

BYLAWS of the
NORTHWEST MISSISSIPPI ASSOCIATION OF REALTORS®

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(Amended June 20, 1991)
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(Amended November 18 2014)
(Amended November 29, 2017)
(Amended June 14, 2018)
(Amended January 28, 2020)

ARTICLE I – NAME

Section 1. Name. The name of this organization shall be the Northwest Mississippi Association of REALTORS® hereinafter referred to as the “Association.”

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

ARTICLE II – OBJECTIVES

The objectives of the Association are:

Section 1. To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interest.

Section 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. To provide a unified medium for the real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

Section 4. To further the interest of home and other real property ownership.

Section 5. To unite those engaged in the real estate profession in this community with the Mississippi Association of REALTORS® and the National Association of REALTORS®, there by furthering their own

objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

Section 6. To designate, for the benefit of the public, those individuals authorized to use the terms REALTOR®, and REALTORS®, as licensed, prescribed, and controlled by the National Association of REALTORS®.

ARTICLE III – JURISDICTION

Section 1. The territorial jurisdiction of the Association as a Member of the National Association of REALTORS® is DeSoto, Panola, Tate, and Tunica Counties in Mississippi.

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

ARTICLE IV – MEMBERSHIP

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

(A) REALTOR® Members. REALTOR® Members whether primary or secondary shall be:

(1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers are engaged actively in the real estate profession, including buying, selling, exchanging, renting, or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Mississippi, or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a cooperation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a Board 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 board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV. 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 Association, State Association and National Association.

(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 Association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as primary Association.

(5) (A) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The Designated REALTOR® must be sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership (established Article V, Section 2, of the Bylaws.)

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

(C) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms, who, while not engaged in real estate profession as defined in paragraphs (a) or (b) of this section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate membership shall also be granted to individuals licensed or certified to engage in real estate practice who if otherwise eligible, do not elect to hold REALTOR® membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

(D) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate professions on their own account or in association with an established real estate business.

(E) Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.

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

(G) President of the Mississippi Association of REALTORS®. The current President of the Mississippi Association of REALTORS® shall be a member of the NORTHWEST MISSISSIPPI ASSOCIATION OF REALTORS® during his or her term of office, and shall be qualified to represent the NORTHWEST MISSISSIPPI ASSOCIATION OF REALTORS® as a delegate to the National Association of REALTORS® Delegate body if requested to do so by the President of the NORTHWEST MISSISSIPPI ASSOCIATION OF REALTORS®. Local Board dues for the MAR president shall be waived.

ARTICLE V – QUALIFICATION AND ELECTION

Section 1. Application.

(A) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among

the statements to be signed by the applicant (1)that applicant agrees as a condition of membership to thoroughly familiarize himself with the Code of Ethics of the National Association of REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and the Rules and Regulations of the Association, State and National Associations, and if a REALTOR® will abide by the Code of Ethics of the National Association of REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as from time to time amended, and (2) that applicant consents that the Association, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification.

(A) An applicant for REALTOR® Membership who is a, sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association that he is actively engaged in the real estate profession, and maintains a current valid real estate broker's or salespersons license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member) has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the Mississippi Association, and the Constitution and Bylaws and Code of Ethics of the National Association of REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Association, and shall agree that if elected to membership, he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

*No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association and MLS fees for up to one (1) year from the date that membership is approved or from the date that applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

**No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider:

- judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

- criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

(B) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a designated REALTOR® Member of the Association or a designated REALTOR® Member of another Association (if a secondary member), and must maintain a current, valid real estate broker's or salesperson's license or be certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership he will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

(C) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2(a) NOTE 2) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved. Provisional members shall be considered REALTOR® and shall be subject to all of the same privileges and obligations of REALTOR® membership.

If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. 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. The Board of Directors grants provisional membership subject to subsequent review of the application. 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 twenty (120) 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 Director's 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 behalf, to be represented by counsel, and to make such statements as he 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 Secretary. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the Board 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 4. New Member Code of Ethics Orientation.

