



BYLAWS

Connecticut Association of REALTORS®[®], Inc.

111 Founders Plaza

Suite 1101

East Hartford, Connecticut 06108

Revised to May 25, 2011

ARTICLE I

NAME AND OBJECTS

Section 1. Name. The name of the organization shall be: CONNECTICUT ASSOCIATION OF REALTORS®, INC., hereinafter referred to as the Association.

Section 2. Objects. The objects of this Association shall be:

- A. To engage in any lawful act or activity for which corporations may be formed under the Connecticut Non-stock Corporation Act not inconsistent with the requirements of any State or Federal tax exemption granted the Association;
- B. To unite local Boards of REALTORS® and their members in the State of Connecticut for the purpose of exerting effectively a combined influence upon matters affecting real estate, to elevate the standards of the real estate business throughout the state and the professional conduct of persons engaged therein;
- C. To promote the individual ownership of homes and real estate in the State of Connecticut as a wise and profitable investment;
- D. To cooperate with other organizations in the civic development and the economic growth of the State of Connecticut; and
- E. To establish entities to provide services to members of the Association.

ARTICLE II

MEMBERSHIP

Section 1. Classes of Membership. Membership shall consist of eight classes:

(A) Member Boards; (B) Active Members; (C) Associate Members; (D) Affiliate Members; (E) Honorary Members; (F) Life Members; (G) Institute Affiliate Members; and (H) Secondary Members.

Section 2. Qualifications, Election and Appointment.

A. **Member Boards.** A Member Board shall be any Board within the State of Connecticut, all the Active and Associate Members of which hold PRIMARY membership in this Association and in the NATIONAL ASSOCIATION OF REALTORS®.

B. **Active Members.** Active Members shall be those individuals who hold Active

(REALTOR®) membership in a Member Board of this Association, whose membership is current and in good standing.

Secondary REALTOR® membership shall also be available to individuals who hold primary membership in a board/association in another state and who desire to obtain direct membership in the state association without holding membership in a local board/association in the state.

C. Associate Members. Associate Members shall be those individuals who hold Associate (REALTOR-ASSOCIATE®) membership in a Member Board of this Association, whose membership is current and in good standing.

Secondary (REALTOR-ASSOCIATE®) membership shall also be available to individuals who hold primary membership in a board/association in another state and who desire to obtain direct membership in the State Association without holding membership in a local board/association in the State.

D. Affiliate Members. Affiliate Members shall be those individuals who hold Affiliate Membership in a Member Board of this Association, whose membership is current and in good standing. Election of Affiliate Members shall be upon request of the affiliate member and payment of any dues required by these Bylaws.

E. Honorary Members. Honorary Members shall be individuals not members of the Association who have contributed notably to the Association or to the real estate industry in Connecticut. Election of Honorary Members shall be by recommendation of the Executive Committee as approved by a vote of the Directors.

F. Life Members. Life Members shall be REALTORS® who have rendered long and distinguished service to the Association and have retired from Active Membership in their local Boards. Election of Life Members shall be by recommendation of the Executive Committee, as approved by a vote of the Directors.

G. Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation awarded by a qualified 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 vote or hold office. Any such individual, if otherwise eligible, may elect to hold Realtor® or Realtor®-ASSOCIATE membership, subject to payment of applicable dues for such membership. Individuals whose places of business are located in an area outside the jurisdiction of a Member Board of Realtors® shall be eligible to apply for institute affiliate membership in the state association if they meet the requirements as specified above.

Section 3. Rights and Privileges. Except as provided herein, and in the Certificate of Incorporation of the Association, each Member shall be entitled to all the rights and privileges of membership in the Association.

- A. **Voting Rights.** Each Active, Associate Member, and Secondary Member shall be entitled to one vote on each matter submitted to members for action except the election of Directors. Each Member Board shall be entitled to elect Directors of the Association as set forth in Article IV hereof but shall not have any other voting rights. Professional Affiliate, Honorary, Institute Affiliate and Life Members shall not be entitled to vote on any matter other than as set forth in these Bylaws.
- B. **Affiliate Members.** Affiliate Members shall have the right to participate in the Association's educational programs, receive any benefits to which Active and Associate Members may be entitled, serve on the Association's Committees and vote on matters of concern to Affiliate Members.

ARTICLE III

DUES

Section 1. Dues. Subject to the limitations set forth in this Section, the annual dues for each Member Board shall be established by the Board of Directors.

