a written report to the Board of Directors and file all necessary reports with the Internal Revenue Service.

Section 8. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. Annual Audit All dues, fees, fines, assessments, or other financial obligations to the Association or Association's Multiple Listing Service shall be notified to the delinquent Association Member in writing, setting forth the amount owed and due date.

ARTICLE XI - ASSOCIATION OFFICERS AND DIRECTORS, MLS DIRECTORS, AND SHAREHOLDERS

Section 1. Officers. The elected Officers of the Association shall be a President, a President-elect, and a Treasurer. They shall be elected for terms of one year. The CEO shall serve as secretary per Article XI, Section 2 (d) of these Bylaws.

Section 2. Duties of Officers.

- (a) The President shall be the chief elected officer and shall serve as Chairman of the Board of Directors.
- (b) The President-elect shall perform the duties of the President in the event of his/her absence or refusal to serve or disability and shall perform such other duties as may be delegated to him / her by the President and/or Board of Directors. In the absence of unforeseen events, he/she shall succeed to the Presidency.
- (c) The Treasurer shall oversee the finances of the Association and shall serve as Chairman of the Budget and Finance and shall keep such records as are necessary for proper operation of the Association and shall be the custodian of the Association records.
- (d) The Secretary of the Corporation shall keep the minutes for all meeting; to see that all notices are duly given, in accordance with the these Bylaws or as required by law; to be the custodian of corporate records; to maintain adequate records of the number of directors and the dismissal of directors and/or officers; and to perform all duties, incidental to the office of Secretary and such other duties as may be assigned to the Secretary by the President or the board of directors.

Section 3. Board of Directors. The governing body of the Association shall be a Board of Directors consisting of the elected Officers, the Immediate Past President, and nine (9) Directors elected from the membership-at-large. Three positions in each term. There must be a one-year break between re-elections, unless a member is appointed to the Board of Directors.

Section 4. State Directors. Directors to the State Association Board of Directors shall be the President and the President-elect of the local Association. If membership count warrants other Directors as set out in the Tennessee Association Bylaws, they shall be appointed by the Board of Directors.

Section 5. Election of Officers and Directors. (a) Each year, a Nominating Committee of nine (9) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors. The nine REALTOR® members shall include the Immediate Past President, who shall serve as the Chair of the Nominating Committee and one member who served as an MLS Director or Officer within the past three years.

The Nominating Committee shall ask the membership for applications from interested individuals for the Offices of the Board and for the available Director positions. The Nominating Committee can seek applications from other individuals for all positions as well and will consider all applications. A slate of one or more candidates will be presented to the membership. The report of the Nominating Committee shall be distributed or electronically transmitted to each REALTOR® member eligible to vote at least (3) three weeks preceding the election. Additional candidates for the positions to be filled may be placed in nomination by petition signed by at least ten (10) percent of the REALTOR® Members eligible to vote. The petition shall be filed with the Chief Executive Officer at least (2) two weeks before the election. The Chief Executive Officer shall send notice of such additional nominations to all Members eligible to vote before the election.

- (a) The election of Officers and Directors shall take place at the annual meeting. If more than one nominee for any office, the election shall be by ballot. The ballot shall contain the names of all candidates and the offices for which they are nominated. An election of Officers and Directors may be conducted by electronic means, in accordance with procedures established by the Board of Directors, or by absentee ballots; voting electronically must begin no later than (5) five working days prior to the day of the annual election and end the day before the election.

Section 6. MLS Directors and Proxy Holders. The Nominating Task Force shall meet prior to the Association's September Directors Meeting. The purpose of this meeting is to nominate nine (9) proxy holders to represent the Association at all annual and special meetings of the shareholders of the MLS. The Nominating Task Force shall endeavor to select nominees from each of the three geographic areas represented by the three former Associations who merged to form the Northeast Tennessee REALTORS® (the Greeneville, Johnson City, and Kingsport Associations). The Nominating Task Force shall report the list of nominees to the President and Directors of the Association prior to the September Directors Meeting. Any NETAR Director shall have the right to nominate additional REALTOR® members for consideration by the NETAR Directors. Upon approval, the nine elected shall represent the Association as proxy holders and vote on the stock which the Association owns in MLS. At the annual and all special meetings of the shareholders of MLS. The NETAR Directors shall elect the three directors which the Association is entitled to elect each year as members of the MLS Board of Directors.

