New Jersey Realtors®
BYLAWS

(Adopted January 1918. Since that time they have been revised, their last revision having been made at the New Jersey Realtors® Board of Directors Meeting on September 13, 2016.)

ARTICLE I
Name

Sec. 1. The names of the organization shall be the: New Jersey Association of Realtors®, INCORPORATED, doing business as New Jersey Realtors®, hereinafter referred to as the Association.

ARTICLE II
Objects

Sec. 1. The objects of this Association shall be to unite Local Board/Associations of Realtors® and their members in the State of New Jersey for the purpose of exerting effectively a combined influence upon matters affecting real estate, to elevate the standards of the real estate business throughout the state and the professional conduct of person engaged therein.

ARTICLE III
Membership

Sec. 1. The members of the Association shall consist of six classes: (A) Member Board/Associations (B) Board/Association Members (C) Realtor® Emeriti (D) Honorary Members (E) Retired Members (F) Distinguished Service Award Members.

(A) Member/Board Associations shall consist of local real estate boards or boards of Realtors® (hereinafter referred to as Local Board/Associations), which shall include city, county, or inter-county boards within the State of New Jersey, all of the active members of which shall hold membership in the National Association through such Local Board/Association.

(B) Local Board/Association Members shall be Realtor® Members, Realtor-Associate® Members, or Institute Affiliate Members in good standing.

1. Realtor® Members shall be those individuals who maintain or are associated with an office in New Jersey or a state contiguous thereto deemed qualified for Realtor® Membership by the Local Board/Association and who are primary Members of a Local Board/Association as shown on the records of the Association. Secondary Realtor® Member shall be those individuals who hold primary membership in a Local Board/Association in another state and who desire to obtain direct membership in this Association without holding membership in a Local Board/Association in the state, provided such persons maintain a current, valid New Jersey Real Estate Broker's, Broker-Salesperson's or Salesperson's license or certified by an appropriate state regulatory agency to engage in the appraisal of real property in New Jersey. Each principal, partner, or corporate officer actively engaged in the real estate business within the state or a state contiguous thereto shall be required to become a Realtor® Member if any other principal of such firm, partnership, or corporation is a Realtor® Member unless otherwise qualified for Institute Affiliate Membership.

2. Realtor-Associate® Members shall be those independent contractors and salesmen or licensed or certified appraisers who are affiliated with or employed by a Realtor® Member or a firm, partnership or corporation of which any Realtor® Member is a principal, partner, or officer, who are actively engaged in the real estate business, who are deemed qualified for Realtor-Associate® membership by the Local Board/Association and who are primary Members of a Local Board/Association as shown on the records of the Association. Secondary Realtor-Associate® Members shall be those individuals who hold primary membership in a Local Board/Association in another state and who desire to obtain direct membership in this Association without holding membership in a Local Board/Association in the state, provided such persons maintain a current, valid New Jersey Real Estate Broker's, Broker-Salesperson's or Salesperson's license or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property in New Jersey.

3. 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.

4.

(A) Local Board/Associations will 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 Board/Association; or to be a participant in the Local Board/Association's Multiple Listing Service.

(B) 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 the Realtor® Membership (including compliance with the Code of Ethics) except: obligations related to Local Board/Association mandated educations, meetings attendance, or indoctrination classes or other similar requirements; the right to use the term Realtor® in connection with their franchise organization's name; and the right to hold elective office in the Local Board/Association, State Association and National Association.

(C) A Realtor® Member who has held membership in the National Association of Realtors® as a Realtor®, Realtor-Associate®, or both, for a cumulative period of forty (40) years, with no age requirement upon certification and the granting of such membership by the Board of Directors of the National Association of Realtors® shall be designated "Realtor® Emeritus". Emeritus members are waived from paying Association dues.

(D) A Realtor® or Realtor-Associate Member® who holds membership in the Association, who has previously held the office of state president for the Association, shall have the Association membership dues waived.

(E) Such individuals who have performed notable services for the real estate business or for this Association or for the public shall be eligible to election as an Honorary Member. Any candidate for election as an Honorary Member must first be approved by the unanimous vote of the Executive Committee of the Association before submission to the Resolutions Committee and adoption at the Annual Convention. A thirty-day (30) notice shall be given by the Executive Committee to the Local Board/Associations before any such candidate shall be considered by it. Honorary membership shall confer no rights nor impose any obligations under the Bylaws nor does such membership confer the right to vote or hold elective office.