Section 2. Category of Dues. The annual dues of each Member Board shall be (1) an amount determined as hereinafter provided times the number of Active, Associate and those Affiliate Members who have requested membership in the Association who hold primary membership in the Board, plus (2) an amount determined as hereinafter provided times the number of real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with Active Members of the Board who are not themselves Active or Associate Members. The Finance Committee shall recommend such amounts to the Executive Committee which shall then make its recommendations as to such amounts for adoption by the Board of Directors. Upon payment to the CONNECTICUT ASSOCIATION OF REALTORS®, INC. of the dues required under this Section, each Active, Associate and Affiliate Member of each Member Board within this state shall be deemed an Active, Associate or Affiliate Member, as the case may be, in good standing of the CONNECTICUT ASSOCIATION OF REALTORS®, INC. Honorary and Life Members shall not pay dues.

In calculating the dues payable by a Member Board, real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with REALTOR® Members of the Board who are not themselves REALTOR®, REALTOR-ASSOCIATE®, or Institute Affiliate Members shall not be included in the computation of dues if dues have been paid in another Board in the state or a state contiguous thereto,

provided the Board notifies the State Association in writing of the identity of the Board to which dues have been remitted.

The annual dues of each REALTOR® or REALTOR-ASSOCIATE® member holding secondary membership directly in the State Association shall be established by the Board of Directors.

Section 3. Affiliation. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or 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 3 (a) hereof) provided that the licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

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

Section 4. Payment of Dues. In January of each year, each Member Board shall file with the State Association, in such format as shall be determined by the State Association, a list of its Active and Associate Members and the real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with such Active Members, certified by the President and Secretary of the Board and that Member Board shall pay dues for the current year on the basis of such list provided, however, that adjustments shall be made each quarter for Members enrolled by the Member Board during the preceding quarter. On a quarterly basis, the Member Board shall report to the State Association the names and addresses of Active, Associate and Affiliate Members dropped or enrolled during the preceding quarter. Dues shall be payable to the State Association on an annual basis and shall be due on or before January 1. If a Member Board is delinquent in payment of dues for more than sixty (60) days, the Association may assess such late charges and administrative fees as may be established by the Board of

Directors, at its discretion, either before or after delinquency. Any Member Board delinquent in payment of dues for more than sixty (60) days may be suspended from membership in the Association by the Board of Directors.

On June 1 of each year, each Member Board shall file with the State Association, in such form as shall be determined by the State Association, a list of the persons or entities who are Affiliate Members of the Member Board along with the Member Board's certification that the Affiliate Members have been offered affiliate membership in the State Association.

For purposes of this section, "affiliate member" shall mean any person, partnership or entity who may utilize any right, service or privilege that Member Board also makes available to Active or Associate Members.

Section 5. Waiver of Dues. Effective January 1, 1991, any Board with a structured Minority Outreach Program which results in membership scholarships shall have the current CAR dues waived for the scholarship recipient provided that as long as that Board is in compliance with the requirements of Article III, Section 3 above.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number, Election, Appointment and Term of Office. The Board of Directors shall consist of the following persons:

- A. **Ex-Officio Directors.** The following persons shall be Ex-Officio Directors of the Association, but shall be entitled to vote and be counted in determining a quorum on each matter submitted to the Board of Directors for action: (1) the President of each Member Board during his term of office; (2) the President of each Chapter which has entered into a membership agreement with the Association as provided in the Bylaws of the Association, during his term of office; 3) all Past Presidents of the Association who continue their Active Membership; (4) all elected officers of the Association; (5) all C.A.R. State Committee Chairmen and Vice Chairmen during their chairmanships; and (6) all Connecticut Directors at Large of NAR during the term of their directorship.

- B. **Elected Directors.** Each Member Board shall be entitled to elect the following Directors, based on the membership of the Member Board as of September 30 of the year of election: One Director for each one hundred and fifty (150) Active and Associate Members or major fraction thereof provided, however, that each Member Board shall elect at least two Directors under this sub-section and that one such Director shall be an Associate Member of the electing Board provided that classification exists within the Board membership. Announcement of Directors elected by the Member Boards shall be sent to the Executive Vice President of the

Association on or before December 31 of the year of election. No Director elected to office in accordance with this paragraph may serve more than five (5) consecutive terms.

- C. **New Director Training.** If a Director has not previously served at least one term as a Director, such Director shall attend a training session before taking office. Such training shall include the following subjects: fiduciary duties of directors, incoming officers' expectations for directors, the attendance standard set forth in Article IV, Section 2 and other policies and procedures of the Board of Directors. The failure of such Director to attend a Director training session shall be deemed sufficient cause for removal by the Executive Committee.

