



BYLAWS OF THE CHARLESTON TRIDENT ASSOCIATION OF REALTORS®

As of January 1, 2019

ARTICLE I-NAME

- Section 1 Name. The name of this organization shall be the Charleston Trident 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 - PURPOSE

The purpose of the Association is 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 while connecting members to the rights, privileges and responsibilities of the South Carolina Association of Realtors and the National Association of Realtors® including the Code of Ethics of the National Association of REALTORS®. The Corporation shall not carry on any activity not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the "Code"). No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to its Members (if any), trustees, Directors, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above. The Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(6) of the Code, or corresponding section of any future federal tax code.

ARTICLE III - JURISDICTION

- Section 1 The territorial jurisdiction of the Association as a member of the National Association of REALTORS® shall primarily include Berkeley, Charleston, Colleton and Dorchester Counties.
- 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.
- Section 3. The Corporation shall maintain its Principal Office as required by the South Carolina Nonprofit Corporation Act of 1994, as amended (the "Act"), in the City of North Charleston, State of South Carolina or such other place as designated from time

ARTICLE IV - MEMBERSHIP

Section 1 The classes of Members are as set forth below and as may be created by the Board of Directors from time to time:

(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 South Carolina 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 a state or a state contiguous thereto shall qualify for REALTOR® membership only, and each is required to hold REALTOR® membership except as provided in the following paragraph) in a board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate membership as described in Section 1 (b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the Association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate membership, as described in Section 1(b) of Article IV. (Amended 1/05)

NOTE: REALTOR® members may obtain membership in a "secondary" board in another state.

- (2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications set out in Article V.
- (3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the Commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) EXCEPT: obligations related to board 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; the right to hold elective office in the local, State and National Associations.
- (4) 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 board. 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.
- (5) Designated REALTOR® Members. Each firm (or office in case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of board dues established in Article X of the Bylaws. 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 established in Article V, Section 2, of the Bylaws.

- (b) INSTITUTE AFFILIATE MEMBERS. Institute Affiliate members shall be individuals who hold professional designations 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 or hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership.
- (c) STUDENT MEMBERS. Student members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning and who have completed at least two (2) years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1 Application. An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it.

Section 2 Election. The procedure for election to membership shall be as follows:

- (a) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable 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 subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in 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 one hundred eighty (180) days from the Association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated.
- (b) Dues shall be computed from the date of application and shall be non-refundable unless the Association's Board of Directors terminates the individual's membership in accordance with Subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received Association services and any application fee.
- (c) The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- (d) If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the chief executive officer. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

Section 3 New Member Code of Ethics Orientation.

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

Failure to satisfy this requirement within one hundred eighty (180) days of the date of application will result in denial of the membership application.

Section 4 Continuing Member Code of Ethics Training.

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

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed. Failure to meet the requirement for any four (4)-year cycle will result in suspension of membership for the first two (2) months (January and February) of the year following the end of any two (2)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

Section 1 The privileges and obligations of members in addition to those otherwise provided in these Bylaws shall be as 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 inconsistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of the Association.

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

Section 4 Resignations of members shall become effective when received in writing. However, if the member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or of any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed.

Section 5 If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning member to reapply for

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

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

Section 6 REALTOR® Members.

(a) REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the Association and the Association's subsidiary corporations are paid in full shall be entitled to vote and hold elective office in the Association.

(b) Only REALTOR® members may use the term REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII.

(c) REALTOR® members have the primary responsibility to safeguard and promote the standards, interests and welfare of the Association and the real estate profession.

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

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

Section 9 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.

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 incidental thereto shall be governed by the *Code of Ethics and Arbitration Manual* of the National Association of REALTORS®, as from time to time amended, which by this reference is made a part of these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

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

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

Section 1 Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the National Association of REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to jointly and in full cooperation with the National Association of REALTORS® use the terms within its jurisdiction. Any misuse of

the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the Association's *Code of Ethics and Arbitration Manual*.

