

BYLAWS
OF
THE COBB ASSOCIATION OF REALTORS®, INC.

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**BYLAWS
OF
COBB ASSOCIATION OF REALTORS®, INC.**

ARTICLE I - NAME

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

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

ARTICLE II - OBJECTIVES

The objectives of the Association are:

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

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

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

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

Section 5. To unite those engaged in the real estate profession in this community with the Georgia 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.

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

ARTICLE III - JURISDICTION

Section 1. The territorial jurisdiction of the Association as a Member of the National Association of REALTORS® shall include all of Cobb County, Georgia.

Section 2. Territorial jurisdiction is defined to mean:

(a) The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the National Association of REALTORS®, in return for which the Association agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

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

(a) REALTOR® Members. REALTOR® Members shall be:

(1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located within the State of Georgia 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 of Georgia or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership in a Board of REALTORS® within the State of Georgia or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.

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

NOTE: REALTOR® Members may obtain membership in a "secondary" Board in another state.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, or as individuals in positions of management control, and are associated with a REALTOR® Member and meet the qualifications set out in Article V.

(3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchises 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 board, state association and National Association.

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

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

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

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

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

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

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

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application.

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

of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification.

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through its Membership Committee or otherwise that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is certified by the Georgia Real Estate Appraisers Board to engage in the appraisal of real estate, has a place of business within the State of Georgia or 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, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. **NO RECENT OR PENDING BANKRUPTCY** is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager is not involved in any pending bankruptcy or insolvency proceedings or has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy. **NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT** is intended to mean that the Association may only consider:

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

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

NOTE #1: One or more of the requirements for REALTOR® Membership set forth above in Article V, Section 2(a) may be deleted at the Board's discretion. However, Boards may **NOT** adopt membership qualifications more rigorous than specified in the Membership Qualification Criteria for REALTOR® Membership approved by the Board of Directors of the National Association.

NOTE #2: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent

contractor with a 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 certified by the Georgia Real Estate Appraisers Board to engage in the appraisal of real estate, 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 Committee, and shall agree in writing that if elected to membership he/she will abide by the Code of Ethics of the National Association of REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

Section 3. Election.

The procedure for election to membership shall be as follows:

(a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. It shall then give written notice to the REALTOR® Members of such application and invite written comment. If one or more of the REALTOR® Members object to the approval of the application, basing such objection on lack of qualification as set forth in these Bylaws, the Committee shall invite any objecting Member to appear and substantiate his objections. Objections which are not substantiated shall be totally disregarded. The Committee may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting Member, and (2) giving the applicant a full opportunity to appear before the Committee and establish his qualifications. The Committee shall thereafter make a written report of its findings. The Membership Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws of the Association.

(b) Thereafter, within 60 days, the Membership Committee shall report its recommendation to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reasons shall be specifically stated. If any member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the Board of Directors.

(c) The Board of Directors shall review the qualifications of the applicant and the recommendations of the Committee and then 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=

(d) The Board of Directors may not reject an application without providing the applicant with advance notice of the findings and recommendations of the Membership Committee, 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.

(e) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Chief Staff Executive. 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.

Section 4. New Member Code of Ethics Orientation

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

Failure to satisfy this requirement within 90 days of the date of application will result in denial of the membership application.

Section 5. Continuing Member Code of Ethics Training.

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed.

Members suspended for failing to meet the requirement for the first four (4) year cycle (2001 – 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership.

Failure to meet the requirement for the second (2005 – 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) 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. (Adopted 1/01, revised 5/05)

Section 6. Status Changes.

(a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which he has transferred within 30 days of the date he/she advised the Association of his/her change in status,

his/her new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

(The Board of Directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with the Association's Bylaws.)

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

(c) Dues shall be prorated from the first day of the month in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the fiscal year.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations not inconsistent 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 or 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 by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of this Association, the State Association, and the National Association of REALTORS®.

Section 3. 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.

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

Section 5. If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint 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 or arbitration proceeding and will abide by the decision of the hearing panel.

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

Section 6. REALTOR® Members.

REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote. Only REALTOR® members in good standing whose financial obligations to the Association are paid in full and who have a place of business within the Association's jurisdiction shall be entitled to hold elective office in the Association provided the Member meets the candidate qualifications as specified in Article XI, Section 1, of these Bylaws. REALTOR® Members may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII. REALTOR® Members 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 term 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, or unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the Association. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. 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 management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his/her 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 sole proprietor in a firm, partner in a partnership, or an officer in a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

(b) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(d) 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(d), shall apply.