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

Failure to satisfy this requirement within one hundred twenty (120) days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS®.

Section 5. Continuing Member Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021 and for successive three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three year cycle shall not be required to complete additional ethics training until a new three year cycle commences.

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

Section 6. Status Changes.

(A) Members, and/or the Designated REALTOR® for any firm or franchise Member, shall notify the Association in writing within five (5) business days of any additions, deletions, or changes in the licensure of the Member or, in the case of a firm or franchise Member, any licensee affiliated with the firm or franchise. Failure to notify the association within five (5) days will result in a \$250.00 fine for the first offense and a \$500.00 fine for each subsequent offense. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to be required to satisfy any previously unsatisfied membership required applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within five (5) business days of the day they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all the privileges and obligations of membership during the period of transition. If the transfer is not completed within five (5) business days of the date the Association is advised disaffiliation with the current firm, membership will terminate automatically unless otherwise directed by the Board of Directors.

(B) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

(C) Dues shall be prorated from the first day of the month in which the member is granted provisional membership and shall be based on the new membership status for the remainder of the year.

ARTICLE VI – PRIVILEGES AND OBLIGATIONS

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

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Association. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Association, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, Members other than REALTORS®, may, upon recommendation of the Board of Directors, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR®, or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Any REALTOR®, member of the Association may be disciplined by the Board of Directors for 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 by the Board of Directors provided, however, that if any Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

Section 5. If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint request pending, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to 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. REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

(A) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR®, or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply.

If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR®, or REALTORS® by the firm, partnership, or corporation shall not be affected.

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

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®.

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

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

Section 9. Public Service Members. Public Service Members shall have Privileges and rights and be subject to such obligations prescribed by the Board of Directors.

Section 10. Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

Section 11. Student Members. Student Members shall have rights and privileges subject to obligations prescribed by the Board of Directors.

Section 12. Certification by REALTOR®. "Designated" REALTOR® Members of the Association shall certify to the Association during the month of December, on a form provided by the Association, a complete listing of all individuals licensed or certified with the REALTORS® office(s) and shall designate a primary Association for each individual who holds membership. "Designated" REALTOR® shall also identify any non-member licensees, in the Realtors® offices and if Designated Realtors® dues have been paid to another Association based on non-member licensees, the Designated Realtor® shall identify the Association to which dues have been remitted. The declarations shall be used for purposes of calculating dues under Article X, Section 2(A) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individuals(s) licensed or certified with the firms(s) within thirty (30) days of the date of affiliation or severance of the individual.

ARTICLE VII – PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, which 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 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 abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the duty to arbitrate controversies arising out of real estate transaction 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.

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

ARTICLE VIII – USE OF THE TERMS REALTOR®, 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 Board shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual.

Section 2. REALTOR® Members of the board shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or in 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® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members or Institute Affiliate Members as described in Section 1(b) of Article IV. (a) 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®, REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OR REALTORS®.

ARTICLE IX – STATE AND NATIONAL MEMBERSHIPS

Section 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the MISSISSIPPI ASSOCIATION OF 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 MISSISSIPPI ASSOCIATION OF 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 right of the NATIONAL ASSOCIATION of REALTORS® in terms REALTOR®, REALTORS®, Association shall discontinue use of the terms in any form in its name, upon ceasing to be a member of the National Association, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

Section 3. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION of REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Association and all its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the Mississippi Association of REALTORS®.

ARTICLE X – DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTORS® membership in reasonable amount, not exceeding three times the amount of the annual dues for

REALTORS® membership, which shall be required to accompany each application for REALTOR® membership and which 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) 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 salesperson 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 or licensed or certified appraisers of any Board within the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the Association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this association.

(1) For the purpose of this Section, a REALTOR® Member of a Member Association shall be held to be any member who has a place or places of business within the state or a state contiguous thereto and who, as a principal partner, or corporate officer or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the Individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest or 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, or corporate officer, or branch office manager of the entity.

