

BYLAWS

CACHE VALLEY ASSOCIATION OF REALTORS®

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ARTICLE I – NAME

The name of this organization shall be the CACHE VALLEY ASSOCIATION OF REALTORS® Incorporated, hereinafter referred to as the ASSOCIATION.

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

ARTICLE II – OBJECTIVES

The objectives of the ASSOCIATION are:

- a) 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.
- b) 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®.
- c) To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interest may be safeguarded and advanced.
- d) To further the interests of home and other real property ownership.
- e) To unite those engaged in the real estate profession in this area with the UTAH ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.
- f) 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

The territorial jurisdiction of the ASSOCIATION as a Member of the NATIONAL ASSOCIATION OF REALTORS® shall include Cache and Rich Counties of Utah, as determined by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

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 – REALTOR® MEMBERSHIP

REALTOR® Members, whether primary or secondary, shall be:

- a) 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 Utah or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in the Association of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership-

- b) 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.
- c) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, branch office managers and are associated with a REALTOR® Member and meet the qualifications set out in Article V.

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; and the right to hold elective office in the Local Association, State Association and National Association.

Primary and secondary REALTOR® Members:

An individual is a primary member if the Board pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR® member of the Board in order for licensees affiliated with the firm to select the Board as their "primary" Association.

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 Board dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principle(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.

Institute Affiliate Members:

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

Privileges of REALTOR® Members

REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the associations are paid in full shall be entitled to vote and to hold elective office in the ASSOCIATION; may use the terms REALTOR® and REALTORS®; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the ASSOCIATION and the real estate profession.

Obligation of REALTOR® Members

It shall be the duty and responsibility of every REALTOR® member of this ASSOCIATION to abide by the Constitution and Bylaws and the rules and regulations of the ASSOCIATION, the Constitution and Bylaws of the STATE ASSOCIATION, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code

of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified in 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 2 – AFFILIATE MEMBERSHIP

Affiliate Members shall be real estate owners and other individuals or firms, who, while not engaged in the real estate profession as defined in paragraphs (a), (b), or (c) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objects 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 board, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

- a) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental, or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.
- b) 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.
- c) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

ARTICLE V - QUALIFICATION AND ELECTION

SECTION 1 – APPLICATION

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

- a) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the ASSOCIATION, the State and National Associations, and if elected a Member, will abide by the Constitution and Bylaws and the Rules and Regulations of the Association, and 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
- b) 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

An applicant for REALTOR® Membership who is a sole proprietor, partner, or corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through its Membership Committee or otherwise 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 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 examination thereon as may be required by the Committee, and shall agree that if elected to membership, they will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, branch office managers in order to qualify for REALTOR® Membership, shall at the time of written 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 Board (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license, or be licensed, registered, or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the 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 CACHE VALLEY ASSOCIATION OF REALTORS®, Utah Association, and the National Association.

The Board/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 any other association within the past (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
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2(a)Note2) 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 REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. (Amended 1/01)

SECTION 3 – ELECTION

The procedure for election to membership shall be as follows:

- a) The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of

membership. Provisional membership is granted subject to final review of the application by the board of directors.

- b) If the board of directors determines that the individual does not meet all of the qualifications for membership as established in the association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within _____ days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.
- c) The board of directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the board of directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The board of directors may also have counsel present. The board of directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- d) If the board of directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the board of directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

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 Membership Committee, or upon recommendation by a hearing panel of the Regional 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®.

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.

If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel. If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former was a REALTOR®.

SECTION 1 – 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® or 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) If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.
- c) 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 provisions in Article VI, Section 6(a) shall apply.

SECTION 2 – INSTITUTE AFFILIATE MEMBERS

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

SECTION 3 – AFFILIATE MEMBERS

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

SECTION 4 – PUBLIC SERVICE MEMBERS

Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

SECTION 5 – HONORARY MEMBERS

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

SECTION 6 – STUDENT MEMBERS

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

SECTION 7 – CERTIFICATION BY REALTOR®

"Designated" REALTOR® Members of the Association shall certify to the Association during the month of January or a month determined by the Board of Directors on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR's® office(s) and shall designate a primary Board/Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR's® office(s) and if Designated REALTOR® Dues have been paid to another Board/Association based on said non-member licensees, the Designated REALTOR® shall identify the Board/Association to which dues have been remitted.