(F) Retired Members: Members who, because of age, poor health or otherwise, have retired from and are no longer engaged in or available for immediate employment in the field of real estate or any field in which experience or training in real estate is used or useful. To qualify as a Retired Member, the member must make application to the primary Local Board/Association having jurisdiction and said Local Board/Association shall make an investigation to determine that such member is in fact entitled to this classification. It shall be the responsibility of the Local Board/Association to report its findings to the Association.

(G) Distinguished Service Award Members are those individuals who have been awarded the National Association of Realtors® Distinguished Service Award and shall be life members of the Association. Distinguished Service Award members are waived from paying Association dues.

ARTICLE IV
Dues

Sec. 1.

(A) The annual dues of each Local Board/Association as defined in Article III of these Bylaws shall be an amount (1) as established annually by the Board of Directors times the number of Realtor® Members of the Local Board/Association plus (2) an additional amount to be established annually by the Board of Directors times the number of Realtor-Associate® Members of the Local Board/Association, plus (3) an amount as established annually by the Board of Directors times the number of individuals who are licensed with such Realtor® Members of the Local Board/Association and who are not themselves Realtor®, Realtor-Associate®, or Institute Affiliate Members of the Local Board/Association.

(B) For the purpose of this Section, a Realtor® Member of a Local Board/Association shall be held to be any member who has a place or places of business within New Jersey or a State contiguous thereto and who, as a principal, partner, or corporate officer of a real estate firm, partnership, or corporation, is actively engaged in the real estate business as defined in Article III, Section 1, of the Constitution of the National Association of Realtors®.

(C) A Realtor-Associate® Member of a Local Board/Association shall be held to be any member affiliated with or employed by a Realtor® Member as a licensed sales employee or licensed or certified appraiser or independent contractor, unless such Member is classified by the Local Board/Association as a Realtor® Member in which case he shall be deemed a Realtor® Member. 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, or corporate officer, or branch office manager of the entity.

Sec. 2. The annual dues of each Institute Affiliate Member shall be as established in Article II, of the Bylaws of the National Association of Realtors®.

Sec. 3. Upon payment to the Association of the dues and assessments required under Section 1, 2, and 6 of this Article, each Realtor® and Realtor-Associate® and Institute Affiliate Member of Local Board/Associations within the State shall be deemed a Member as designated in good standing of the Association.

Sec. 4.

(A) In calculating the dues payable to the Association or the National Association of Realtors® by a Local Board/Association, no member of another Local Board/Association shall be considered, provided such member has notified the Association and each Local Board/Association to which he/she belongs, the identity of the Local Board/Association where he/she holds primary membership.

(B) The dues payable by a Local Board/Association to the Association shall be reduced by an amount equal to the annual dues times the number of recipients of the Distinguished Service Award who are members of the Local Board/Association, Realtor® Emeritus and Past Presidents of the Association.

Sec. 5. The annual dues of each Local Board/Association shall be remitted by each Local Board/Association yearly in accordance with the Association's Dues Collection Policy. New Members not previously licensed with a Realtor® Member of the Board/Association during the current fiscal year shall have their dues prorated quarterly from the first day of the quarter regardless of when in the quarter the member actually joins. Any member who held membership during the preceding calendar year shall be responsible for a full year's dues plus the $5.00 Legal Action Fund assessment.

Sec. 6. The Board of Directors after receiving due notice stating the purpose, amount, and duration, has the authority to impose an assessment against each Local Board/Association as defined in Article III of these Bylaws in an amount equal to the number of Realtors®, Realtor-Associates® and Institute Affiliates in the Local Board/Association.

ARTICLE V
Board of Directors

Sec. 1. The government of the Association shall be vested in a Board of Directors composed of the following:

(A) The Executive Committee Members.

(B) The former Presidents of the Association who are Local Board/Association Members and who have attended at least 50% of the Directors Meetings held in the prior calendar year. An excused absence from a Directors Meeting as determined at the sole discretion of the President shall be included as an

attended meeting in calculating the percentage of meetings attended by a Past President in the prior calendar year.

(C) The Chairperson of Standing Committees.

(D) Two officially appointed or elected members from each Local Board/Association for the first 1000 Local Board/Association Members or any part thereof, one of whom shall be the President of the Local Board/Association or an elected officer of the Local Board/Association.

In addition, each Local Board/Association will elect one (1) additional Director for each additional 1000 Local Board/Association Members or part thereof.

Local Board/Association Membership calculated for the purposes of the Annual Meeting will be used to calculate Local Board/Association Director entitlement for the following year.

(E) Presidents of Affiliated Institutes, Societies and Councils.