Section 2. Vacancies and Removal. Absence by an elected Director from one (1) meeting during any fiscal year without prior written notice for such absence shall be deemed sufficient cause for removal by the Executive Committee. The Executive Vice President shall in such case notify the President of the Member Board which the removed Director represents, and the vacancy shall be filled.

Section 3. Powers. The property, business and affairs of the Association shall be managed by the Board of Directors or its Executive Committee as provided in Section 8 hereof. The Board of Directors shall administer the finances of the Association and shall have sole authority to appropriate money. The accounts of the Association shall be audited annually by a Certified Public Accountant.

Section 4. Regular Meeting. The Board of Directors shall meet on three occasions each year at a place determined by the Executive Committee.

Section 5. Special Meeting. Special meetings of the Board of Directors may be called at any time upon seven days written or oral notice by the President of the Association or by a majority of the Directors.

Section 6. Quorum. Twenty-five percent (25%) of the Directors shall constitute a quorum for the transaction of business.

Section 7. Voting. The act of a majority of the Directors present at a meeting at which a quorum is present at the time of the act shall be the act of the Board of Directors, unless the act of a greater number is required by statute or these Bylaws. Voting by proxy or alternate shall not be permitted.

Section 8. Executive Committee.

- A. **Creation.** There shall be an Executive Committee of the Board of Directors composed of the President, President-elect, Immediate Past President, Regional Vice Presidents, Division Vice Presidents, Vice Presidents at Large and Treasurer of the Association. The President shall also appoint, each year, a Member Board

Association Executive to serve a one-year term as a non-voting Association Executive Liaison. This Committee shall make recommendations to the Board of Directors and shall report such action in full to the Board of Directors at the next Board of Director's meeting after such action is taken.

- B. Powers and Duties. The Executive Committee may: (1) employ or dismiss an Executive Vice President, who shall be the chief administrative officer of the Association, as set forth in Article V, Section 1.B. hereof; (2) retain legal and other professional counsel subject to the approval of the Board of Directors; (3) expend a sum not to exceed \$100,000.00 for any one expense; (4) exercise such additional duties and powers as are set forth elsewhere in the Bylaws; and (5) adopt rules and procedures to govern the Executive Committee.

Section 9. Electronic Meetings. Upon the order of the Executive Committee, in the case of the Board of Directors, or the President, in the case of the Executive Committee, any regular or special meeting of the Board of Directors or the Executive Committee may be conducted by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time. Participation by such means shall constitute "presence in person" at such a meeting.

ARTICLE V

OFFICERS

Section 1. Titles and Duties.

- A. Elected Officers. The elected officers of the Association shall be a President, a President-elect, a Regional Vice President for each Region created under Article XI of these Bylaws, three Division Vice Presidents, Four Vice Presidents at Large and a Treasurer.

The duties of the officers shall be as follows:

(1) President - The President shall preside over meetings of Members, Directors and the Executive Committee. In addition, the President shall have such duties as are set forth in Robert's Rules of Order (latest edition), as may be directed by the Board of Directors and as may be set forth elsewhere in these Bylaws.

(2) President-elect - The President-elect shall preside over meetings of Members, Directors and the Executive Committee in the President's absence and oversee the activities of the Regional Vice Presidents. In addition, the President-elect shall have such duties as may be assigned by the President, as may be directed by the Board of Directors and as may be set forth elsewhere in these Bylaws.

(3) Treasurer - The Treasurer shall review the annual budget, prepare and present

periodic financial reports to the Executive Committee and Board of Directors. In addition, the Treasurer shall have such duties as may be assigned by the President, as may be directed by the Board of Directors and as may be set forth elsewhere in these Bylaws.

(4) Regional Vice President - A Regional Vice President shall serve as a liaison between the Connecticut Association of REALTORS®, Inc. and Member Boards. A Regional Vice President shall convey issues and concerns from Member Boards to the Connecticut Association of REALTORS®, Inc. and keep Member Boards informed of the Connecticut Association of REALTORS®, Inc. and National Association of REALTORS® policies and directives. In addition, a Regional Vice President shall have such duties as may be assigned by the President, as may be directed by the Board of Directors and as may be set forth elsewhere in these Bylaws.