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

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, 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 8. Affiliate Members. Affiliate members in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

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

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

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

Section 12. Certification by REALTOR®. Designated REALTOR® Members of the Association shall certify to the Association during the month of July, on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR®' office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®' 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 with the firm(s) within 30 days of the date of affiliation or severance of the individual.

Section 13 – Section 13. 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 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.

NOTE: Suggested procedures for processing complaints of harassment are available on line at <http://www.REALTOR.org>, or from the Member Policy Department. (Amended 5/03 5/08)

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

Section 1. The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with Georgia law shall be deleted or amended to comply with Georgia law.

Section 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the Georgia Association of REALTORS®, 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 3. The responsibility of the Association and Association members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Association, which by this reference is made a part of these Bylaws.

Section 4. The Board of Directors may suspend, expel or otherwise discipline a member in accordance with the Code of Ethics and Arbitration Manual of the National Association of REALTORS®. Members will be suspended or expelled automatically for non-payment of dues as provided in these Bylaws. Section 14-3-621 of the Georgia Nonprofit Corporation Code, effective July 1, 1991, shall not apply to the Cobb Association of REALTORS®, Inc. or its Members.

Section 5. It shall be the responsibility of Association Members who have a dispute with a board Member of another Board/Association which is a member of the Georgia Association of

REALTORS® to submit said dispute to arbitration, in accordance with the procedures as set forth in the Code of Ethics and Arbitration Manual of the National Association of REALTORS®. Requests for arbitration must be filed within one hundred eighty (180) days after the facts constituting an arbitrable matter could have been known in the exercise of reasonable diligence. Dispute as used in this Article means a dispute as defined and for which arbitration is required by Article 17 of the Code of Ethics.

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

Section 1. Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the National Association of REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the National Association of REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual.

Section 2. REALTOR® Members of the 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.

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

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

Section 4. Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, or the imprint of the emblem seal of the National Association of REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

Section 1. The Association shall be a Member of the National Association of REALTORS® and the Georgia Association of REALTORS®. By reason of the Association's Membership, each REALTOR® Member of this Association shall be entitled to membership in the National Association of REALTORS® and the Georgia Association of REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations, unless by a majority vote of all of its REALTOR® members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2. The Association recognizes the exclusive property rights of the National Association of REALTORS® in the term 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, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

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

ARTICLE X - 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 the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the Association upon final approval of the application.

Section 2. Dues. The annual dues of Members shall be as follows:

(a) The annual dues of each Designated REALTOR® Member shall be as set forth in Appendix "I", which is attached hereto and thereby made a part hereof by reference, plus an amount equal to the REALTOR® dues as set forth in Appendix "I" 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 Board/Association in the state or a state contiguous thereto or Institute Affiliate Member of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated has paid dues based on said non-member licensees in another Board/Association in the state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the Board/Association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.

(1.)For the purpose of this Section, a REALTOR® Member of Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or a branch office manager or a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR if the license of the individual is held by the REALTOR® or by any broker who is licensed with the REALTOR® or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

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 the 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 the purposes of this section and shall not be included in calculating the annual dues of the Designated REALTOR®.

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

(b) REALTOR® Members. The annual dues for REALTOR® Members other than the Designated REALTOR® shall be as set forth in Appendix "I".

(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®.

(d) Affiliate Members. The annual dues of each Affiliate Member shall be as set forth at Appendix "I".

(e) Public Service Members. The annual dues of each Public Service Member shall be as set forth at Appendix "I".

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

(g) Student Members. Dues payable, if any, shall be as set forth at Appendix "I".

