

**BYLAWS
of the
North Texas Commercial Association of Real Estate Professionals, Inc.
Adopted May 22, 2003**

ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the North Texas Commercial Association of Real Estate Professionals, Inc., (hereinafter referred to as the "Association").

ARTICLE II - OBJECTIVES

The objectives of the Association are:

Section 1. To unite those engaged in the recognized branches of the commercial 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.

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

ARTICLE III - MEMBERSHIP

Section 1. There shall be two (2) classes of Members as follows:

(a) **Licensed Members.** Licensed Members shall be individuals who, are engaged actively in the commercial real estate profession, including buying, selling, exchanging, renting or leasing, appraising for others for compensation, counseling, or financing, building, developing or subdividing real estate.

(b) **Affiliate Members.** Affiliate Members shall be other individuals or firms who, while not engaged in the commercial real estate profession as defined in paragraphs (b) of this Section, are in sympathy with the objectives of the Association and are interested in being part of the commercial real estate community encompassed by the Association.

ARTICLE IV - QUALIFICATION AND ELECTION OF MEMBERS

Section 1. Application. An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it.

(a) An individual that maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and is actively involved in the sale, leasing, ownership, development or appraisal of commercial real estate shall apply as a Licensed Member in the Association.

(b) Individuals who do not hold a valid real estate broker's or salesperson's or license or certified to engage in the appraisal of real property shall apply as Affiliate Members.

ARTICLE V- PRIVILEGES AND OBLIGATIONS

Section 1. Privileges of Members. The privileges and obligations of Members shall be specified in these Bylaws, or in other rules and regulations that can be adopted by the Board of Directors consistent with these Bylaws and can be amended from time to time by the Board of Directors.

Section 2. Designated Licensed Member Obligations. A member firm shall designate from time to time in writing the individual Member under whose real estate broker's license a firm's sales associates are sponsored or licensed by the state or under whose license (on behalf of the owners) the firm operates. The Designated Licensed Member is responsible for payment of Association membership fees and dues and any other financial commitments of the firm or sales associates owed to the Association. Designated Licensed Members shall notify the Association of all individuals who are currently issued a real estate license and who are employed by or affiliated with them as Independent Contractors (Licensees).

Section 3. Resignations of Members.

(a) Resignations of Members shall become effective when a written resignation notice is received by the Board of Directors or upon non-payment of dues, provided however, that if any Member submitting a 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 stipulate that the right of the resigning Member to reapply for membership shall be contingent upon payment in full of all such monies owed.

(b) Designated Licensed Members shall notify the Association when a Licensee ceases affiliation with said Designated Licensed Member.

Section 4. Rights of Licensed Members. Licensed Members in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association.

Section 5. Rights of Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 6. Rights of Honorary Members. Honorary Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 7. Certification. Designated Licensed Members of the Association shall certify to the Association each year during the month prior to the annual dues billing, on a form provided by the Association, a complete listing of all individuals licensed with the firm(s). These declarations shall be used for purposes of calculating dues.

ARTICLE VI - DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee for Licensed Membership and Affiliate Membership.

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

(a) **Licensed Membership.** The dues of each Designated Licensed Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of licensed real estate salespersons and licensed or certified appraisers actively involved in the sales, leasing or appraising of commercial real estate who (1) are employed by or affiliated as independent contractors, or who are otherwise directly licensed with such Designated Licensed Member,

(b) **Other Categories of Membership.** The dues of each Affiliate and Honorary Member shall be in such amount as established annually by the Board of Directors.

Section 3. Dues Payable. Dues for all Members shall be payable annually in advance on the first day of January of each year and are not refundable. Dues shall be computed from the first day of the calendar quarter in which a Member joins Association and shall be prorated for the remainder of the calendar year.

In the event a licensee who holds Licensed Membership is terminated for nonpayment of Association dues, and the licensee remains with the Designated Licensed Member, the dues

obligation of the Designated Licensed Member will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the calendar quarter in which affiliation occurs and shall be prorated for the balance of the year and are payable within sixty (60) days of the notice of termination.

Section 4. Nonpayment of Financial Obligations. If dues, fees, or other assessments including amounts owed to the Association are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. A former Member who has had his or her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a 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 monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by the Board of Directors.

Section 6. Expenditures. The Board of Directors shall administer the day-to-day finances of the Association through management entity administering the Association's business.

Section 7. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. Invoices for dues, fees, assessments, and other financial obligations to the Association shall be sent to Association Members setting forth the amount owed and due date.

Section 8. Increases in Dues and Fees. The Board of Directors shall be authorized to increase or decrease dues, fees, assessments, or other financial obligations of Members. Any increase of dues and/or fees exceeding thirty percent (30%) of the current dues and/or fees in one calendar year shall be approved by majority vote of the Designated Licensed Members present and qualified to vote at a meeting called for such purpose.