(5) Division Vice President - There shall be a Division Vice President for each of the following three divisions: Legal/Ethical, Legislative/Political and Communications. A Division Vice President shall serve as a liaison between the Executive Committee and the committees assigned to the particular division and such task forces and advisory groups of the Connecticut Association of REALTORS®, Inc. as may be assigned to the Division Vice President by the President. As liaisons, Division Vice Presidents shall attend meetings of the committees, task forces and advisory groups assigned to them and shall report the activities of these committees, task forces and advisory groups to the Executive Committee. In addition, a Division Vice President shall have such duties as may be assigned by the President, as may be directed by the Board of Directors and as may be set forth elsewhere in these Bylaws.

(6) Vice President-at-Large - A Vice President-at-Large shall advise the Executive Committee of the concerns, business problems, attitudes and demands that firms or Association members associated with such firms may have and may communicate with such firms or Association Members associated with such firms in order to learn of such concerns and to communicate the policies, procedures, positions, and doings of the Association to such firms or Association Members associated with such firms. In addition, a Vice President-at-Large shall have such duties as may be assigned by the President, as may be directed by the Board of Directors and as may be set forth elsewhere in these Bylaws.

- B. Executive Vice President. The Executive Vice President shall conduct the affairs of the Association and shall perform the duties set forth in his or her employment contract, as the same may be amended, and such additional duties as the Executive Committee may direct. He or she shall employ and dismiss such other staff members as he or she shall deem necessary to properly conduct the activities of the Connecticut Association of REALTORS®, Inc. The Executive Vice President shall serve as Secretary of the Association and Statutory Agent for Service of

Process.

A Search Committee formed for the purpose of selecting a new Executive Vice President shall consist of the then seated President, President-elect, Treasurer, Immediate Past President, two Members appointed by the President, with the chairman to be appointed by the President and then the entire committee to be approved by the Executive Committee.

Section 2. Term of Office. All elected officers shall serve for a one-year term, commencing on January 1 next succeeding their election, and until their respective successors are duly selected and qualified. Upon completion of a one-year term, the President-elect shall automatically succeed to the office of President for the next year. The President shall not be eligible for a second or subsequent term. No person shall serve on the Executive Committee for more than three (3) consecutive terms in any one or more of the offices of Regional Vice President, Division Vice President or Vice President-at-Large. No person shall serve in the office of Treasurer for more than three (3) consecutive terms. In the event that any office is filled by an interim election, however, the remaining portion of the then current term shall be considered in addition to the officer's term of office.

Section 3. Eligibility of Office. To be eligible for an elected Association office, the individual shall be an Active or Associate Member nominated in accordance with the procedures set forth in Section 4 hereof, and shall meet the following additional qualifications:

- A. **President-elect.** To be eligible for the office of President-elect, the individual shall have served, by the commencement of his term of office, two full terms as an elected Association officer. Such terms need not have been consecutively.
- B. **Regional Vice President, Treasurer and Division Vice President.** To be eligible for the offices of Regional Vice President, Treasurer or Division Vice President, the individual shall have either: (1) served as President of his local Board; (2) served, simultaneously or otherwise, two full terms as an officer of his local Board and as an Association Director; or (3) served two full terms as chairman of one or more Association committees or subcommittees and, for Division Vice President, have demonstrated interest, experience or training in the Division's field of responsibility. Such terms need not be consecutive.
- C. **Vice President-at-Large.** There shall be four (4) Vice Presidents-at-Large. Vice Presidents-at-Large shall be elected from each of the following classes of real estate brokerage firms as follows: (a) one from Large firms consisting of 100 or more Members; (b) one from Medium firms consisting of 11 to 99 Members and (c) two from Small firms consisting of 10 or less Members with one of the Vice President-at-Large from Small firms being elected from the membership located in either CAR region 1 or 2 and the other Vice President-at-Large from Small firms being elected from the membership located in either CAR region 3 or 4.

- D. To be eligible for the office of Vice President-at-Large, the individual shall be a Member in good standing of the National, Connecticut and local board of REALTORS®, shall be the Designated REALTOR® or the designee, in writing, of the Designated REALTOR® and shall have been associated with the real estate brokerage firm from which the Vice President-at-Large is elected for at least one year prior to election. A change in the size of a duly elected Vice President-at-Large's real estate brokerage firm during the representative's term shall not render the Representative ineligible for office.