Section 3. Dues Payable. Dues for all Members shall be payable annually in advance on the first day of July except as otherwise set forth in Section 2(a) of this Article. Applicants accepted for new membership on and after August 1st of each calendar year shall be prorated on a monthly basis beginning with the month in which the applicant is employed or becomes affiliated as an independent contractor with a Designated REALTOR® Member. Designated REALTOR® Members shall submit all dues to the office of the Cobb Association of REALTORS®, along with the forms, as required by the Association, completed in detail and signed by the Designated REALTOR®. In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the designated REALTOR®'s firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2 (a)), will be increased to reflect the additional 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. Non-Payment of Financial Obligations. If dues, fees, fines or other assessments are not paid within one month after the due date, the non-paying member is subject to suspension at the discretion of the Board of Directors. Sixty (60) days after the due date, membership of

the nonpaying Member may be terminated at the discretion of the Board of Directors. Ninety (90) days after the due date membership of the non-payment member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, or divisions may apply for reinstatement in the manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 5. Deposit. All money received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. Expenditures. The Board of Directors shall administer the finances of the Association, but shall not incur any obligations in excess of \$200.00 over the available cash on hand without authorization by two-thirds vote of the REALTOR® Members and Affiliate Members present at a general membership meeting at which a quorum is present.

Section 7. Review and Changes of Dues Structure. The budget for the upcoming fiscal year shall be reviewed annually by the Board of Directors no later than the May meeting of the Board of Directors. The Board of Directors may approve an increase in dues not to exceed 3% of the current year's local portion of the dues. Any recommended changes in excess of said amount shall be voted on by the membership at a general meeting. Said dues when established shall be set forth in Appendix "I" and distributed to all members of the Association at least thirty (30) days prior to the beginning of the new fiscal year.

ARTICLE XI - OFFICERS, EXECUTIVE COMMITTEE, DIRECTORS AND CHIEF EXECUTIVE OFFICER

Section 1. Qualifications.

(a) Cobb Association of REALTORS® Director Candidates must meet at the time of installation as a Director the following qualifications:

(i) must be a REALTOR® member in good standing whose financial obligations to the Association have been paid in full; and

(ii) must have (a) served on a workgroup/oversite group/ Committee of the Cobb Association of REALTORS® any two (2) of the previous five (5) years, or (b) chaired a workgroup/oversite group/ committee of the Cobb Association of REALTORS® any one (1) of the previous five (5) years, or (c) successfully completed the Cobb Association of REALTORS® Leadership Development Training or (d) have served as an Officer or Director of another REALTOR® Board within the previous five (5) years.

(b) Cobb Association of REALTORS® Officer Candidates must meet at the time of installation as an officer the following qualifications:

(i) must be a REALTOR® member in good standing whose financial obligations to the Association have been paid in full; and

(ii) must have served as a Director of the Cobb Association of REALTORS® one (1) of the previous five (5) years or chaired a workgroup/oversite group/committee of the Cobb Association of REALTORS® 2 of the past 5 years.

(c) Cobb Association of REALTORS® Presidential Candidates must meet at the time of installation as President the following qualifications:

(i) must be a REALTOR® member in good standing whose financial obligations to the Association have been paid in full; and

(ii) must have served as an Officer of the Cobb Association of REALTORS® one (1) of the previous five (5) years; and

(iii) must have maintained REALTOR® membership for the three (3) previous years.

Section 2. Officers.

(a) The officers of this association shall be a President, President-Elect, Vice President of Administration/Finance, Vice President of Member Services, Vice President of Professional Development, Vice President of Governmental Relations.

(b) The officers shall be elected to serve for one (1) year, beginning the first of the next calendar year, or prior to the beginning of the next fiscal year at the discretion of the Board of Directors, provided the officers have been properly elected and installed.

(c) The President shall be the Chief Elected Officer of the Association and shall perform such duties as are usual to the office. He/she shall also serve as Chairman of the Board of Directors and the Executive Committee.

(d) The President-Elect, in absence of the President, or anytime when requested to do so by the President, shall discharge the duties of the President.

(e) The Vice President of Administration/Finance, in absence of the President and President-Elect, or anytime when requested to do so by the President, shall discharge the duties of the President.

(f) Vice President of Administration/Finance shall serve as Secretary-Treasurer of the Association and the Board of Directors. He/she shall cause to be recorded, the minutes of all proceedings of the Association and of the members in regular meeting assembled. He/she shall cause to be issued, proper notice of all meetings of the Board of Directors of the Association. It shall be the particular duty of the Secretary-Treasurer to cause the records of the Board to be kept as well as all necessary correspondence with the National Association of REALTORS® and the Georgia Association of REALTORS®. He/she shall cause to be kept full and accurate accounts of the receipts and disbursements of the funds of the Association he/she cause to be deposited all monies and other valuable effects on the name of and to the credit of the Association in such depository as may be designated by the Board of Directors, or the President, and take proper vouchers for such disbursements. An annual audit shall be performed following each fiscal year by a CPA, approved by the Board of Directors. The results of this

audit shall be presented by the CPA to the Board of Directors on or before the last day of October. He/she shall cause to be kept a detailed record of the Association's income and expenses, which is to be presented to the Executive Committee and the Board of Directors at their regularly scheduled meetings.