(F) Seven Realtor-Associates® or Realtors® who are Sales Associates. Local Board/Associations shall have the right to recommend the Realtor-Associate® or Realtor® who is a Sales Associate for appointment by the President.

(G) All Members who are Directors of the National Association of Realtors®.

(H) Regardless of the number of categories an individual may be qualified for, he/she shall have only one vote as a Member of the Board of Directors.

Sec. 2. The Board of Directors shall conduct the affairs of the Association.

Sec. 3. A quorum shall consist of not less than 25% of the qualified members of the Board of Directors.

Sec. 4. A quorum being present, the Board of Directors shall act by a majority vote of Directors present at any meeting.

Sec. 5.

(A) The Members of the Board of Directors are to be given thirty (30) days notice prior to any meeting at which any vote is to be held to consider off budget spending exceeding $25,000 for each expenditure.

(B) In the event that the President determines that an off-budget expenditure is required which is emergent, and which therefore cannot await the thirty (30) day notice requirement of Subsection (A) above, the matter may be voted upon at the next regular meeting of the Board of Directors held within thirty (30) days after the President makes the determination that such advance notice cannot be given. At such meeting, approval of the expenditure by two-thirds of the Director present shall be required.

Sec. 6.

(A) In the event of an emergency, such as actual or imminent substantial loss or damage to the Association's real or personal property, actual or threatened injury to any person to whom the Association may be responsible, or actual or imminent loss or waiver of the Association's legal rights and remedies, the President shall have the right, subject to the conditions set forth in Subsection (B) below, to authorize off-budget expenditures in excess of $25,000.

(B) Prior to authorizing any such expenditure, the President shall first obtain the majority approval for such expenditures by the President-Elect, the First Vice President, the Treasurer, and the Immediate Past President or such of the foregoing who may be contacted by the President within a reasonable time, given the nature of the emergency. Notice of the emergency may be given by the President to such persons, and approval of the expenditure may be given by such persons to the President, via any means, which is practical under the circumstances, including without limitation, telephone, facsimile, or other electronic communications.

ARTICLE VI
Executive Committee

Sec. 1. There shall be an Executive Committee consisting of the President, the President-Elect, the First Vice President, the Treasurer, the Local Board/Association Presidents, and the Immediate Past President. In addition, the President shall appoint five Division Officers, four additional Past Presidents, a Realtor-Associate® or a Realtor® who is a Sales Associate and a Local Board/Association Executive Officer. Should a Local Board/Association President be unable to attend a duly noticed meeting of the Executive Committee, the Local Board/Association President

may designate either the Local Board/Association Immediate Past President or an officer of the Local Board/Association as the Local Board/Association President's representative. Such representative shall not be the Local Board/Association Executive Officer. Such representative must be a member of the Association's Board of Directors.

Any Member who serves on the Executive Committee of the National Association of Realtors® shall automatically be a member of the Association's Executive Committee during such term.

Sec. 2. The Executive Committee shall conduct the affairs of the Association in accordance with the policy of the Board of Directors and shall have full authority of said Board to act on their behalf between meetings of the Board of Directors and shall meet upon the call of the President, the Board of Directors, or any eight of its members upon due notice stating the time and place of meeting. Thirteen members shall constitute a quorum.

Sec. 3. A quorum being present the Executive Committee shall act by a majority vote of members present at any meeting.

Sec. 4. The Executive Committee shall administer the finances of the Association and during or prior to the Annual Meeting each year, the Executive Committee, in consultation with the Budget & Finance Committee shall prepare a budget for ensuing fiscal year and submit it to the Delegate Body for approval at said Annual Meeting. The proposed Budget shall be published and circulated to each Local Board/Association not less than thirty (30) days before the Budget is to be acted upon by the Delegate Body.

Sec. 5. The Executive Committee shall have the power to expel any Local Board/Association, after due notice and hearing for failure to comply with the Bylaws.

(A) Any action of the Executive Committee affecting a Local Board/Association may be appealed by the Local Board/Association to the Board of Directors by a written notice of appeal delivered to the Association, attention to the Chief Executive Officer, within thirty (30) days from the determination of the Executive Committee.

(B) The Board of Directors, after notice to appellant of its hearing and opportunity to be heard, shall review the action taken by the Executive Committee and the determination of the Board of Directors shall be final.

ARTICLE VII
Officers

Sec. 1. The elective officers of the Association shall be a President, a President-Elect, a First Vice President, and a Treasurer all of whom shall serve for one year or until their successors are elected and qualified.

(A) The Treasurer shall not be eligible for election to a higher office while serving as Treasurer and shall not serve more than two consecutive years.