Section 4. Election Procedure. Candidates for election to Association office shall be selected in accordance with the following procedure:

- A. Officers of the Association and National Directors-at-Large shall be elected by the Board of Directors on or before September 1 of each year.
- B. There shall be a Candidate Certification Committee composed of the President (who shall serve as Chair) and one Member representing each Region of the Association who holds primary membership in a Member Board within the Region and who is familiar with the State Association's activities and acquainted with those best qualified to serve the State Association as Officers. No candidate for elective office or National Director-at-Large shall serve on the Candidate Certification Committee.
- C. The Regional Vice President representing each geographic Region shall hold a caucus with the Directors from such geographic Region for the purpose of selecting the member of the Candidate Certification Committee from that Region. The caucus shall also select an alternate who shall serve in the absence of the principal member. The Regional Vice President shall report the name of the principal and alternate members to the Executive Vice President no later than the first Board of Directors meeting of the calendar year following selection. Twenty-five percent of the Directors in the Region shall constitute a quorum for the purpose of this caucus. No proxy voting shall be permitted at the caucus. In the event neither the principal member selected nor the alternate are able to attend the Candidate Certification Committee meeting, or must disqualify themselves from attending, then the Regional Vice President shall hold another caucus prior to the Candidate Certification Committee meeting, if any, to select another alternate member.
- D. Candidates for National Directors-at-Large must have served on the CAR Board of Directors for three (3) years within the previous five (5) years and must have completed at least one year of service on a NATIONAL ASSOCIATION OF REALTORS® Committee or Forum.
- E. Individuals seeking CAR elective office or the office of National Director-at-Large shall submit to the Executive Vice President by May 30 a completed candidate

application in such form as approved by the Executive Committee. Candidates for elective office shall include with the application a list of 15 CAR Directors' signatures or if a candidate for CAR Regional Vice President, a list of signatures of 20% of CAR Directors representing the Region.

- F. Prior to June 15, the Executive Vice President or his designate shall certify whether candidates for CAR elective office or National Director-at-Large have met all qualifications for the particular office. If there are no certified candidates for a given office, the Executive Vice President shall advertise the vacant position in such manner as the Executive Committee shall deem sufficient prior to June 30 and after advertising the vacant position, the Executive Vice President or his designate shall certify whether any candidates have met all qualifications for the vacant position or positions. The Candidate Certification Committee shall review the qualifications of all candidates whom the Executive Vice President, or his designate, have refused to certify. The Candidate Certification Committee may also periodically review the candidate selection process and the qualifications for CAR elective office and make recommendations to the Executive Committee for changes in the candidate selection process and qualifications for CAR elective office and National Director-at-Large.
- G. At least fourteen (14) days prior to the Board of Directors meeting at which balloting for CAR elective office or National Director-at-Large will be held, the Executive Vice President shall forward to all CAR Directors the names of all candidates for elective office or National Director-at-Large certified in accordance with this Article. Only candidates certified in accordance with this Article shall be voted on by the Board of Directors. There shall be no nominations by petition or from the floor. Whenever there is more than one candidate for an office, voting for that office shall be by secret ballot.

Whenever there is more than one candidate for the office of Regional Vice President who has been certified in accordance with Article V, Section 4.C. above, the Directors from each geographic Region for whom there is more than one certified candidate shall meet prior to the vote of the Board of Directors to elect such Regional Vice President, for the purpose of choosing which of the certified candidates from that geographic Region will be voted upon by the Board of Directors. Whenever there is more than one candidate for one of the Vice President-at-Large (small firms) positions who has been certified in accordance with Article V, Section 4.C. above, the Directors from the two geographic Regions for whom there is more than one certified candidate shall meet prior to the vote of the Board of Directors to elect such Vice President-at-Large (small firms), for the purpose of choosing which of the certified candidates will be voted upon by the Board of Directors.

- H. National Directors-at-Large shall be elected by the Board of Directors. The Board of Directors must recommend to the NAR Nominating Committee the upcoming

Immediate Past President, the President and the President-elect of the State Association for one (1) year terms as National Directors-at-Large. Any other person recommended to the NAR Nominating Committee for the position of National Director-at-Large shall be recommended for one year only.

Section 5. Vacancies and Removal. Without otherwise limiting the legal authority of the Board of Directors to remove any officer, unexcused absence by any officer from a meeting of the Executive Committee shall be sufficient cause for the officer's removal. In the event a vacancy occurs in the office of President, the President-elect shall succeed to the presidency and the office of President for the next succeeding year. In any year in which a vacancy occurs in the office of President-elect, except by ascendancy to the office of President as herein set forth, the annual election of officers shall include an election for the office of "President" as well as for all other offices as provided herein. In the event a vacancy occurs in any other elected office, the President shall appoint a Member of the Association to that office, with the advice and consent of the Executive Committee. No Member shall be appointed to fill a vacancy in an elected office unless such Member meets all of the qualifications for the elected office, as set forth in these Bylaws, to which the Member has been appointed as of the date of the appointment.