(1) All checks drawn upon an account of the Cobb Association of REALTORS® shall have two (2) authorized signatures which may be any one of the following elected officers: President, President-Elect, or Vice President of Administration/Finance plus the Chief Executive Officer or the duly authorized assistant designated by the Board of Directors.

(g) The Vice President of Member Services shall oversee the activities of the work groups/committee in the Member Service Division of the Association

(h) The Vice President of Professional Development shall oversee the activities of the work groups/committees in the Professional Development division of the Association.

(i) The Vice President of the Governmental Relations shall oversee the activities of the work groups/committees in the Governmental Relations division of the Association.

Section 3. Cobb Association of REALTORS® – Executive Committee

(a) Composition

(1) The Executive Committee shall consist of the officers of the corporation: President, President-Elect, Vice President of Member Services, Vice President of Administration/Finance, Vice President of Professional Development and Vice President of Governmental Relations and immediate Past President.

(b) Executive Committee Duties and Powers

(1) The Executive Committee shall perform the functions of the Board of Directors in the routine management of the affairs of the Association during intervals between meetings of the Board of Directors. All actions taken by the Executive Committee shall be reported at the next meeting of the Board of Directors.

(2) The Executive Committee shall specify the job requirements of the Chief Executive Officer, set hours of work, establish salary, and determine holidays and vacation.

Section 4. Cobb Association of REALTORS® – Board of Directors.

(a) Composition

(1) The Governing Body of the Association shall be a Board of Directors consisting of the elective officers and eleven (11) REALTOR® Members of the Association. Seven (7) Directors shall be elected to serve for terms of two (2) years. The President of Women's Council shall serve as a Director during his/her term of office and the outgoing President shall serve for one (1) year immediately following the completion of his/her term as President, plus all past presidents shall have life tenure with voting privileges, but may not hold an elected directorship. Past Presidents who desire to serve as Directors for the following calendar year must notify the Chief Executive Officer of that desire not later than November 1 of each year.

(2) The Directors elected shall take office on January 1 or prior to January 1 at the discretion of the outgoing Board of Directors, provided the Directors shall serve a term of two (2) years.

(b) Board of Directors Duties and Powers.

(1) All corporate powers shall be vested in the Board of Directors who shall carry out the policies adopted by the Association, who may take any action upon a majority vote of Directors present and voting at any regular or special meeting.

(2) The Board of Directors shall administer the finances of the Association and shall have authority to appropriate money.

(3) The Board of Directors shall have full power to borrow money; to issue notes, bonds or certificates of indebtedness, as may be deemed necessary to carry out the objectives and purposes of the Association.

(4) The Board of Directors shall prescribe the method of election of members to the Cobb Association of REALTORS®.

(5) The Board of Directors shall have the power to expel or suspend any member, in accordance with Article VII of these Bylaws, for cause, upon a two-thirds (2/3) vote of the Directors present at any regular meeting or any special meeting called for that purpose, provided a quorum is present.

(6) The Board of Directors may employ and discharge, or may empower the President to employ and discharge, an Executive Officer. The Board of Directors may employ legal counsel and Certified Public Accountant and fix the terms of compensation for services rendered. No employee shall be a REALTOR®, or employee of a REALTOR®.

(7) The Board of Directors shall have full power in establishing the amount of bond to be furnished by the person or persons entrusted with the funds of the Association.

(8) Absence from two (2) consecutive or total of four (4) scheduled meetings of the Board of Directors during the Association's calendar year will constitute automatic resignation from the Board of Directors.

(9) The Board of Directors shall meet at least four (4) times each year. Special meetings of the Board of Directors may be called by the President or upon written request of 20% of the Directors. Upon receipt of such written requests to the Cobb Association of REALTORS®, the President shall notify each Director, in writing, of such meeting, fixing the time and place thereof not less than ten (10) nor more than thirty (30) days from the date of said notice. Attendance at a regular or called meeting

of the Board of Directors by a minimum of eight (8) Directors in attendance at the beginning of the meeting shall constitute a quorum, unless otherwise called for in these Bylaws.