(B) The elective year shall begin the day following the official closing of the Annual Convention and end the last day of the succeeding Annual Convention.

Sec. 2. The President shall preside at all meetings including the Board of Directors and Executive Committee. Between the sessions, he or she shall represent the Association and act in its name, subject only to its declared policies. He or she shall appoint all committees unless otherwise directed by the Board of Directors; shall be an ex-officio member of all committees, except the Nominating Committee; and shall perform all other duties usual to such office.

Sec. 3. The President-Elect shall perform the duties of the President in the event of his or her temporary absence or disability and shall perform such other duties as may be delegated to him or her by the Board of Directors or the President. In the absence of unforeseen events, the President-Elect shall succeed to the office of the President.

Sec. 4. The duties of the President, in the event of his/her resignation or death, shall be administered by the President-Elect until the Nominating Committee selects a successor for the balance of the current year, and said selection is ratified by the Board of Directors.

Sec. 5. The First Vice President shall perform such duties as may be delegated to him or her by the Board of Directors or the President.

Sec. 6. The Treasurer shall be the custodian of the funds and securities of the Association and special funds or securities held or administered of the Association. He or she shall deposit the funds and securities in such depositories carrying Federal Deposit Insurance, or its successors and/or U.S. Treasury Bills, Treasury Notes and Treasury Bonds and in such a manner as the Executive Committee may designate and direct and shall be relieved of responsibility therefore while in the custody of such depository subject, however, to any liability under his or her surety bond. The Association will provide a bond in a surety company qualified to do business in the State of New Jersey.

Sec. 7. There shall be an administrative officer of the Association who shall be employed by the Board of Directors and shall perform such duties as directed by the Executive Committee and the Board of Directors. The Board of Directors shall designate the title of such administrative officer to be "Chief Executive Officer". The Association will provide a bond in a surety company qualified to do business in the State of New Jersey.

The administrative officer shall be the Corporate Secretary and as such shall make a record of the meetings of the Board of Directors, Executive Committee, and of the Annual Convention and shall keep all said records and perform such duties customary to that office.

Sec. 8. The accounts of the Treasurer shall be reviewed annually by a Certified Public Accountant selected by the Executive Committee. Said review to be submitted to the President, President-Elect, First Vice President, Treasurer and Chairperson of the Budget & Finance Committee.

Sec. 9. The Board of Directors may appoint an Assistant Treasurer who shall serve at the pleasure of the Board. The Assistant Treasurer shall perform such duties as may be

delegated from time to time by the Treasurer; and, in addition thereto, is authorized and empowered to sign and file on behalf of the Association all requisite tax returns, whether municipal, state or federal. The Assistant Treasurer shall not be a member of the Executive Committee. The Association will provide a bond in a surety company qualified to do business in the State of New Jersey.

Sec. 10. The Board of Directors may remove a duly elected officer and declare the office vacant under the following conditions:

(A) Conduct on the part of an elected officer, which is not in the best interest of the Association.

(B) Absence from two consecutive meetings of the Board of Directors, whether regular or special, unless for good cause submitted to the Board of Directors in writing.

Sec. 11. In the event of a vacancy of the Officers (not otherwise provided for in these Bylaws), the Nominating Committee shall immediately contact the Local Board/Associations for candidates to fill the vacancy; said Local Board/Associations shall have twenty-one (21) days to submit candidates. The Nominating Committee, as soon as possible, shall recommend a candidate to the Board of Directors for ratification, who shall serve until the next Annual Election.

Sec. 12. An elected Officer of the Association shall not serve as an officer of a Local Board/Association during the term as a New Jersey Realtors®'s Officer.

ARTICLE VIII
Meetings

Sec. 1. Special Meetings of the Association may be called by the Board of Directors at its discretion. Any call for special meetings shall be upon notice stating the purpose, time and place of the meeting. Notice of the meeting shall be issued at least fifteen (15) days in advance. The Board of Directors shall establish the format and rules for said meeting. Voting shall be conducted in the same manner as the Annual Meeting.

Sec. 2. The Executive Committee shall hold at least three meetings each year at such time and place as fixed by the President.

Sec. 3. The Board of Directors shall hold at least three regular meetings in each year at a time and place fixed by the President. Special meetings may be called by the President or at the call of twenty percent of the members of said Board of Directors, provided that due notice of the purpose, time and place of such meeting is sent to each member of said Board of Directors.