ARTICLE VI

MEMBERSHIP MEETINGS

Section 1. Regular Meetings. The Association shall hold an annual meeting of Members, which shall be open to all Members and their associates upon payment of a registration fee in an amount to be determined by the Executive Committee. The annual meeting of Members shall be held immediately following the third Board of Directors meeting of the calendar year. Notice of the annual meeting of Members, including an agenda with those items to be voted on, shall be placed in any State publication, whether electronic or printed, as shall be directed by the Executive Committee, at least thirty (30) days prior to the meeting.

Section 2. Special Meetings. Special meetings of the Members may be called by the President, the Board of Directors or by a majority of the Executive Committee.

Section 3. Voting Procedures. Voting by Active and Associate Members shall be by Member Board. The President, or in his absence, an elected officer of a Member Board in good standing, shall cast the vote for his Board and he shall be entitled to as many votes as his Board has unwaivered Active and Associate Members according to the records of the Association as of September 30 immediately preceding any membership vote. Voting by proxy or division of the votes cast by a Member Board shall not be permitted.

ARTICLE VII

COMMITTEES

Section 1. Standing Committees.

- A. The Association shall have the following standing committees: Legislative/Political Affairs, Risk Reduction, Professional Standards, Grievance, Communications, Realtors® Grassroots, and Political Fundraising, in addition to any other committees established in these Bylaws. The President shall assign each standing committee to one of the three divisions: (Legal/Ethical, Legislative/Political and Communications).
- B. The purpose, composition, and organization of all committees shall be established by the President with the advice and consent of the Executive Committee. The President shall appoint the Chairmen and members of all committees and special committees. The President-elect shall appoint Vice Chairmen for all committees. All Chairmen and Vice Chairmen appointments shall be confirmed by the Executive Committee.

Section 2. Other Committees. The President, with the approval of the Executive Committee, may appoint such other committees, task forces and advisory groups, as the President deems advisable. The number, purpose, composition, and organization of all other committees, task forces and advisory groups shall be established by the President with the advice and consent of the Executive Committee.

Section 3. Ex-Officio Members. The President shall be an Ex-Officio Member of all committees, task forces and advisory groups except the Candidate Certification Committee and shall be entitled to cast any ballot necessary to break a tie vote of any such committee, task force and advisory group. The Executive Vice President or his designee shall be an Ex-Officio Member of all committees, task forces and advisory groups but shall not be entitled to vote unless he has been specifically appointed by the President as a voting Member of such committee.

Section 4. Power, Duties and Voting. Neither proxy nor alternate voting shall be permitted at committee, task force and advisory group meetings. All actions of the committees, task forces and advisory groups shall be subject to approval of the Executive Committee.

Section 5. Advisory Committee. The Past Presidents of the Association shall constitute an Advisory Committee which shall be available for consultation by the President, the Board of Directors and the Executive Committee.

ARTICLE VIII

FISCAL YEAR AND FUNDS POLICY

Section 1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 2. Restricted Funds. The Association may maintain one or more restricted funds. The sources for a restricted fund may come from contributions from donors or from appropriations approved by the Board of Directors. All interest and income earned by a restricted fund shall remain in the restricted fund. The principal of any restricted fund may be used only for those purposes for which the restricted fund was constituted. Expenditures to advance the purposes of a restricted fund of less than \$50,000 may be made by the Executive Committee from a restricted fund without the approval of the Board of Directors.

Restricted funds that were originally constituted as a result of an appropriation from the Board of Directors may be unrestricted by resolution adopted by a vote of at least two-thirds of the Directors present at a meeting at which a quorum is present. No restricted fund that has accepted contributions from donors may be unrestricted. However, by resolution adopted by a majority of the Directors present at a meeting at which a quorum is present, a restricted fund that has accepted contributions from donors may be transferred to a corporation qualified under section 501(c)(3) of the Internal Revenue Code of 1986 dedicated to carry on the purposes for which the restricted fund was created.

ARTICLE IX

CODE OF ETHICS

Section 1. Adoption. The Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® is adopted as the Code of Ethics of this Association and shall be considered a part of its Rules and Regulations, and the Code of Ethics and the Rules and Regulations of the Association shall, in the future, be deemed to be amended and changed whenever said Code of Ethics is amended or changed by the NATIONAL ASSOCIATION.