(10) Each Director shall have one vote and must cast it in person. No vote by proxy shall be valid.

(11) A Director may serve no more than six (6) successive years. After one year's absence as a Director, he may be eligible for re-election or appointment. Time served as an officer will not be considered in the above computation.

Section 5. Georgia Association of REALTORS® - Directors.

(a) The President, by virtue of his/her office, shall be a two (2) year Director to the Board of Directors of the Georgia Association of REALTORS® beginning with his/her term.

(b) Such Directors as may be authorized shall be elected in such numbers and such terms as may be provided for in the Constitution and Bylaws of the Georgia Association of REALTORS®. The current year President shall be a Director during his term of office and shall not be included in the number of authorized elected Directors for the Cobb Association of REALTORS®.

Section 6. Election of Officers and Directors.

(a) At least ninety (90) days before the annual election a Nominating Committee of five (5) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors. The members shall consist of the two (2) most recent past Presidents plus one (1) current director and two (2) REALTOR® Members of the Cobb Association of REALTORS®. The immediate past President shall serve as Chairman and if the immediate past President cannot serve, the President will appoint the Chairman. The Committee shall consider only those candidates for the offices to be filled who meet the qualifications specified in Article XI, Section 1, of these Bylaws. The report of the Nominating Committee shall be noticed to each REALTOR® and Affiliate Member at least fifteen (15) days preceding the meeting prior to the annual meeting. Additional candidates for the offices to be filled who meet the qualifications specified in Article XI, Section 1, of these Bylaws may be placed in nomination from the floor at the meeting prior to the annual meeting. The Secretary shall send notice of such additional nominations to all REALTOR® Members fifteen (15) days preceding the annual meeting.

(b) The election of Officers and Directors shall take place at the annual meeting. Election shall be by ballot of REALTOR® and Affiliate Members in the event more than one candidate has been nominated for a single office, and all votes must be cast in person. Otherwise, voting may be by voice vote in person. The ballot shall contain the names of all candidates and the offices for which they are nominated.

(c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of three (3) REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

Section 7. Chief Executive Officer.

(a) The Board of Directors is authorized upon its majority consent to employ a Chief Executive Officer of the Association.

(b) The Chief Executive Officer may not be a REALTOR®, or employee of a REALTOR.

(c) The Chief Executive Officer will have no voting privilege, and shall attend all Executive and Board of Directors Meetings.

(d) The Chief Executive Officer shall report directly to the Executive Committee and shall be responsible for all facets of the management of the Association, staff, facility, and the carrying out of the policies as set forth by the Board of Directors.

(e) Employment and severance of employment of the Chief Executive Officer is at the sole discretion of the Board of Directors by a majority vote of the Directors.

Section 8. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by the Board of Directors by a majority vote of the Directors present and voting at any special or regular meeting of the Board of Directors.

Section 9. Removal of Officers and Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

(a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

(c) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

ARTICLE XII - MEMBERSHIP MEETINGS

(a) The Annual General Membership meeting of the Association shall be held in October provided however, that at the discretion of the Board of Directors, the date may be changed. The time and place of such meeting shall be designated by the Board of Directors.

(b) Other general membership meetings 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 of the REALTOR® Members.

(c) Written notice shall be given every member entitled to participate in the meeting at least ten (10) days preceding all general membership meeting. If a special general membership meeting is called, the notice shall include a statement of the purpose of the general membership meeting and the only business to be conducted at a special called meeting shall be that stated in the notice of the meeting.

(d) Unless otherwise provided herein all notices referred to in these Bylaws may be given in the Official Association online Newsletter, on the website, by electronic broadcast, by fax or by U.S. Postal Service.

(e) Fifty (50) members in good standing shall constitute a quorum.

(f) The installation of Officers and Directors shall be conducted at the membership meeting in December, and said Officers and Directors shall take office in accordance with Article XI, Section 2(b) and Section 3(a)(2).

ARTICLE XIII - COMMITTEES

Section 1.

(a) Only the six (6) standing committees (see section 2) shall be called "committees".