Section 2 REALTOR® members of the Association shall have the privilege of using the terms REALTOR® or 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 3 A REALTOR® member who is a principal of a real estate firm, partnership or corporation, may use the terms REALTOR® or REALTORS® only if all of the principals of such firm, partnership or corporation, who are engaged in the real estate profession, within the state or a state contiguous thereto are REALTOR® members of the Association or Institute Affiliate members as described in Section 1(b) of Article IV.

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

Section 4 Institute Affiliate members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the National Association of REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

Section 1 The Association shall be a member of the National Association of REALTORS® and of the South Carolina 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 the South Carolina 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®, 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 use of 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 and the State Association.

ARTICLE X - DUES, FEES AND FINANCES

Section 1 Application Fee. The Board of Directors may adopt an application fee for all classes of membership in reasonable amounts, 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. The annual dues of members shall be as follows:

(a) 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 to be established annually by the Board of Directors times the number of real estate salespersons, property managers 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 section 2(a) (1) and (2) of this Article 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 state contiguous thereto,, provided the Designated REALTOR® notifies the Association in writing of the identity of the board 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.

(1) For the purpose of this Section, a REALTOR® member of a member board shall be held to be any member who possesses an active South Carolina real estate, property management or appraiser's license and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is 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 (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

(2) 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 certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals shall not be deemed to be licensed with the REALTOR® for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®. The exemption for any licensee 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 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 during the preceding calendar year.

(b) The annual dues of each REALTOR® member other than the Designated REALTOR® shall be as established annually by the Board of Directors.

(c) Institute Affiliate Members. The annual dues of each Institute Affiliate member shall be in such amount as established in Article II of the National Association's Bylaws.

(d) Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 3 Dues Payable. Dues for all members shall be payable annually in advance on the first day of November for the following year. Members whose dues are not received by December 31, may be assessed additional late fees as established by the Board of Directors. Dues shall be computed from the first day of the month on the calendar year in which a member shall be notified of election and shall be prorated for the remainder of the year.

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

Section 4 Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Association or the Association'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 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 Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in the 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 money received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6 Expenditures. The Board of Directors shall administer the finances of the Association.

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 or Association Multiple Listing Service shall be noticed to the delinquent Association member, setting forth the amount owed and due date.

Section 8 Waiver of Dues. Dues shall be waived for the President of the Charleston Trident Association of REALTORS® during his/her term of office and for any active REALTOR® Emeriti or Distinguished Service Members as recognized by the National Association of REALTORS®.

Section 9 Special Assessment. The Board of Directors may levy a special assessment against each Association member, not to exceed \$100 for each member during any one fiscal year. Such assessment shall not be levied until approved by a majority of the votes cast by the Members. Votes may be cast in person, by signed absentee ballot, e-mail, or such other methods as the Board of Directors shall approve.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1 Officers. The elective officers of the Association shall be: President, President Elect, First Vice President and Treasurer. They shall be elected for terms of one (1) year, with the exception of the Treasurer, who will serve a two (2)-year term. No officer shall be nominated and elected to the same office for more than two (2) consecutive terms.

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) The President shall be the chief elected officer of the Association and shall preside at its meetings and those of the Board of Directors and Executive Committee, between the sessions of which they shall represent the Association and act in its name, subject to its policies. They shall appoint all committee chairs and vice chairs unless otherwise directed by the Board of Directors, shall be an ex-officio member of all committees, and shall perform all other duties usual to such office.
- (b) The President Elect shall perform the duties of the President in the event of their absence or disability and shall have such other powers and duties as may be prescribed by the Board of Directors, the Executive Committee or the President. If the office of the President should become vacant between elections, the President Elect shall fill the vacancy and complete the unexpired term. The President Elect who fills a vacancy in the office of the President shall remain eligible to become President for a full term after completion of the unexpired term.
- (c) The First Vice President shall keep or cause to be kept, a true and complete record of the proceedings of all Association meetings. The First Vice President shall perform such other duties as these Bylaws may require or that the Directors may prescribe. The First Vice President shall have authority to make decisions regarding the implementation of administrative policies and procedures.
- (d) The Treasurer shall monitor the records of account and financial statements prepared or maintained by the Association staff and furnish these statements upon request by the President. Responsibilities shall include reviewing committees' financial activities and advising committee leadership and the Board of Directors as needed. Annually, the Treasurer shall prepare and submit the proposed budget for the Board of Directors' approval and oversee the annual audit required at the end of the Association's fiscal year. The Treasurer shall also perform such duties as these Bylaws may require or that the Directors may prescribe.