ARTICLE X

PROFESSIONAL STANDARDS

Section 1. State Jurisdiction. Allegations of ethical violations and contractual disputes (and specific non-contractual disputes as defined in the Code of Ethics) between REALTORS® may be submitted to an ethics or arbitration panel at the State Association level under the following circumstances:

- A. Allegations of unethical conduct by a REALTOR® or REALTOR-ASSOCIATE® who is directly a Member of the State Association and not a Member of any local Board.
- B. Allegations of unethical conduct by a REALTOR® or REALTOR-ASSOCIATE® in the instance in which the local Board, because of size or other valid reason, determines that it cannot provide a due process hearing of the matter and petitions the State Association to conduct a hearing.

- C. Contractual disputes (and specific non-contractual disputes as defined in the Code of Ethics) between REALTORS® who are not Members of the same Board where the matter has been referred to the State Association by both local Boards.
- D. Contractual disputes (and specific non-contractual disputes as defined in the Code of Ethics) between REALTORS® who are directly Members of the State Association and are not Members of any Board.
- E. Contractual disputes (and specific non-contractual disputes as defined in the Code of Ethics) between a REALTOR® who does not hold membership in any Board, but is directly a Member of the State Association, and a REALTOR® who is a Member of a Board.
- F. Contractual disputes (and specific non-contractual disputes as defined in the Code of Ethics) between REALTOR® Members of the same Board where the Board with good and sufficient reason is unable to arbitrate the controversy.
- G. Contractual disputes between a customer or a client and a REALTOR® where the board with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a direct Member of the State Association.

Section 2. Procedures. Professional Standards hearings and the organization procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the Connecticut Association of REALTORS®, Inc. as from time to time amended, which by this reference is made a part of these Bylaws.

Section 3. Resignation of Member. If a Realtor® member (as defined in Article II, Section 2, of these Bylaws) resigns from the Board or otherwise causes membership to terminate with an ethics complaint pending, that the 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.

(a) If a Realtor® Member (as defined in Article II, Section 2, of these Bylaws) resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former Member was a Realtor®.

Section 4. Reciprocal Agreements for Interstate Arbitration. The State Association is authorized to execute reciprocal compacts or agreements with other state associations in order to bind members of this state association to arbitrate disputes, as defined in Article 17 of the Code of Ethics, that arise between members of this State Association and such other state associations.

ARTICLE XI

REGIONS

Section 1. Creation. Upon recommendation of the Executive Committee, the Board of Directors, for administrative purposes, shall divide the State into Regions. A Vice President shall be elected in accordance with Article V hereof from each of the Regions so created.

ARTICLE XII

SOCIETIES, INSTITUTES AND COUNCILS

Section 1. Recognition. For the purpose of affording those affiliated with the Association a greater opportunity for cooperation and discussion of administrative and business problems of the other particular phases of the real estate profession in which they are individually interested, the Board of Directors may enter into membership agreements with Connecticut State Chapters of Societies, Institutes and Councils of the NATIONAL ASSOCIATION. Such Connecticut State Chapters of Societies, Institutes and Councils of the NATIONAL ASSOCIATION must, however, maintain good standing and operate in accordance with the requirements of their national affiliate of the NATIONAL ASSOCIATION OF REALTORS®.

Section 2. Divisions. The Board of Directors may create and recognize such Divisions as it may deem advisable. The Board of Directors may allow a Division created hereunder such powers as the Board of Directors deems advisable to carry out the purposes for which a Division is created including, but not limited to, the establishment and collection of dues, adoption of Division bylaws, representation on the Board of Directors, and election of Division officers and directors.

Section 3. Administrative Services. The Association may provide such administrative services to recognized Chapters of Societies, Institutes and Councils of the NATIONAL ASSOCIATION and Divisions of this Association as are feasible and practical, with expenses incurred assessed to the appropriate Chapters of Societies, Institutes and Councils of the NATIONAL ASSOCIATION and Divisions of this Association.

Section 4. Directorships. Chapters of Societies, Institutes and Councils of the NATIONAL ASSOCIATION which have entered into a membership agreement with the State Association shall receive representation on the Association's Board of Directors in accordance with Section 1, Article IV of these Bylaws.

ARTICLE XIII

ESTABLISHMENT OF MULTIPLE LISTING SERVICE AS MEMBER SERVICE

Section 1. Authority. The Association shall maintain for the use of its Members a Multiple Listing Service.