(b) Within sixty (60) days after his/her election, the incoming President shall appoint active REALTOR® members of the Association to lead the six (6) standing committees, and active members to lead all other work groups, oversight groups, etc. subject to confirmation by the Board of Directors. These appointments shall be made from a list of said members in good standing at that time, furnished by the Association staff. The incoming President and President-Elect shall select the Leader and Assistant Leader of all committees except as otherwise provided in these Bylaws and Association Policy and Procedures Manual.

(c) The President shall be ex-officio member of all committees (except the Nominating Committee) and shall be notified of all committee meetings.

(d) All members of committees shall be appointed for a term of one (1) year, beginning on January 1 or prior to January 1 at the discretion of the Board of Directors, or for such terms as called for by the Policy and Procedure Manual.

(e) All committees shall report to the President at his/her request.

(f) All actions of committees (except the Nominating Committee, Awards Planning Team, and RPAC Trustees) shall be subject to review by the Board of Directors.

(g) A minimum of three (3) committee members shall constitute a quorum, except when a committee consists of more than nine (9) members, five (5) members shall constitute a quorum.

(h) Absence from two (2) consecutive scheduled committee meetings without having given advance notice to the Executive Officer of the Association will constitute automatic resignation from the committee with exception for emergencies.

(i) The incoming President shall have authority to make appointments as "contributing" members (non-voting status) to all committees except the Executive Committee, Nominating Committee,

and the Budget and Finance Committee. Term of such appointments shall coincide with the term of office of the President making such appointments.

(j) The President shall appoint subject to the confirmation by the Board of Directors such special committees, as he/she may deem necessary.

(k) Sub-committees, ad hoc committees, or special groups are not to be appointed without prior approval from the Association President.

(l) All committees, work groups, etc. shall be of such size and shall have such duties, functions, and powers as described in the current Association Policy and Procedure Manual.

(Appointments to the Professional Standards Committee and Grievance Committee shall be consistent with the cooperative professional standards enforcement agreement of the Boards/Associations.)

Section 2. Standing Committees of the Association.

Budget and Finance

Equal Opportunity/Cultural Diversity

Executive

Grievance

Nominating

Professional Standards

ARTICLE XIV - POLICY AND PROCEDURE

Section 1. A Cobb Association of REALTORS® Policy and Procedure Manual shall be approved and maintained by the Board of Directors, shall be published for use by all members of the Cobb Association of REALTORS®, shall be available at the Association office during normal business hours, and may be changed at the discretion of the Board of Directors. Policy and Procedure changes made by the Board of Directors shall be added to said manual as such policies and procedures are adopted or revised.

Section 2. Notices – Any notice required by these Bylaws may be given by the Official Association’s online newsletter, on the website, by electronic broadcast, by fax or by U.S. Postal Service. Any notice shall be deemed to be given to any member by using the member’s addresses as kept in the official records of the Association.

ARTICLE XV - RULES OF ORDER

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

ARTICLE XVI - FISCAL & ELECTIVE YEARS

Section 1. The fiscal year of the Association shall be July 1 through June 30.

Section 2. The elective year of the Association shall be January 1 through December 31.

ARTICLE XVII - AMENDMENTS

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

Section 2. Notice by mail of all meetings at which such amendments are to be considered shall be given to every REALTOR® Member at least ten (10) calendar days prior to the time of the meeting, and shall state the time, place and nature of the meeting with a general description of the amendments to be considered.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® Members, the use of terms REALTOR® and 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.

ARTICLE XVIII - DISSOLUTION

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

ARTICLE XIX - INDEMNIFICATION

Section 1 Definitions for Indemnification Provisions. As used in this Article XIX, the term:

(a) "Association or Board" includes any domestic or foreign predecessor entity united with the Cobb Association of REALTORS®, Inc., in a merger, asset acquisition, or other transaction in business upon consummation of the transaction.

(b) "director" means an individual who is or was a director of the Association or an individual who, while a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. A director is considered to be serving an employee benefit plan at the Association's request if the director's duties to the Association also impose duties on, or otherwise involve services by, the director to the plan or to participants in or beneficiaries of the plan. Director includes, unless the context requires otherwise, the estate or personal representative of a director.

(c) "expenses" include attorneys' fees.

(d) "liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a proceeding.

(e) "party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(f) "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

Section 2. Mandatory Indemnification Against Expenses. To the extent that a director has been successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party, or in defense of any claim, issue, or matter therein, because the director is or was a director of the Association, the Association shall indemnify the director against reasonable expenses incurred by the director in connection therewith.