ARTICLE IX
Nominations

Sec. 1. There shall be a Nominating Committee of nine, of who three shall be elected by the Board of Directors, three by the Past Presidents, two delegates from the previous Annual Meeting, and one NAR Director whose term is not expiring, all of whom shall be appointed by the current President. Members of the Nominating Committee shall vote in person.

If any member of the Nominating Committee, due to absence or disability, is unable to serve at any meetings, a vacancy will be deemed to exist, or if any member of the Nominating Committee should be a candidate for nomination, said member shall resign forthwith. Vacancies on the Nominating Committee should be filled by the President of the Association by appointment from the body whose appointee is unable to serve.

Sec. 2. The President shall appoint two alternate members to the Nominating Committee one who will be qualified to serve as replacement from the Board of Directors or a delegate from the Annual Meeting categories and one who shall be a Past President.

Sec. 3. The Nominating Committee shall submit to the members one nominee for each elective office and shall cause its report to be circulated to the Local Board/Associations at least thirty (30) days in advance of the Annual Meeting.

Sec. 4. Any Local Board/Association may, however, after the slate of candidates for offices has been announced by the Nominating Committee, name candidate(s) from the floor at the Annual Meeting provided notice of intent is sent to each Local Board/Association by certified mail, return receipt requested, at least fifteen (15) days prior to the Annual Meeting.

No nominee shall be placed on the ballot unless he or she receives seconds from the President or alternate of two different Local Board/Associations.

Sec. 5. At its initial meeting, the Nominating Committee shall establish its own policies and procedures for the conduct of its meetings and deliberations.

ARTICLE X
Annual Meetings and Elections

Sec. 1. The election of officers shall be held at the Annual Meeting.

Sec. 2. Local Board/Association Members present at any meeting of the Association shall be delegates, entitled to participate fully in all discussions and deliberations.

Sec. 3. Voting by Local Board/Association Members shall be by Local Board/Association. The President of a Local Board/Association or his duly accredited alternate, who shall be a Realtor® or Realtor-Associate® Member of the same Local Board/Association, shall in "viva voce" or roll call voting cast the vote for his or her Local Board/Association, and shall be entitled to two votes for the first 1000 Local Board/Association Members or any part thereof, and one vote for each additional 1000 Local Board/Association Members or part thereof. The number of Local Board/Association Members in each Local Board/Association shall be the number shown in the Local Board/Association membership records of the Association.

Voting by proxy or division of the vote of a Local Board/Association shall not be permitted.

Sec. 4. Written notice to certify voting delegates or their alternates shall be given by the Association to each Local Board/Association at least twenty (20) days before the Annual Meeting.

Sec. 5. The Secretary shall pass upon all credentials and report to the Board of Directors. Written certification of delegates by Local Board/Associations shall be filed with the Secretary no later than twenty-four (24) hours prior to the published date and time of the Annual Meeting.

Sec. 6. Presidents of Local Board/Associations or their accredited alternates present at the Annual Meeting shall elect the officers of the Association.

Officers elected at the Annual Meeting shall assume office on the day following the official closing of the Annual Convention and shall serve until their successors are elected and assume office.

Sec. 7. Twenty-five percent (25%) of the Presidents of Local Board/Associations or their accredited alternates shall constitute a quorum at the Annual Meeting for all business.

Sec. 8. A quorum being present, action shall be taken by a majority of votes present and entitled to be cast.

ARTICLE XI
Fiscal Year

Sec. 1. The fiscal year of the Association shall be from January first to December thirty-first, inclusive.

ARTICLE XII
Relations with the National Association

Sec. 1. In accordance with the Constitution of the National Association of Realtors®, the Association, having a three-way agreement with the National Association, the President shall automatically become a Member of the Board of Directors of the National Association of Realtors®.

Sec. 2. In accordance with the Constitution of the National Association of Realtors®, there shall be three members to serve on the Large State Sub Forum, one of whom shall be the incumbent President, one the President-Elect and one the Chief Executive Officer.

ARTICLE XIII
Association Headquarters

Sec. 1. The Association shall maintain headquarters and staff at such place that may be designated from time to time by the Board of Directors.

ARTICLE XIV
Gifts and Bequests

Sec. 1. The Association may accept gifts and bequests which shall be administered by the Board of Directors and which shall constitute an endowment; the income derived from investment of such gifts and bequests shall be used to promote the objects of the Association. The Association also may accept gifts and bequests for specific purposes, provided such purposes shall have the approval of the Board of Directors.

ARTICLE XV
Member Boards

Sec. 1. A Local Board/Association shall not apply any arbitrary numerical or other inequitable limitations on its membership.