Section 7. Chief Executive Officer. There shall be a Chief Executive Officer, appointed by the Board of Directors, who shall be Chief Administrative Officer of the Board. The Chief Executive Officer shall have the authority to hire, supervise, evaluate, and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors.

Section 8. Vacancies. Vacancies, other than the President, among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors for the remainder of the term.

Section 9. Removal of Officers and Directors. In the event that an Officer or Director is deemed to be unable or unwilling to fulfill the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the procedure below. This clause is included to ensure accountability and proper conduct among Directors.

- (a) Upon receipt of written notice specifically setting forth the reason(s) the Officer or Director is believed to be

disqualified from further service, the Directors or a task force assigned by the Board of Directors shall meet to consider the charge against the Officer or Director to determine if the matter should be considered by the Board of Directors.

- (b) If the determination is made to ensure that the matters should be considered by the Board of Directors, the Officer or Director involved shall be notified and allowed ten (10 days) to respond with a written statement to be considered by the Board of Directors.
- (c) The Board of Directors shall meet to consider the matter, including any written statement provided by the subject Officer or Director. Following consideration, the Board of Directors shall vote on removal. A three-fourths vote of the Board of Directors, not including the subject Officer or Director, shall be required for removal.
- (d) The Officer or Director named in charge does not attend the Board of Directors meeting.

Section 10. No elective Officer or Director will receive any compensation for their services.

ARTICLE XII - MEETINGS

Section 1. Membership Meetings. A minimum of two (2) meetings of the Association shall be held; the dates, places, and hours to be designated by the-President and CEO. At the meetings, the membership will hear and approve any actions that have been made prior to that meeting, effecting changes in bylaws. All other minutes shall be on file in the Association office for review by the membership. Membership meetings may be facilitated virtually through an electronic platform with the inclusion of virtual voting. (Amended October 12, 2023)

Section 2. Annual Meetings. The annual meeting of the Association shall be held during the fall of each year, the date, place, and hour to be determined by the President and CEO. (Amended October 12, 2023)

Section 3. Directors Meetings. The President and CEO shall designate a regular time and place for meetings. A quorum for the transaction of business shall be fifty (50) percent. Director's meetings may be facilitated virtually through an electronic platform with the inclusion of virtual voting. (Amended October 12, 2023)

Section 4. Electronic Transaction of Business. The Board of Directors and/or committee meetings may conduct business by electronic means. Electronic means include but are not limited to Virtual Meetings and Virtual Voting.

Section 5. Other Meetings. Called membership meetings may be held at other times as the President or the Board of Directors may determine, or upon written request of at least 10 percent of the members eligible to vote. Special called meetings of the Board of Directors may be called by the President or by at least two Directors.

Section 6. Notice of Meetings. Written notice shall be given to every member entitled to participate in the meeting for 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. Special meetings of the Board may be called in accordance with applicable law. Any notice required under these bylaws or by law may be sent by electronic mail to the last address the Association has on file for the member or Director.

Section 7. Quorum. A quorum for the transaction of business, except the Board of Directors, shall consist of the majority present and eligible to vote. A quorum for the Board of Directors shall be fifty percent. If properly documented with the -CEO or a designee thereof, absentee ballots will be accepted. Absentee ballots will be

accepted beginning five (5) working days prior to voting. Committee quorum information will be placed in NETAR's Policy Manual.

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: Nominating, Commercial Information Exchange (CIE). The Board of Directors or the President, with Board approval, may appoint or assign additional committees or task forces as needed.

Section 2. 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 3. President and CEO. The President and CEO shall be an ex officio member of all standing committees and shall be notified, in advance, of their meetings.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

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

ARTICLE XV - RULES OF ORDER

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

ARTICLE XVI - AMENDMENTS

Section 1. These Bylaws may be amended by the 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. When Bylaws amendments are mandated by NAR policy, these Bylaws may be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by the NATIONAL ASSOCIATION OF REALTORS®. The Association shall provide notice of that change in regular or special membership communication.