Section 9. Special Fees and Assessments. Any special fee or assessment levied against the entire Membership shall be considered a portion of the thirty percent (30%) limitation.

Section 10. Waiver of Dues. The Board of Directors may waive, suspend, or modify the requirements for payment of dues and other monies due the Association.

ARTICLE VII - OFFICERS AND DIRECTORS

Section 1. Officers. The Officers of the Association shall be: President, and Secretary-Treasurer/President-Elect and shall serve for a term of one (1) year beginning on the 1st of January of the year next succeeding such election. Each Officer shall be elected by the members of the Board of Directors, with the exception of the Executive Vice President.

Section 2. Duties of Officers. The duties of the Officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Secretary-Treasurer/President-Elect to keep the records of the Association.

(a) **Qualifications.** At organization, the Board of Directors shall have the discretion to designate the Officers of the Association for the first three (3) years of operation of the Association. Thereafter, the following qualifications shall apply:

(1) The President shall be a Licensed Member who has served as Secretary-Treasurer/President-Elect during all or a portion of the preceding year.

(2) The Secretary/Treasurer-President-Elect shall be a Licensed Member having served as Director for at least twelve (12) consecutive months during the sixty (60) months immediately preceding his or her term of office.

Section 3. Board of Directors.

(a) **Composition of the Board.** The governing body of the Association shall be a Board of Directors consisting of: the elected Officers, the immediate Past President and between nine (9) and twenty (20) Members determined from time to time by the Board of Directors, except that no reduction in the size of the Board will eliminate a sitting member. The Board of Directors may invite any interested person to serve as a member of the Board.

(b) **Terms.** Members of the Board of Directors shall be elected to serve for terms of two (2) years, except that at organization, one-half (1/2) of the elected Directors shall be elected for terms of one (1) and two (2) years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many Directors shall be elected each year as are required to fill vacancies.

(c) **Qualifications.** Effective for terms beginning 2005, each Director shall be a Member in good standing for the one (1) year immediately preceding his or her term of office.

(d) **Attendance.** Directors shall attend all regularly scheduled or called meetings of the Board of Directors. Unexcused absence of a Director from three (3) regularly scheduled or called Directors' meetings during a calendar year may terminate the Director's tenure of office

at the discretion of the Board of Directors. The Board of Directors shall elect, by majority vote, a new Director to serve the un-expired term.

(e) **Quorum**. For purposes of conducting the business of the Board of Directors at a duly called or scheduled meeting, a majority of Directors eligible to vote shall constitute a quorum.

Section 4. Election of Officers and Directors.

(a) **Appointment of the Nominating Committee**. At the Board of Directors' meeting in July of each year, a Nominating Committee of Five (5) Members shall be appointed by the Board of Directors. The Immediate Past President shall serve as the chairperson of the Nominating Committee. Current Officers and Directors are not eligible to serve on the Nominating Committee, however, Officers may serve in an ex-officio capacity. In the event the Immediate Past President is unable to serve, the Board of Directors shall appoint another member who shall serve as Chairperson and a voting Member. Members of the Nominating Committee may be considered for election as an Officer or Director.

(b) **Member Recommendations**. The Secretary-Treasurer/President-Elect shall solicit by mail during the month of June of each year written recommendations from the Members for Nominees for Association Directors. Written recommendations for Nominees must be received in the Association's office no later than the 10th day of August of each year. The Secretary-Treasurer/President-Elect shall provide the Nominating Committee with written tabulation of results.

(c) **Duties**. The Nominating Committee shall review the Member recommendations and select one candidate for each office to be filled. The Nominating Committee shall obtain the acceptance of the nomination by each Nominee. Any Director who is nominated as an Officer shall vacate the current position effective at the end of the current year, and the Nominating Committee shall nominate a person to fill such vacancy. The Nominating Committee shall deliver the list of Nominees to the Board of Directors no later than the 10th day of September of the current year. The Secretary-Treasurer/President-Elect shall cause a list of said Nominees to be distributed to Members no later than the 20th day of September.

(d) **Members Nominations**. After notification to the Members of the list of Nominees, additional nominations of qualified Members may be made to the Nominating Committee no later than the 10th day of October, provided that each nomination shall be in writing and signed by not less than thirty percent (30%) of the Members of the Association.

(e) **Uncontested Election Procedure**. In the event there is no contest for any position to be filled on the Board of Directors, the Member nominated shall be declared elected by the Board of Directors.

(f) **Contested Election Procedure.** The following procedure shall apply if additional nominees are received from the Members.

(1) The Secretary-Treasurer/President-Elect will mail, no later than the 25th day of October to each Member qualified to vote, a ballot listing all Nominees, together with notification that said ballot must be received in the Association's office no later than the 10th day of November to be counted.