Sec. 2. Any Local Board/Association or new Board/Association applying for membership in the Association shall, as a condition precedent to elections, be organized with individuals and not firms or corporations as active members.

Sec. 3. Resignations of Local Board/Associations shall be considered and acted upon by the Board of Directors of the Association; provided, however, that any Local Board/Association tendering its resignation shall not be delinquent in its dues to the Association, and provided further, that such resignation shall state the reasons therefore and shall verify that at least a majority of all of its Local Board/Association Members have voted in favor of such a resignation.

Sec. 4. A Local Board/Association may be suspended if its dues remain unpaid for ninety (90) days.

ARTICLE XVI
Territorial Jurisdiction

Sec. 1. Territory of a Local Board/Association shall be such as recommended by the Board of Directors of the Association to the Board of Directors of the National Association for determination. The name of each Local Board/Association shall be generally

descriptive of its location and wherever feasible of its territory. Each Local Board/Association shall have jurisdiction over its allotted territory.

Sec. 2. Any change of jurisdiction of Local Board/Association territory is subject to the recommendation of the Board of Directors of the Association and of the Board of Directors of the National Association for determination and National's action shall be binding upon the Local Board/Association concerned.

Sec. 3. A Local Board/Association shall have the authority to accept as a Realtor®, Realtor-Associate® or Institute Affiliate Member, any person engaged in any branch of the real estate business. This includes persons engaged in brokerage, real property management, appraising, land development, building and other related aspects of the real estate business.

ARTICLE XVII
Code of Ethics

Sec. 1. The Code of Ethics of the National Association of Realtors® is adopted as the Code of Ethics of the Association and shall be considered a part of its Rules and Regulations, and the Code of Ethics and the Rules and Regulations of the Association shall, in the future, be deemed to be amended and changed whenever said Code of Ethics is amended or changed by the National Association.

ARTICLE XVIII
Harassment

Sec. 1. Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the Association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-Elect and/or Vice President and one

member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the Association. Disciplinary action may include any sanction authorized in the Association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

ARTICLE XIX
Professional Standards

Sec. 1. A Local Board/Association, prior to referring an ethics complaint or arbitration request for review to this Association, should exhaust all efforts to impanel an impartial tribunal to conduct either an original hearing or the appeal or procedural review of a prior hearing. These efforts may include the appointment of knowledgeable members of the Local Board/Association on an AD Hoc basis to serve on either a hearing panel or on behalf of the Board of Directors.

If, because of notoriety, etc. the Local Board/Association cannot impanel an impartial tribunal, the Local Board/Association may refer the matter to this Association, and this Association may delegate to another Local Board/Association or a regional enforcement facility if any is established, the authority to hear the case on behalf of this Association. If no Local Board/Association or regional enforcement facility is amenable to conducting the review, this Association shall be responsible for conducting the hearing.

Sec. 2. Allegations of ethical violations and contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between Realtors® and their customers or clients may be submitted to an ethics or arbitration panel at the State Association level under the following circumstances:

(A) Allegations of unethical conduct made against a Realtor® or Realtor-Associate® who is a member of this Association and is not a member of any Local Board/Association.

(B) Allegations of unethical conduct made against a Realtor® or Realtor-Associate® under circumstances in which the Local Board/Association, because of size or

other valid reason, determines that it cannot provide a due process hearing of the matter and petitions this Association to conduct a hearing.

(C) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between Realtors® who are not members of the same Local Board/Association where the matter has been referred to this Association by both Local Board/Associations.

(D) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between Realtors® who are secondary members of this Association and are not members of any other New Jersey Local Board/Association.

(E) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between a Realtor® who does not hold membership in any New Jersey Local Board/Association, but is a secondary member of this Association, and a Realtor® who is a member of a New Jersey Local Board/Association.

(F) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between Realtor® Members of the same Local Board/Association where the Local Board/Association with good and sufficient reason is unable to arbitrate the controversy.

(G) Contractual disputes between a customer or a client and a Realtor® where the Local Board/Association with good and sufficient reason is unable to arbitrate the dispute or the Realtor® is a secondary Realtor® Member of this Association.

Sec. 3. Professional Standards hearings 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.

Sec. 4. If a Realtor® Member (as defined in Article III, Section 1, (B) of these Bylaws) resigns from the Local Board/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 or she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

Sec. 5. If a Realtor® Member (as defined in Article III, Section 1, (B) of these Bylaws) resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a Realtor®.