Section 3. Authority For Permissive Indemnification.

(a) Except as provided in subsections (d) and (e) of this Section 3, or as otherwise provided in the Articles of Incorporation, the Association may indemnify or obligate itself to indemnify an individual made a party to a proceeding because such individual is or was a director against liability incurred in the proceeding if the director acted in a manner believed by the director in good faith to be in or not opposed to the best interests of the Association, and, in the case of any criminal proceeding, the individual had no reasonable cause to believe the individual's conduct was unlawful.

(b) A director's conduct with respect to an employee benefit plan for a purpose believed by the director in good faith to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirement of subsection (a) of this Section 3.

(c) The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director did not meet the standard of conduct set forth in this Section 3.

(d) The Association may not indemnify a director under this Section 3:

(i) In connection with a proceeding by or in the right of the Association in which the director was adjudged liable to the Association; or

(ii) In connection with any other proceeding in which the director was adjudged liable on the basis that personal benefit was improperly received by the director.

(e) Indemnification permitted under this Section 3 in connection with a proceeding by or in the right of the Association is limited to reasonable expenses incurred in connection with the proceeding.

Section 4. Determination and Authorization of Permitted Indemnification.

(a) The Association may not indemnify a director under Section 3 of this Article XIX unless authorized there under and a determination has been made in the specific case that indemnification of the director is permissible in the circumstances because the director has met the standard of conduct set forth in Section 3.

(b) The determination required by subsection (a) hereof shall be made:

(i) By the Board of Directors by majority vote of a quorum consisting of directors not at the time parties to the proceedings;

(ii) If a quorum cannot be obtained under paragraph (1) of this subsection (b), by majority vote of a committee duly designated by the Board (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding;

(iii) By special legal counsel:

(A) Selected by the Board of Directors or its committee in the manner prescribed in paragraph (1) or (2) of this subsection; or

(B) If a quorum of the Board cannot be obtained under paragraph (1) of this subsection and a committee cannot be designated under paragraph (2) of this subsection, selected by majority vote of the full Board of Directors in which selection of directors who are parties may participate; or

(iv) by the members, but directors who are at the time parties to the proceeding may not vote as members on the determination.

(c) Authorization of indemnification or an obligation to indemnify and evaluation as to reasonableness or expenses shall be made in the same manner as the determination that indemnification is permissible, as set forth in subsection (b) hereof, except that if such determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under paragraph (3) of subsection (b) of this Section 4 to select such counsel.

Section 5. Advance for Expenses. A director of the Association who is a party to a proceeding may apply for indemnification or advances of expenses to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice the court considers necessary, may order indemnification or advances for expenses in the amount it considers proper if it determines:

(a) The director is entitled to mandatory indemnification under Section 2 of this Article, in which case the court also shall order the Association to pay the director's reasonable expenses incurred to obtain court-ordered indemnification;

(b) The director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not the director met the standard of conduct set forth in subsection (a) of Section 3 of this Article, or was adjudged liable as described in subsection (d) of Section 3 of this Article, but if the director was adjudged so liable, indemnification is limited to reasonable expenses incurred; or

(c) In the case of advances for expenses, the director shall remain entitled, pursuant to the Articles of Incorporation, Bylaws, or any applicable resolution or agreement, to payment or reimbursement of the director's reasonable expenses incurred as a party to a proceeding in advance of final disposition of the proceeding.

Section 6. Indemnification of Officers, Employees, and Agents. An officer, employee or agent of the Association who is not a director is entitled to mandatory indemnification under Section 2 of this Article XIX and is entitled further, consistent with public policy, to permissive indemnification under

Section 3 and advancement of expense under the standards and procedures set forth in Sections 3, 4, and 5 of this Article XIX to the same extent as a director.

Section 7. Insurance. The Association may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of the Association or who while a director, officer, employee, or agent of the Association is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise against liability asserted against or incurred by the individual in that capacity or arising from his/her status as a director, officer, employee, or agent of the Association whether or not the Association would have power to indemnify the individual against the same liability under this Article XIX or applicable law.

Section 8. Expenses for Appearance as Witness. Nothing contained in this Article XIX shall be deemed to limit the Association's power to pay or reimburse expenses incurred by a director or officer in connection with his or her appearance as a witness in a proceeding at a time when he or she has not been made a named defendant or respondent to the proceeding.