These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within ten (10) days of the date of affiliation or severance of the individual.

SECTION 8 - HARASSMENT

Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-Elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include a sanction authorized in the Association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. (Revised 4/2016)

ARTICLE VII – CODE OF ETHICS

New Member Code of Ethics Orientation

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

Failure to satisfy this requirement within ninety-five (95) 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®.

Continuing Member Code of Ethics Training

Effective January 1, 2019 through December 31, 2021 and for successive three (3) 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 hours (2) and thirty minutes (30) of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® Association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another Association and REALTOR® members who

have completed the New Member Code of Ethics Orientation during any three (3) year cycle shall not be required to complete additional ethics training until a new three (3) year cycle commences.

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

Discipline of REALTOR® Members

Any REALTOR® of the Association may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Association, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

Enforcement of the Code

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

ARTICLE VIII - PROFESSIONAL STANDARDS AND ARBITRATION

SECTION 1

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

SECTION 2

The responsibility of the Board and of Board members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedure incident thereto, shall be consistent with the Cooperative Professional Standards Enforcement Agreement entered into by the Board, which by this reference is made part of these Bylaws.

ARTICLE IX - REALTOR® TRADEMARK

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

Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitrations Manual. (Amended 06/2006)

REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

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

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

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

ARTICLE X - STATE AND NATIONAL MEMBERSHIP

The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and of the UTAH 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 UTAH 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.

The Association recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The Association shall discontinue use of the terms in any form in its name upon ceasing to be a Member of the NATIONAL ASSOCIATION OF REALTORS®, or upon a determination by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS® that it has violated the conditions imposed upon the terms.

The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce, under the UTAH ASSOCIATION OF REALTORS® AGREEMENT BETWEEN SIGNATORY BOARD OF REALTORS® to establish professional Standards Enforcement Procedures, the Code among its REALTOR® members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS® and the UTAH ASSOCIATION OF REALTORS®.

ARTICLE XI - DUES AND ASSESSMENTS

SECTION 1 – APPLICATION FEE

The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership, and which shall become the property of the Association upon final approval of the application.

SECTION 2 – DUES

The dues of members shall be:

- a) **DESIGNATED REALTOR® Members.** The dues of each designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed, or certified appraisers who:

1. are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and
2. are not REALTOR® Members of any Association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by the Designated REALTOR® Member, non-member licensees as defined in Section (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board 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 the Association.

A REALTOR® Member of a Member Association shall be held to be any Member who has a place of business within the state or a state contiguous thereto and who, as a principal is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity. A REALTOR with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR. Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm.

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

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

- b) **REALTOR® Member Dues.** The annual dues for REALTOR® Members other than the Designated REALTOR® shall be established annually by the Board of Directors
- c) **Institute Affiliate Members.** The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS. Institute Affiliate Members may voluntarily subscribe.

Members of all other classes shall pay the annual fees and dues fixed by the Board of Directors and the same shall be paid on or before the date fixed by the Board of Directors for the payment thereof.

SECTION 3 – DUES PAYABLE

Application fees and annual dues, as established by the Board of Directors shall be on a uniform and nondiscriminatory basis. Dues for all members shall be as established payable in advance. Dues shall be computed

from the first day a new member makes application for membership in the Association and shall be prorated for the remainder of that year. (Amended 08/07)

In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Board 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 – DEPOSIT

All monies 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 5 – EXPENDITURES

The Board of Directors shall administer the day to day financial operation of the Association. Total Capital expenditures leased and/or contracted in excess of \$7,500 dollars may not be made unless authorized by a majority vote of the REALTOR® Members present and qualified to vote at any meeting, called for this purpose, which a quorum is present.