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

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

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

(B) The annual dues of each REALTOR® Member other than the Designated REALTOR® shall be in such amount as established annually by the Board of Directors.

(C) The annual dues for Institute Affiliate Members shall be as established in Article II of the Bylaws of the National Association's bylaws for REALTOR® Members.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members \$105. The National Association shall credit \$35 to the account of a local association of each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB). The \$35 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall credit \$35 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.

(D) Affiliate Members. The annual dues of each Affiliate Member shall be such amount as established annually by the Board of Directors.

(E) Public Service Members. The annual dues of each Public Service Member shall be such amount as established annually by the Board of Directors.

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

(G) 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 January. Dues for new members shall be computed from the date of application and granting of provisional membership, and shall be prorated for the remainder of the year.

(A) In the event a sales licensee 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 fiscal year and are payable within 30 days of the notice of termination.

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

Checks that are returned for any reason by banking institutions will be charged a fee to be set by the Board of Directors. The returned check fee and the amount of the returned check must be submitted in cash or money order within 10 days of notice. If the fees are not remitted within 10 days, all services will be suspended. A \$50.00 reactivation fee will be applied.

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 Executive Officer/Chief Administrative Officer shall administer the day to day finances of the Association. Capital expenditures in excess of \$2,500 may not be made unless authorized by a majority of the Board of Directors. The Board of Directors may adopt such other policies or procedures in furtherance of this provision as they deem appropriate.

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

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

NOTE: A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the Board is assessed for a REALTOR® Member, times the number of REALTORS® Emeriti (as recognized by the National Association), Past Presidents and past treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Board. The dues obligation of such individuals to the local Board should be reduced to reflect the reduction in the Board's dues obligation to the National Association. The Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Board's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the Board to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the board with respect to those licensees employed by or affiliated with the "designated" REALTORS® who are not Members of the local board.

ARTICLE XI – OFFICERS AND DIRECTORS

Section 1. Officers. The elected officers of the Association shall be: a President, a President-Elect, a Vice President, Secretary, and a Treasurer. The Secretary and Treasurer may be the same person. They shall be elected for terms of one year. Officers may be re-elected, but, no Officer shall serve for more than two consecutive one year terms in the same office.

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. It shall be the particular duty of the Secretary to record the minutes of Association meetings and the particular duty of the Association Executive to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the MISSISSIPPI ASSOCIATION OF REALTORS®. The duties of the Treasurer include making financial reports to the Association membership. The Executive Committee is comprised of the President, President-Elect, Vice President, Treasurer and Immediate Past President.

Section 3. Board of Directors. The governing body of the Association shall be the Board of Directors consisting of the Elected Officers, the Immediate Past President, and no less than four (4), or more than six (6) REALTOR® Members of the Association. Directors shall be elected to serve for terms of three years, except that at three years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many Directors shall be elected each year as are required to fill vacancies.

Section 4. Qualification of Officers. Any REALTOR® member with an active Mississippi license may be elected President, President-Elect, Vice President or Treasurer of the Association if they meet (2) two out of the (3) three criteria of: A. Hold an Active Mississippi license for (3) three or more years in good standing. B. Served previously on the Northwest Mississippi Association of REALTORS Board of Directors. C. Completed the Northwest Mississippi Association of REALTORS Leadership Program. Any REALTOR® Member may be elected Secretary of the Association.

Section 5. Qualification of Directors. Any REALTOR® member may be elected Director of the

Association. A firm (including multiple/branch offices) may not have more than two members serving as an Officer and/or Director. Should a merger/acquisition occur between firms resulting in more than two officers and/or directors on the Board of Directors from the surviving firm, the Board of Directors will act to bring the surviving firm into compliance and fill any vacancies.

Section 6. Election of Officers and Directors.