ARTICLE XX
Use of the Term Realtor®, Realtors® and Realtor-Associate®

Sec. 1. Use of the term Realtor®, Realtors®, or Realtor-Associate® 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 State Association shall have authority to control, jointly and in full cooperation with the National Association of Realtors®, use of the terms within those areas of the state of New Jersey not within the jurisdiction of a Member Board. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the Association's Code of Ethics and Arbitration Manual.

Sec. 2. Local Board/Association Members of the Association shall have the privilege of using the terms Realtor®, Realtors® or Realtor-Associate® in connection with their business so long as they remain Local Board/Association Members in good standing. Upon joining NAR, members and Member Boards are granted a limited, nonexclusive, nontransferable license to use the MARKS pursuant to the rules set forth in the NAR Membership Marks Manual. The license is embodied in the NAR Constitution and Bylaws, Article V.

Sec. 3. A Local Board/Association member of a firm, partnership, corporation or trust may use the terms Realtor®, Realtors® or Institute Affiliate Members, only if all of the principals of such a firm, partnership, corporation, or trust who are actively engaged in the real estate profession within the State or a State contiguous thereto are Realtor® or Institute Affiliate Members.

Sec. 4. Realtor-Associate® Members of the Association shall have the right to use the term Realtor-Associate® so long as they remain Realtor-Associate® Members in good standing and the Local Board/Association Member with whom they are associated or by whom they are employed is also a Local Board/Association Member in good standing.

Sec. 5. An institute Affiliate Member shall not use the terms Realtor®, Realtors®, or Realtor-Associate® and shall not use the imprint of the emblem seal of the National Association of Realtors®.

ARTICLE XXI
Selection of National Association of Realtors® Directors, and Regional Vice President

Sec. 1. The Nominating Committee, shall interview candidates for openings in the National Association of Realtors® Directorships, which openings are to be filled by this Association, as well as, two alternate Directorships as designated by the committee as Alternate 1 and Alternate 2.

No member of the Nominating Committee, who is a candidate for Directorship, will be permitted to be present at or participate in the interviewing of other candidates or will be permitted to vote on the recommendations. The Nominating Committee's recommendations for NAR Directorships and two alternate Directorships shall be presented to the Board of Directors for approval. Should an alternate assume the role of NAR Director for a term left vacant, they will be responsible for fulfilling the duties until that term expires.

Sec. 2. When the Association recommends a NAR Regional Vice President from New Jersey only Association Past Presidents shall be considered for the Position of Regional Vice President. The Executive Committee shall interview those Past Presidents of the Association who wish to be recommended for the position of NAR Regional Vice President. The Executive Committee shall also recommend one Past President as An Alternate Regional Vice President, who shall become Regional Vice President if the original Regional Vice President is unable or unwilling to complete the term. No candidate for Regional Vice President or Alternate Regional Vice President will be permitted to be present at or participate in the interviewing of other candidates or will be permitted to vote on the recommendations.

The recommendation of the Executive Committee for Regional Vice President, as well as the Alternate Regional Vice President, shall be presented to the Board of Directors for approval.

Sec. 3. The recommendations of the Nominating Committee for the positions of National Association of Realtors® Director, two alternate NAR Directorships, the recommendations of the Executive Committee for the position of Regional Vice

President, and Alternate Regional Vice President shall be circulated to the Board of Directors thirty (30) days prior to any vote.

Any Local Board/Association may name candidates from the floor, provided notice of intent is sent to the Association Corporate Secretary at least twenty (20) days in advance of the meeting where a vote will be called. Said notice of intent will be distributed by the Corporate Secretary to the Association Directors at least fifteen (15) days in advance of the meeting where a vote will be called.

Sec. 4. The policy governing recommendations for nomination to the National Association of Realtors® Board of Directors shall be established by the Nominating Committee and shall further be subject to approval by the Board of Directors.

ARTICLE XXII
Counsel

Sec. 1. The Board of Directors shall have the authority to retain such legal assistance, as it deems necessary to the best interest of the Association.

ARTICLE XXIII
Committees

Sec. 1. Except for the Nominating Committee described in Article VII the President shall establish and appoint members to such standing and special committee as he or she may deem necessary or appropriate in order to conduct the business of the Association subject to the approval of the Board of Directors.

Sec. 2. The action by any Committee shall be subject to the approval of the Board of Directors or the Executive Committee.

Sec. 3. The following shall be designated as standing Committees of the Association:

Budget and Finance
Bylaws
Circle of Excellence Sales Award
Communications/Public Relations
Continuing Education
Convention
Equal Opportunity / Cultural Diversity
Legal Affairs
Legislative
Member Perks
Nominating
Political Affairs
Professional Standards
Risk Management/License Law
Strategic Planning
Young Professionals Network

Sec. 4. There shall be a Leadership Team consisting of the President, President-Elect, First Vice President, Treasurer, the Immediate Past President and the Chief Executive Officer. The Chief Executive Officer shall serve without a vote.