SECTION 6 – NON PAYMENT OF FINANCIAL OBLIGATIONS

If dues, fees, fines, or other assessments owed to the Association are not paid within thirty days after the due date, the nonpaying member is subject to suspension at the discretion of the Board of Directors. In the event a sales licensee or a licensed or certified appraiser is suspended for nonpayment of Board dues, and the individual remains licensed with the Designated REALTORS® firm, the dues obligation of the Designated REALTOR® will be increased to reflect the addition of a non-member licensee. If the Designated REALTOR® does not pay the increased dues within 30 days of notice or inactivate the suspended licensee by that time, membership of the Designated REALTOR® will automatically terminate. The Designated REALTOR® may apply for reinstatement by paying all applicable dues and fees, and by paying the application fee. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in the manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination. However, if reinstatement occurs within thirty days from the time membership was terminated for nonpayment, membership may be reinstated by paying a re-admittance fee of \$150.00. (Revised 4/2016)

SECTION 7 – NOTICE OF DUES, FEES, FINES, ASSESSMENTS, AND OTHER FINANCIAL OBLIGATIONS OF MEMBERS

All dues, fees, fines, assessments, or other financial obligations to the Association or Association Multiple Listing Service shall be noticed to the delinquent Association Member in writing, setting forth the amount owed and due date.

SECTION 8 – REFUND OF DUES

Dues are non-refundable after installation: except that new applicants for REALTOR® Member may withdraw their membership applications any time prior to installation.

SECTION 9

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

ARTICLE XII - OFFICERS AND DIRECTORS

SECTION 1 - OFFICERS

The elected officers of the Association shall be: A President, a President-Elect, and a Treasurer. The President and President-Elect shall be elected for a term of one year. The Treasurer may also serve as a Director for a two-year term. The Directors may employ an Executive Officer who will serve at the direction of the Board of Directors, and who may assume the duties of the Secretary.

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 Executive Officer to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the UTAH ASSOCIATION OF REALTORS®, and such other duties and assignments as established in the Associations policy and procedures manual.

- a) The President shall be the chief executive officer of the CACHE VALLEY ASSOCIATION OF REALTORS® and shall preside at its meetings and those of the Board of Directors, between the sessions of which he/she shall represent the Association and act in its name, subject only to its declared policies. He/she and the Vice President (President-Elect) shall appoint from among the REALTOR® Members all committees, including a Committee Chairman and Vice-Chairman, subject to confirmation by the Board of Directors, shall be an ex officio member of all committees, and shall perform all other duties usual to such office.
- b) The Vice President (President-Elect) shall perform the duties of the President in the event of his/her absence or disability and shall have such other powers and duties as may be prescribed by the Board of Directors or the President. The Vice President (President-Elect) shall succeed to the office of the President. If the office of the President should become vacant between elections, the Vice President (President-Elect) shall fill the vacancy and complete the unexpired term. The Vice President (President-Elect) who fills a vacancy in the office of the President shall automatically become President for a full term after completion of the unexpired term.
- c) The Executive Officer may keep the records and corporation seal of the CACHE VALLEY ASSOCIATION OF REALTORS® and performs such other duties as are customary to the office, including acting as Secretary for the Board of Directors.
- d) The Treasurer shall be the Custodian of the funds and securities, and the Disbursing Officer of the Cache Valley Association of REALTORS® under the direction and approval of the Board of Directors.

SECTION 3 – BOARD OF DIRECTORS

- a) The governing body of the Cache-Rich Association shall be a Board of Directors consisting of the following:
 - 1) President
 - 2) President-Elect
 - 3) Treasurer
 - 4) Eight (8) Directors, with one being the Immediate Past President and at least four (4) Directors having been elected by the REALTOR® Membership.
- b) Except as provided below, Directors shall be elected to serve for staggered terms of two years. Each year forward, at least two new Directors will be elected to fill vacancies. If a replacement for an unfilled Director term is needed, a REALTOR® member shall be appointed by the Board of Directors to complete the unexpired term of the replaced Director.