(A) At least two months before the annual election, a nomination committee shall be organized consisting of three (3) immediate past Presidents and two (2) REALTOR® Members elected by the general membership. The Nominating Committee shall select one candidate for each office to be filled. There will be one slate of officers. The slate will be sent to the Board of Directors for approval before the candidates are contacted by the Nominating Committee. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least twenty percent of the REALTOR® Members eligible to vote. The petition shall be filed with the Secretary at least two (2) weeks before election. The Secretary shall send notice of such additional nominations to all Members eligible to vote one (1) week before the election.

(B) The election of Officers and Directors shall take place at the annual meeting, or electronically. Election shall be by secret ballot and all votes shall be cast in person or by electronic means in accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors. The Ballot shall contain the names of all candidates and the office for which they are nominated. A motion to cast a unanimous vote for the original proposed slate shall be acceptable.

(C) The President, with the approval of the Board of Directors, shall appoint an Election committee of three REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

Section 7. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by recommendation of the President, with approval by a simple majority vote of the Board of Directors until the next annual election.

Section 8. Removal of Officers and Directors. Any Officer or Director that misses more than three meetings is deemed to have resigned. 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 to be disqualified from further service.

(B) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the 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 of 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.

Section 9. There shall be an Executive Officer who shall be appointed by the Board of Directors. He/She shall be Chief Administrative Officer of the Association and shall have the authority to hire, supervise,

evaluate, and terminate other staff, and shall perform other duties as may be prescribed by the Board of Directors.

Section 10. Indemnification of Officers and Directors. Any person who at any time shall serve, or shall have served, as director or officer of the Association, or of any other corporation or entity at the request of the Association, and the heirs, personal representatives, successors, and assigns of such person, shall be indemnified by the Association against all costs and expenses, including, but not limited to, attorney's fees, judgments, and settlement amounts, incurred in connection with the defense, settlement or satisfaction of any claim, action, suit, or proceeding, whether civil, criminal, or administrative, in which such person may be involved by virtue of being, or having been, a director or officer of the Association; provided however, that such right of indemnity shall not be applicable to, and shall not be required in, any matter as to which such person shall have been finally adjudicated in such action, suit, or administrative proceeding to be liable for willful misconduct or gross negligence in the performance of his or her duties as a director or officer. Further; such indemnity shall not apply to, or be operative with respect to, any matter settled or compromised, unless the terms of such settlement or compromise have been approved. In the event that the claim, action, suit, or proceeding is brought against more than two current officers and/or directors, then the terms of such settlement or compromise must be approved by a majority of the members present and voting at any annual or special meeting of the membership. In all other cases, the terms of such settlement or compromise must be approved by vote of the Board of Directors. Such indemnity shall not apply to, or be operative with respect to, any claim, action, suit, or proceeding brought by the Association against any current or former director or officer. This right of indemnification shall be in addition to, and not exclusive of, any and all other rights to which such director or officer, or former director or officer, may be entitled.

ARTICLE XII – MEETINGS

Section 1. Annual Meetings. The annual meeting of the Association shall be held during September of each year, the date, place, and hour to be designated by the Board of Directors.

Section 2. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings. A quorum for the transaction of business shall consist of a minimum of six (6) members of the Board of Directors. Absence from more than three regular meetings shall be construed as resignation. A quorum for the transaction of business shall be a majority of the board of directors, except as may otherwise be required by state law.

Section 3. Other Meetings. Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least ten percent of the Members eligible to vote.

Section 4. Notice of Meetings. Notice shall be given to every member entitled to participate in the meeting at least one week preceding all meetings. If a special meeting is called it shall be accompanied by a statement of the purpose of the meeting. Notice may be written and/or electronic.

Section 5. Quorum. A quorum for the transaction of business at General Membership Meeting or special meetings of the membership shall consist of the REALTORS® Members in good standing 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 action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be

delivered to the Executive Officer to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.

ARTICLE XIII – COMMITTEES

Section 1. Standing Committees. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:
Professional Standards Grievance RPAC/Legislative

Section 2. Special Committees/Task Forces. The President shall appoint, subject to confirmation by the Board of Directors, such special committees and/or task forces as deemed necessary.