Section 2. Purpose. The Multiple Listing Service shall be a means by which authorized Participants make blanket unilateral offers of compensation to other Participants acting as buyer agents (or in other agency or non-agency capacities to whom such offers are permitted by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information among the Participants so the Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

Section 3. Governing Documents. The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its governing documents, 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 by Association Member. Any REALTOR® Member of this Association or any other association of Realtors® who is a principal, partner, corporate officer, or branch office manager acting on behalf of the principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in the Multiple Listing Service upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

Use of information developed by or published by such Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) 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 such Multiple Listing Service where access to such information is prohibited by law.

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

Section 6. Voting Procedures. On any MLS matter on which the Association's approval is required by the articles of incorporation or bylaws of the multiple listing service or which is referred to the Association by vote of the Directors of the MLS, the matter must be approved by both the Executive Committee and the Board of Directors. If the Executive Committee approves the matter, it shall then be submitted to the Board of Directors. Notice of the matter to be approved shall be given to the Directors in the same manner and in the same time period as notice is provided for elections of officers. The affirmative vote of two-thirds (2/3) of the Directors at a meeting of the Board of Directors at which a quorum is present shall constitute the approval of the Board of Directors.

ARTICLE XIV

USE OF THE TERMS "REALTOR®"/"REALTOR-ASSOCIATE®"

Section 1. Jurisdiction. Use of the terms "REALTOR®", "REALTORS®", or "REALTOR®-ASSOCIATE" 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 State Association otherwise shall have authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, the use of the terms within those areas of Connecticut not within the jurisdiction of a Member Board. Any misuse of the terms by Members is a violation of a membership duty and may subject Members to disciplinary action by the Board of Directors after a hearing as provided for in the Association's Code of Ethics and Arbitration Manual.

Section 2. Institute Affiliate Members. An Institute Affiliate Member shall not use the term "REALTOR®", "REALTORS®", OR REALTOR-ASSOCIATE® and shall not use the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Use of Terms and Trademarks. REALTOR® Members of the State Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their business so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

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

Section 5. Use of Trademark "REALTOR-ASSOCIATE®". REALTOR-ASSOCIATE® Members of the State Association shall have the right to use the term REALTOR-ASSOCIATE® so long as they remain REALTOR-ASSOCIATE® Members in good

standing and the REALTOR® Member with whom they are associated or by whom they are employed is also a REALTOR® Member in good standing.

ARTICLE XV

NEW ENGLAND REALTORS® COMMITTEE

Section 1. Membership. The Connecticut Association of REALTORS® shall be a member of the New England REALTORS® Committee. The President, President-elect and Executive Vice President shall represent the Connecticut Association of REALTORS® as members of the New England REALTORS® Committee.

ARTICLE XVI

RULES OF ORDER

Section 1. Robert's Rules of Order. Robert's Rules of Order, latest edition, shall be the authority governing all meetings and conferences when not in conflict with the Bylaws of the Association or Connecticut law.

ARTICLE XVII

AMENDMENTS

Section 1. Procedure. These Bylaws may be amended by the affirmative vote of Directors holding a majority of the Directorships present and voting, provided that written notice of the substance of any proposed amendment shall first have been sent to each Director at least fourteen (14) days in advance of any meeting at which such amendment is to be considered. Any provision of these Bylaws which requires a vote of other than a majority of the Directors may only be amended by the affirmative vote of at least two thirds of the directorships present and voting.

Amendments to these Bylaws affecting the admission or qualifications of Active Members, Associate Members and Affiliate Members, the use of the term "REALTOR®", "REALTORS®", or "REALTOR®-ASSOCIATE", or any alteration in the territorial jurisdiction of a Board shall become effective upon the approval of the Board of Directors of the NATIONAL ASSOCIATION.

ARTICLE XVIII

DISSOLUTION

Section 1. Dissolution. Upon the dissolution or winding up of the affairs of the Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to any other non-profit and tax exempt organization.

Amended October 11, 1994; April 18, 1995; October 10, 1995; April 22, 1997; June 15, 1997; October 7, 1997; July 21, 1998; July 16, 1999; April 18, 2000; October 17, 2000; October 16, 2001; July 23, 2002; October 22, 2002; April 22, 2003; October 21, 2003; April 20, 2004; October 18, 2005; July 18, 2006; July 17, 2007; July 15, 2008; April 21, 2009; July 21, 2009; July 20, 2010; May 25, 2011