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

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of 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 of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the TENNESSEE REALTORS® or, within its discretion, 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 in the State of Tennessee stock of which shall be owned, in part, by the Northeast Tennessee REALTORS®, Inc.

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, analysis, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common data bases, and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public

Section 3. Governing Documents. The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform with its corporate charter, Constitution, bylaws, rules, regulations, and policies, practices, and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®

Section 4. Participation. Any REALTOR® Member of this or any other Association who is a principal, partner, or corporate officer, or branch manager acting on behalf of the 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 or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's license(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. Participant shall actively endeavor during the operation of its real estate business to list real property of the type listed on the MLS. "Actively" means on a continual and ongoing basis during the operation of the Participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential Participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions.

Similarly, the requirement is not intended to deny MLS participation to a participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law. (Adopted 11/08)

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). An MLS may evaluate whether a Participant or potential Participant actively endeavors during the

operation of its real estate business to list real property of the type listed on the MLS 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. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS participant or the Participant's licensed designee.

Section 6. Access to Comparable and Statistical Information. Association Members who are actively engaged in real estate brokerage, management, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members, who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in the MLS Rules and Regulations. Association members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

Article XIX BOARD BYLAW PROVISIONS AUTHORIZING A COMMERCIAL INFORMATION EXCHANGE AS A COMMITTEE OF THE BOARD

Section 1—Authority: The Association of REALTORS® shall operate a Commercial Information Exchange for the use of its members, which shall be subject to the bylaws of the Board of REALTORS® and such rules and regulations as may be hereinafter adopted.

Section 2—Purpose: The CIE serves as an information exchange. Participants who have been retained by sellers of commercial or industrial property to market those properties may submit information on those properties to the CIE and Participants who have been retained by buyers of commercial or industrial property may submit information on the type(s) of property sought to the CIE. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the CIE between the Participants involved. A Commercial Information Exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated by filing information on a property with the CIE.

Section 3—Participation: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as stipulated otherwise in these bylaws, shall be eligible to participate in the Commercial Information Exchange 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, is entitled to CIE participation or membership unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants or licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board CIE 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 the Exchange where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for CIE participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors

during the operation of its real estate business to list real property of the type listed on the CIE and/or to accept offers of cooperation and compensation made by listing brokers or agents in the CIE. "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 CIE 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 CIE 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 a CIE to deny participation based on 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 actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the CIE in which participation is sought. This requirement does not permit a CIE to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. A CIE may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the CIE 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.

Mere possession of a broker's license is not sufficient to qualify for CIE participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the CIE and/or to accept offers of cooperation and compensation made by listing brokers or agents in the CIE. "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 CIE 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 CIE 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 a CIE to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

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Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the CIE rules and regulations and computer training related to CIE information entry and retrieval may be deleted from this Section at the option of each Board/Association.

Note 2: The Board of Directors may also consider the following when determining a nonmember applicant's qualifications for CIE participation or membership:

- all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
- pending ethics complaints (or hearings)
- unsatisfied discipline pending
- pending arbitration requests (or hearings)
- unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association CIE

Section 4—Supervision: The Exchange shall be operated under the supervision of the CIE Committee in accordance with the rules and regulations, subject to the approval of the Board of Directors of the Board of REALTORS®.

Section 5—Appointment of Committee: The President shall appoint, subject to confirmation by the Board of Directors, a Commercial Information Exchange Committee of five (5) REALTOR® members. All members of the Committee shall be Participants in the Exchange except, at the option of the local Board, REALTORS® or REALTOR-ASSOCIATE®s licensed with Participants may be appointed to serve in such numbers as determined by the local Board. The Committee members so named shall serve staggered two (2) year terms. * The appointment of the Chairperson is made by the President of the Association of REALTORS®.

Section 6—Vacancies: Vacancies and unexpired terms shall be filled as in the case of original appointments.

Section 7—Attendance: Any Committee member who fails to attend two (2) consecutive regular or special meetings of the Committee, without an excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

Section 8—Subscribers: Subscribers (or users) of the CIE include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.