SECTION 4 – ELECTION OF OFFICERS AND DIRECTORS

- a) At the May meeting of the Board of Directors, the Association President, with the approval of the Board of Directors, shall appoint a Nominating Committee Chairman and Vice-Chairman who shall cause a Nominating Committee to be convened. The Nominating Committee shall meet within the last ten days of June. The Nominating Committee shall be composed of (1) REALTOR® from each member Brokerage. Each member Brokerage having more than eight (8) REALTORS® is entitled to (1) additional Member of the Nominating

Committee for each eight (8) REALTORS® in the Brokerage. For example, a member Brokerage having 1-8 REALTORS is entitled to (1) Nominating Committee Member; a Brokerage having 9-16 REALTORS is entitled to (2) Nominating Committee Members; a Brokerage having 17-24 REALTORS is entitled to (3) Nominating Committee Members; and so on.

- b) At a meeting of the Nominating Committee at which a quorum is present, the committee shall select one (1) or more candidates for the office of President-Elect and one (1) or more candidates for each place to be filled on the Board of Directors, except for the office of President, which is to be automatically filled by the past year's President-Elect. A quorum shall consist of those Committee Members present at the appointed hour. Any Committee Member(s) not present at the appointed hour shall be excluded from the Committee. The report of the Nominating Committee shall be announced and conspicuously displayed at the local Association Office and the Association Web page at least 30 days before the election.
- c) The election of Officers and Directors shall take place by electronic ballot. The election results shall be announced at the August general membership meeting. The newly elected Officers and Directors shall be installed at the annual business meeting of the CACHE VALLEY ASSOCIATION OF REALTORS® in the month of December.
- d) The President, with the approval of the Board of Directors, shall appoint an Election Committee of three REALTOR® Members to conduct the election. Notwithstanding anything herein to the contrary, the person receiving the highest number of votes shall be elected to the office to which they are nominated. In case of a tie vote, the issue shall be determined by lot.
- e) Only REALTOR® Members may be nominated and hold office in the CACHE VALLEY ASSOCIATION OF REALTORS®. President and President-Elect may be nominated only from REALTOR® Members who have served as a Director.
- f) The President-Elect shall automatically become President.

SECTION 5 – APPOINTED POSITIONS

The President and President-Elect of the CACHE VALLEY ASSOCIATION OF REALTORS®, who has been elected and installed as officers shall serve as Directors for the Utah Association of REALTORS during his/her term of office. Other such appointments as are deemed necessary from time to time.

SECTION 6 - VACANCIES

Members chosen to fill vacancies among the Officers and the Board of Directors shall be appointed by majority vote of the Board of Directors. Said members shall serve the remainder of the term vacated.

SECTION 7 – REMOVAL OF OFFICERS AND DIRECTORS

- a) In the event an Officer or Director is deemed to be incapable of fulfilling the duties of the office, but refuses to resign, the officer or director may be removed from office under the following procedures:
- b) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership 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.
- c) 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 Board of Directors 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.
- d) Provided a quorum is present, a three-fourths vote of Directors present and voting shall be required for removal from office.

SECTION 8 - INDEMNIFICATION

Every officer, director, and Association staff member shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such individual in conjunction with any proceeding to which that individual may have been made a party or in which that individual may become involved by reason of being or having been an officer, director or Association staff member, or any settlement thereof, whether

or not the individual is still an officer, director or Association staff member at the time such expenses are incurred, except in such cases wherein the individual is adjudged guilty of willful misfeasance or malfeasance in the performance of their duties or shall have acted in such a manner as has exceeded such individuals authority so to act. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such individual may be entitled.

ARTICLE XIII - MEETINGS

SECTION 1 – ANNUAL MEETINGS

The Annual Business Meeting of the Members of the Association shall be held during the month of September. The Association President and the Board of Directors shall designate the day, place, and hour.

SECTION 2 – MEETINGS OF DIRECTORS

The Association President and Board of Directors shall designate a regular time and location of meetings. Absence by an Officer or Director from two consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation therefrom.