Section 3 Executive Committee. There shall be an Executive Committee consisting of the President, President Elect, First Vice President, Treasurer, Immediate Past President, President of MLS, President of CID, the designee of the SCCMLS, and the Chief Executive Officer. The Chief Executive Officer shall serve in an advisory capacity, without the right to vote.

- (a) The Executive Committee is to meet for the purpose of making recommendations to the Board of Directors and to make decisions and act on behalf of the Board of Directors under the condition of urgency. The full Board of Directors will be notified immediately upon any action taken on its behalf.
- (b) Minutes of all Executive Committee meetings shall be kept and shall become part of the minutes of the next Board of Directors meeting.
- (c) Meetings of the Executive Committee shall be set by the President.

Section 4 Board of Directors. The governing body of the Association shall be a Board of Directors consisting of the elective Officers and nine (9) REALTOR® members of the Association. REALTOR® members who have received the National Association of REALTORS® Distinguished Service Award shall be honorary, non-voting members of the Board of Directors. Directors shall be elected to serve for terms of three (3) years, as many Directors shall be elected each year as are required to fill vacancies. The Immediate Past President of the Association, current MLS President, and President of the Commercial Investment Division shall be ex-officio members of the Board of Directors with the right to vote and the Vice President of MLS and Vice President of CID shall be ex-officio members without voting rights. The SCCMLS may designate a member to the Board of Directors, with the right to vote provided that such designee is also a member of the Association. No Director shall be nominated and elected to the same office for more than two (2) consecutive terms.

Section 5 Chief Executive Officer. The Chief Executive Officer is responsible for and has the authority to manage all the day-to-day operations of the Association and MLS in accordance with the Bylaws, Rules and Regulations and policies of the respective Boards of Directors. In addition, the Chief Executive Officer is responsible for the organization, supervision and administration of the Association and MLS staff including recruiting, hiring, training and re-staffing as necessary. The Chief Executive Officer shall be responsible for receiving and disbursing all funds and shall supervise all purchasing, insuring that all funds, physical assets and other property of the Association are appropriately safeguarded and administered. The Chief Executive Officer is responsible for the exercise of the specific authorities, duties and responsibilities contained in the job description approved by the Board of Directors, which reserves the right to enlarge, decrease or modify the powers therein conferred.

Section 6 State and National Directors

- (a) State Directors shall be REALTORS® appointed by the President, subject to the approval of the Board of Directors.
- (b) NAR Directors shall be REALTORS® elected through the nominating process bi-annually.
- (c) Replacement of either SCR or NAR Directors for cause shall be made in accordance with the State or National Association Bylaws, respectively.

Section 7 Nomination and Election of Officers and Directors.