Except for those actions specifically stated in the Bylaws as requiring approval of the Board of Directors or Executive Committee, the Leadership Team shall have the authority to act on behalf of the Board of Directors and Executive Committee to make policy and operational decisions for the Association between meetings of the Executive Committee and Board of Directors. The Leadership Team shall report its actions to the Executive Committee and the Board of Directors within five (5) days from the date such action was taken.

The Leadership Team shall meet upon the call of the President or a majority of other voting members stating the purpose, time and place of the meeting. A majority of the voting members of the Leadership Team shall constitute a quorum. The affirmative vote of at least three members shall be required to adopt any resolution or authorize action on any item submitted to a vote of the Leadership Team.

Any member of the Leadership Team may participate in any meeting through use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can participate. Such participation in a meeting shall constitute presence in person at the meeting.

The Leadership Team may take any action, which it could take at a meeting of the Leadership Team without a meeting if consent in writing, setting forth the action so taken, is signed by all the voting members of the Leadership Team. Such consent may be signed in counterpart.

ARTICLE XXIV
Order of Business

Sec. 1. The order of business of meetings of members of the Association, the Board of Directors, the Executive Committee, and all other Committees except when otherwise provided, shall be:

Call to Order
Taking the Roll
Approval of Minutes
Consent Agenda
Report of Officers
Reports of Committees
Old Business
New Business
Election of Officers (if appropriate)

Sec. 2. All motions must be made in writing if the presiding officer so requests, or if the request is by the majority vote of the members present at any meeting.

Sec. 3. Robert Rules of Order, latest edition, shall be recognized as the authority governing all meetings and conferences when not in conflict with the Bylaws of the Association.

ARTICLE XXV
Adoption, Amendment and Repeal of Bylaws

Sec. 1. Bylaws may be adopted, amended and repealed at any meeting of the Board of Directors by a two-thirds vote of the Directors present, provided the substance of the proposed amendments shall have been submitted to the Local Board/Associations and the members of the Board of Directors at least thirty (30) days in advance of their adoption.

Sec. 2. Amendments of these Bylaws affecting the admission or qualifications of Realtor® Members, Realtor-Associate® Members and Institute Affiliate Members, the use of the terms Realtor®, Realtors®, or Realtor-Associate®, or any alteration in the territorial jurisdiction of a Local Board/Association shall become effective upon the approval of the Board of Directors of the National Association of Realtors®.

All proposed changes to the Association's Bylaws must be submitted to the Bylaws Committee for review and recommendation before being submitted to the Board of Directors.

ARTICLE XXVI
Dissolution

Sec. 1. Upon the dissolution or winding up of the affairs of the Association, the Board of Directors, after providing for payment of all obligations, shall distribute any remaining assets, within its discretion, to any nonprofit and tax exempt organization.

ARTICLE XXVII
Indemnification

Sec. 1. For the purposes of this Article, all definitions set forth in N.J.S.A.15A: 3-4, as amended from time to time, shall apply.

Sec. 2. Each corporate agent of the Association shall be indemnified by the Association to the full extent permitted by N.J.S.A. 15A: 3-4, as amended from time to time, in connection with any action, suit or proceeding to which he or she may be a party by reason of his or her being or having been a corporate agent of the Association, such indemnification shall include, without limitation, indemnification against the actual amount of net loss including counsel fees, reasonably incurred by or imposed upon him or her in connection with such action, except as to matters for which he or she shall be ultimately found in such actions to be liable for gross negligence or willful misconduct.

In the event of any settlement of such a case, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct.

Sec. 3. Any corporate agent may be insured by Insurance purchased and maintained by the Association against any expenses incurred in any such proceeding and any liabilities asserted against the corporate agent in the capacity as corporate agent, whether or not the Association would have the power to indemnify such corporate agent under N.J.S.A. 15A: 3-4, as amended.

Sec. 4. The ARTICLE XXVI, is subject to N.J.S.A. 15A: 3-4 and any success or statute thereto. Nothing in this Article shall be construed so as to conflict with or violate the terms of N.J.S.A. 15A: 3-4. Any and all requests for indemnification under this Article shall

be made, and shall be heard and decided by the Board of Directors in accordance with the applicable terms of N.J.S.A. 15A: 3-4.