(2) The President shall appoint a Ballot Canvassing Committee of three (3) Members to canvass the ballots. The Ballot Canvassing Committee shall convene in the Association's office no later than the 15th day of November, and shall count all ballots that were received timely from Members qualified to vote. A tabulation of the votes cast for each Nominee shall be prepared, certified as correct by all Committee Members, and delivered to the President. The Nominee for each position receiving the most votes shall be elected. The Secretary-Treasurer/President-Elect shall then promptly send notification to all Licensed Members of the elected results.

(3) If a tie vote occurs for an Association Office or Directorship, the Secretary-Treasurer/President-Elect will mail, within five (5) days or by the 20th day of November, to each Licensed Member qualified to vote a mail ballot listing the Nominees who received an equal number of votes, together with notification that said ballot must be completed and received by the Association's office no later than the 30th day of November to be counted. The Ballot Canvassing Committee shall convene in the Association's office no later than the 5th day of December to tabulate the votes cast and report to the President. Results of the election will be posted and Licensed Members notified.

Section 5. Vacancies. Vacancies occurring among the Board of Directors, except for the President, shall be filled until the next annual election by a majority vote of the Board of Directors. If the office of the President becomes vacant, the Secretary-Treasurer/President-Elect shall succeed to such office. If a Secretary-Treasurer/President-Elect serves as President by succession as provided herein, he or she shall be eligible to serve a full term the following year as President. If the office of Secretary-Treasurer/President-Elect becomes vacant, the Board of Directors will elect a person to fill the vacancy.

Section 6. Terms. Each Officer and Director shall hold office until his or her successor shall have been duly elected and qualified, or until his or her death, resignation, or removal from office in the manner provided herein.

Section 7. Removal of Officers and Directors. An Officer or Director may be removed from office under the following procedure:

(a) A petition requesting 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 Secretary/Treasurer-President-Elect, 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 business of the meeting shall be to consider the charge against said Officer or Director, and to render a decision on such petition.

(c) A notice of such special meeting shall be given 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 Secretary/Treasurer-President Elect will conduct the meeting of the hearing by the Members. Ten percent (10%) of the membership qualified to vote must be present at the meeting. The petition to remove an Officer or Director from office must be approved by seventy-five percent (75%) of the Members present at such special meeting and entitled to vote on the petition.

ARTICLE VIII - MEETINGS

Section 1. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings. Absence from three regular meetings without an excuse may be deemed valid by the Board of Directors and may be construed as resignation.

Section 2. Other Meetings. Member Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least 20% of the Members eligible to vote.

Section 3. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least 10 days and not more than 60 days preceding all meetings, and shall specify the date, time, place and purpose of the meeting.

Section 4. Quorum. A quorum for the transaction of business at meetings other than meetings of the Board of Directors shall consist of those Members that are present to vote. Those members that attend a business meeting constitutes a quorum when at least 10% of the members eligible to vote are present at such meeting.

ARTICLE IX - COMMITTEES

Section 1. Standing Committees. The President may form committees and appoint chairpersons to head those committees from among the Members, subject to confirmation by the Board of Directors. The chairpersons shall form their committees from persons interested in serving on such committee whether such committee member is or is not a member of the association.

Section 2. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary by the President or Board of Directors.

Section 3. Organization. All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws. The President, or any other Officer or Director of the Association appointed by the President, shall be an ex-officio member of all committees, with voting rights, and shall be notified of their meetings.

Section 4. Chairpersons. The chairperson of each committee, shall be designated by the President. A chairperson who fails to attend three (3) of the regular or called meetings of the committee, except when the absence is excused by the Board of Directors, may be removed and replaced by the President. A quorum at any committee meeting shall be a majority of the committee present.

Section 5. Attendance. A committee member who fails to attend three (3) of the regular or called meetings within a calendar year, except when the absence is excused by the Board of Directors, may be removed from the committee upon the recommendation of the chairperson. A replacement may be appointed by the President.

Section 6. Approval of Action. The action of all committees, prior to execution of such action, shall be subject to approval of the Board of Directors, except the actions of the Executive Committee and the Nominating Committee.

Section 7. Executive Committee. The immediate Past President, the two (2) elected Officers and up to three (3) members of the Board of Directors shall constitute the Executive Committee, with authority to take executive action on matters that may arise between the regular meetings of the Directors, and with the duty to recommend to the Directors appropriate action in regard to policy decisions and general executive decisions that the Directors must make from time to time.

ARTICLE X - FISCAL AND ELECTIVE YEAR

Section 1. The fiscal and elective year of the Association shall be January 1st to December 31st.

ARTICLE XI - 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 its committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XII - AMENDMENTS

Section 1. These Bylaws may be amended by a majority vote of the Board of Directors subject by repeal or amendment by the Members present and qualified to vote at any meeting of the Membership called for such purpose, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting.

Section 2. Notice of all meetings, at which amendments of these Bylaws are to be considered, shall be mailed to every member eligible to vote at least two (2) weeks prior to the meeting.