- (a) At least two (2) months before the annual election, a Nominating Committee of five (5) REALTOR® members shall be appointed by the President, with the approval of the Board of Directors.
- (b) The Committee shall consist of the following:
 - (1) The most immediate living Past President not on the previous Nominating Committee shall act as Chairman, except that in no case shall a Past President serve as Chairman for two successive years.
 - (2) Two persons appointed from the membership of the Board of Directors.
 - (3) Two persons from the REALTOR® membership of the Association, each of whom shall be a current member of the Association in good standing, and has been a member of the Association for the preceding two (2) years.
 - (4) No person shall be appointed under the provisions of subparagraph (b) of this Section who served on the Nominating Committee in the preceding year.
- (c) The Nominating Committee shall select one (1) candidate for each office and one (1) candidate for each vacancy to be filled on the Board of Directors. The Nominating Committee will also bi-annually select one (1) candidate for a two (2)-year position for each National Director allocation beyond the first. The first National Director allocation will be filled by the current President. The report of the Nominating Committee shall be mailed or, where permitted by state law, electronically transmitted to each REALTOR® Member eligible to vote at least (3) three weeks preceding the election. Additional candidates may be placed in nomination by a petition signed by at least three percent (3%) of the REALTOR® members eligible to vote. The petition shall be filed with the First Vice President at least two (2) weeks before the election. The First Vice President shall send notice of such additional nominations to all REALTOR® members before the election.
- (d) The election of Officers and Directors shall take place at the annual meeting or, when permitted by state law, electronically. Not more than four (4) members shall be eligible as an Officer or Director from any real estate firm or firms under common ownership. If because of change of employment, company merger or any other action, more than four (4) members serving on the Board shall be from any real estate firm or firms under common ownership, then all such members shall continue to serve until the next regular election. Of the 17 voting members of the Board, at least eight (8) different companies must be represented and no more than four (4) members from any firm or firms with common ownership may serve. After election, any vacancies resulting from ineligibility shall be filled pursuant to Section 8 of this Article. All Officers shall be elected by

majority of the votes cast (if voting is necessary) or plurality (if voting is not necessary) and Directors shall be elected by plurality of the votes cast.

- (e) The President, with the approval of the Board of Directors, shall appoint an Election Committee of four (4) REALTOR® Members to conduct the election.

Section 8 Vacancies. Vacancies among the Officers and the Board of Directors shall be appointed by the President and approved by the Board of Directors. Officers and Directors appointed to fill vacancies shall complete the unexpired terms of their predecessors.

Section 9 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) 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 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 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.
- (c) 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 Association 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 Meeting. The annual meeting of the Association shall be held at such time, place and hour designated by the Board of Directors. A quorum for the transaction of business at the annual meeting shall be 5% of the members eligible to vote.

Section 2 Meeting of Directors. The Board of Directors shall designate a regular time and place of meeting. Absence from three (3) regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation. A quorum of the Board of Directors shall consist of a majority of the members of the Board of Directors eligible to vote.

Section 3 Other Meetings. Meetings of the members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least five percent (5%) of the REALTOR® members. A quorum for other meetings shall consist of 10% of the members eligible to vote. No business shall be conducted with less than three (3) "eligible to vote" members.

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 Lack of Quorum. In the event no quorum is present, the meeting may be continued to the next meeting of the membership. A special meeting may be called for the purpose of conducting business, and at such meeting a quorum shall consist of the duly qualified REALTOR® members present and voting.
- Section 6 Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.
- Section 7 Action without Meeting. Unless specifically prohibited by the articles of incorporation, any vote required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a motion in writing, setting forth the action so taken, shall be approved by a majority of the directors. The motion shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the approval of one or more directors. All the approvals evidencing the motion shall be delivered to the Chief Executive Officer to be filed in the corporate records. The vote taken shall be effective when a majority of the directors have approved the motion unless the motion specifies a different effective date.

ARTICLE XIII - COMMITTEES

- Section 1 Standing Committees. The Association shall maintain three standing committees, Legislative, Realtor Housing Opportunity Fund, and Professional Standards. In addition, the President shall appoint, subject to confirmation by the Board of Directors, such committees as deemed necessary.
- (a) Committee chairs shall be given the authority to change their committee activities and projected income and expenses as long as the total projections do not exceed the committee's approved budget. Board of Directors' approval would be required if income and expenses exceed the approved budget for the committee.
 - (b) Committees are required to obtain Board of Directors' approval when taking positions on issues which may become publicly known.
- Section 2 Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, such special committees, task forces, study groups, working groups, advisory groups or ad hoc committees as deemed necessary.
- Section 3 Organization. All committees shall be of such size and shall have duties, functions and powers as may be assigned to them 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 committees and shall be notified of their meetings.
- Section 5 Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means. (Adopted by NAR 1/05)
- Section 6 Attendance by Telephone. Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the president and shall constitute presence at the meeting.