SECTION 3 – OTHER MEETINGS

Meetings of the members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten percent (10%) of the REALTOR® Members eligible to vote.

SECTION 4 – NOTICE OF MEETINGS

Written Notice shall be given to every Member entitled to participate in the meeting at least ten (10) days prior to all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

SECTION 5 - QUORUM

A quorum for the transaction of business shall be that assemblage of REALTOR® Members present at the proper place and time of an official meeting of the Association for which prescribed notice has been given in writing to all Members.

SECTION 6 – OPEN MEETINGS

All meetings of the CACHE VALLEY ASSOCIATION OF REALTORS® shall be deemed open to its Members.

SECTION 7 – PROXY VOTES

REALTOR® Members of the CACHE VALLEY ASSOCIATION OF REALTORS® may attend all REALTOR® Membership Meetings and vote in person. Written proxy votes by ballot from absentee REALTOR® Members will be accepted prior to the meeting held.

SECTION 8 – ELECTRONIC TRANSACTION OF BUSINESS

To the fullest extent permitted by law, the board of directors or membership may conduct business by electronic means.

SECTION 9 – 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 a consent in writing, setting forth the action so taken, shall be signed by all of 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 chief staff executive 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

Appointments to the Professional Standards Committee and Grievance Committee shall be consistent with the cooperative Professional Standards Enforcement Agreement of the Board.

SECTION 2 – STANDING COMMITTEES

- a) The President and President-Elect shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing Committees including a Chairman and a Vice-Chairman: Budget & Finance, Bylaws, Nominations and Strategic Planning
- b) The President and President-Elect shall appoint from among the REALTOR® Members and Affiliated Members, subject to confirmation by the Board of Directors, the following standing Committees, including a Chairman and Vice-Chairman: Advocacy, Consumer Outreach, Affiliate, Business Meetings & Events, New Member Orientation, Public Relations, RPAC, and Education

SECTION 3 – SPECIAL COMMITTEES

The President shall appoint, subject to confirmation by the Board of Directors, special committees as the President may deem necessary.

SECTION 4 - ORGANIZATION

All Committees shall be of such size and shall have such duties, functions, and powers as may be assigned to them by the President or the Board of Directors, except as otherwise provided in these Bylaws.

SECTION 5 - PRESIDENT

The President shall be an ex-officious member of all committees of the CACHE VALLEY ASSOCIATION OF REALTORS® and shall be notified of their meetings.

ARTICLE XIV - RULES OF ORDER

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

ARTICLE XV - FISCAL AND ELECTIVE YEAR/FINANCIAL STATEMENTS

SECTION 1

The fiscal year of the Association shall be January through December. (Revised 12/2011)

SECTION 2

The elective year of the Association shall be January through December. (Revised 8/2012)

SECTION 3

The Treasurer shall submit to the Board of Directors a reviewed financial statement for their approval within 60 days following the beginning of the fiscal year. A copy of the reviewed statement shall be made available for members upon request. (Revised 12/2011)

ARTICLE XVI - AMENDMENTS

SECTION 1

These Bylaws may be amended by two-thirds (2/3) 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 amendments shall be

plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy. Article IX may be amended only by a majority vote of all REALTOR® Members.

SECTION 2

Written notice delivered in the normal distribution from the Associations Office to the Members Office, or by mail, at the discretion of the Association of all meetings at which such amendments are to be considered shall be given to every REALTOR® Member at least five (5) days prior to the time of the meeting.

SECTION 3

Amendments to these Bylaws affecting the admission or qualification of REALTOR® Members, the use of the term REALTOR® or REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVII - DISSOLUTION

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

ARTICLE XVIII - MLS RELATED SERVICES

The Association President with the approval of the Board of Directors, may choose to develop, maintain or contract with a provider of a Multiple Listing Service at the appointed time as deemed necessary, subject to the Bylaws of the CACHE VALLEY ASSOCIATION OF REALTORS®, and adopt such MLS Rules and Regulations as may be necessary.