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

Section 4. President-Elect/Vice President. The President-Elect and/or Vice President shall be an ex-officio member of all standing committees and shall be notified of meetings.

Section 5. Action without Meeting. Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee.

Section 6. Attendance by Telephone or electronic means. Members of a committee may participate in any meeting through the use of a conference telephone, electronic correspondence, or similar communications equipment by means of which all persons participating in the meeting can communicate with each other. Such participation shall be at the discretion of the President and shall constitute presence at the meeting.

ARTICLE XIV – FISCAL AND ELECTIVE YEAR

Section 1. The fiscal and elective year of the Association shall be the Calendar year. Elected Officers and Directors shall take office at the beginning of the calendar year.

ARTICLE XV – RULES OF ORDER

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

ARTICLE XVI – AMENDMENTS

Section 1. These Bylaws may be amended by majority vote of the REALTOR® Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting. Article IX may be amended only by a majority vote of all REALTORS® Members.

Section 2. Notice of all meetings at which such amendments are to be considered shall be given to every REALTOR® Member eligible to vote at least one (1) week prior to the meeting, either by mail or electronic means.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR®, and Institute Affiliate Members, the use of the terms REALTOR®, REALTORS®, any alteration in the territorial jurisdiction of the Association, or any other amendment required to be in compliance with the terms of the professional liability insurance coverage, shall become effective automatically upon approval of the Board of Directors of the National Association of REALTORS®.

ARTICLE XVII – DISSOLUTION

Section 1. Upon the dissolution of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the MISSISSIPPI ASSOCIATION OF REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

ARTICLE XVIII – REALTORS® SERVICES CORPORATION AND MLS PARTICIPATION

Section 1. Authority. The Association, through its wholly-owned subsidiary, REALTORS® SERVICES CORPORATION, a Mississippi corporation (“RSC”), shall participate in the functioning of a Multiple Listing Service (“MLS”) operated by a Mississippi limited liability company of which the members will be RSC, Central Mississippi REALTORS® or its corporate affiliate, and Gulf Coast Association of REALTORS® or its corporate affiliate, along with such other members as may from time to time be duly admitted as members of the company (the “Consolidated MLS Company”).

Section 2. Purpose. An MLS is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyers agents, or in other agency or non-agency capacities defined 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 data bases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. 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 make all commercially reasonable efforts to ensure that any MLS established or participated in by RSC conforms its corporate charter, constitution, bylaws, rules, regulations, policies, practices, and procedures at all times to the Constitution, Bylaws, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Governance. RSC will be governed by its own board of directors, which may exercise all powers of the corporation and perform all acts that are not by law, its articles of incorporation or its bylaws required to be exercised or performed by its shareholder. RSC shall have five (5) directors, who shall be appointed as follows:

The Association’s Executive Committee shall nominate three (3) Members to serve as directors of RSC, who will also serve parallel terms on the board of managers for the Consolidated MLS Company (the “MLS Representatives”). Once nominated, the MLS Representatives must be approved by the Association’s Board of Directors. Upon approval, the MLS Representatives shall serve staggered three (3) year concurrent terms as directors for RSC and managers for the Consolidated MLS Company.

In addition to the MLS Representatives, the Association’s immediate past-President and current President shall also serve as directors of RSC.

Section 5. Removal of Directors: In the event that a director of RSC is deemed by the Association’s Board of Directors to be incapable of fulfilling the duties for which appointed, but will not resign from office voluntarily, the director may be removed from office under the following procedure:

(a) A petition requiring the removal of the director signed by not less than one-third of the Association’s Directors shall be filed with the President of the Association, and shall specifically set forth the reasons the individual should be disqualified from further service.

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Association’s Board of Directors shall be held and conducted in

accordance with these bylaws, and the sole business of the meeting shall be to consider the charge against the MLS Representative, and to render a decision on such petition. The petition to remove the director must be approved by no less than a majority of the Board of Directors then in attendance.