ARTICLE XIV - RULES OF ORDER

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 XV- AMENDMENTS

- Section 1 These Bylaws may be amended by majority vote of the REALTOR® members present and qualified to vote at any meeting at which a quorum is present, by signed absentee ballot, by mail, by e-mail or such other method as the Board of Directors shall approve, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the vote. All ballots to be considered must be received by the Association within fourteen (14) calendar days after receipt by REALTOR® members. In deciding the majority, only those ballots returned shall be considered. 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 and which do not require member approval under South Carolina law.
- Section 2 Notice of all votes to be considered shall be sent to every REALTOR® member at least one (1) week prior to the voting deadline.
- 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 alternation 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 XVI - DISSOLUTION

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 XVII - MULTIPLE LISTING SERVICES, CHAPTERS AND DIVISIONS

- Section 1 Authority. The Association shall maintain for the use of REALTOR® members Multiple Listing Services which shall be lawfully organized under the laws of the State of South Carolina, all the stock or equity ownership of which shall be owned by the Association.
- Section 2 Specialty Divisions. The Board of Directors may establish certain specialty divisions within the Association. Authority, purpose, membership, supervision, election, vacancies and attendance shall be defined and approved by the Board of Directors. The President or chair of each division shall serve as an ex-officio member of the Board of Directors with voting privileges.
- Section 3. Chapters. The Board of Directors may establish certain chapters within the Association. Eligibility for membership in, and the privileges and responsibilities of, each chapter shall be determined by the Board of Directors.

ARTICLE XIX- INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall indemnify, defend and hold harmless the Corporation's Officers and Directors to the fullest extent permitted by, and in accordance with the Act. This plan of indemnification shall constitute a binding agreement of the Corporation for the benefit of the Officers and Directors as consideration for their services to the Corporation, and may be modified or terminated by the Board of Directors only prospectively. Such right of indemnification shall not be exclusive of any other right which such Directors, Officers, or representatives may have or hereafter acquire and, without

limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any bylaw, agreement, vote of Members, insurance, provision of law, or otherwise, as well as their rights under this Article XIX. The Board of Directors may from time to time adopt an Indemnification Plan implementing the rights granted in this Article XIX.

ARTICLE XX—MISCELLANEOUS

Section 1 Fiscal and Elective Years. The fiscal year of the Association shall be established, and may be altered, by resolution of the Board of Directors from time to time as the Board deems advisable. The elective year shall be the same as that of the National Association of REALTORS®.

Section 2 Severability. If any provision of these Bylaws or the application thereof to any person or circumstances shall be held invalid or unenforceable to any extent by a court of competent jurisdiction, such provision shall be complied with or enforced to the greatest extent permitted by law as determined by such court, and the remainder of these Bylaws and the application of such provision to other persons or circumstances shall not be affected thereby and shall continue to be complied with and enforced to the greatest extent permitted by law.

Section 3 Usage. In construing these Bylaws, feminine or neuter pronouns shall be substituted for masculine forms and vice versa, and plural terms shall be substituted for singular forms and vice versa, in any place in which the context so requires. The section and paragraph headings contained in these Bylaws are for reference purposes only and shall not affect in any way the meaning or interpretation of these Bylaws. Terms such as “hereof”, “hereunder”, “hereto”, and words of similar import shall refer to these Bylaws in the entirety and all references to “Articles”, “Paragraphs”, “Sections”, and similar cross references shall refer to specified portions of these Bylaws, unless the context clearly requires otherwise. Terms used herein which are not otherwise defined shall have the meanings ascribed to them in the Act. All references to statutory provisions shall be deemed to include corresponding sections of succeeding law.