



## COMMERCIAL BROKERS ASSOCIATION BYLAWS

### I. MEMBERSHIP DEFINITIONS

A. Brokerage Firm Members. Real estate firms may be regular members of the Commercial Brokers Association ("CBA") if they are licensed under the laws of the states in which they operate and pay the membership fee. Applications for membership shall be on the CBA's then current form, and shall include an undertaking on the part of the applicant member to abide by CBA's Bylaws and Rules.

B. Participating Brokers. Real estate brokers licensed to a member may participate in CBA as subscribers. Subscribers, upon payment of attendant dues by the member, have access to all services CBA provides to subscribers. If a subscriber changes firms, the member must provide CBA with written notice before the obligation for dues can be terminated. A subscriber changing firms may not participate in CBA unless the subscriber's new firm is a CBA member.

C. Associate Members. CBA may establish by Rule associate memberships and establish the rights and privileges thereof, though associate members have no proprietary or other interest in CBA; are not entitled to vote.

D. Assignment. Membership in CBA is not assignable. Upon resignation or other termination of membership, the member shall no longer have any rights in respect to CBA; shall not be entitled to any refund of membership fee, dues or other payments.

E. Resignation. Resignation shall be in writing, and will be effective at the end of the month received. Neither the membership fee nor dues paid shall be prorated or refunded. Any services ordered by or for the member

prior to the date of receipt of written notice of resignation, shall be charged to the member.

F. Changes in Ownership. CBA must be notified in writing of any change of the designated broker of a member.

## **II. SERVICE AREA**

The service area of CBA shall be the state of Washington and such additional or other areas established by the Board of Directors from time to time. The only significance of CBA's territory is that it is the area within which exclusive listings taken by members must, as provided in the Rules, be turned into CBA for dissemination to the other members.

## **III. DIRECTORS**

A. Number. There shall be sixteen (16) Directors of CBA, one of whom shall be the immediate Past Chairman, who shall serve without the necessity of re-election. Ex-officio Directors may be appointed in the discretion of the Board.

B. Qualifications. At least ten Directors must be managing or designated brokers of CBA members or an officer or partner of a CBA member. The balance of the Directors must be brokers associated with a CBA member. All Directors must be actively engaged principally in the brokerage of commercial real estate.

C. Election and Term. The immediate Past Chairman shall automatically become a Director for a term of one year commencing on the termination of his/her service. All Directors shall serve for a term of three years, except for ex-officio Directors, who serve at the pleasure of the Board.

D. Vacancies. Any vacancies occurring on the Board of Directors may be filled by a majority vote of the remaining Directors. A Director so elected shall serve for the unexpired term of his/her predecessor.

E. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, on such day and at such time and place as shall, from time to time, be determined by the Board.

F. Special Meetings. Special meetings of the Board of Directors may be called at any time by or at the request of the Chairman or any three Directors. The persons calling the special meeting shall give notice of the purpose thereof to the Directors. The Secretary shall then fix the date, place and time

of the meeting and give notice thereof, and of its purpose, to all of the Directors at least five days in advance of the meeting.

G. Informal Action. Any action which must or might be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

H. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting.

I. Compensation. In the discretion of the Board, Directors may be reimbursed for their expenses associated with attendance at Board meetings or industry conferences.

J. Submission of Acts to Approval of Members. The Board of Directors, in its discretion, may submit any contract, resolution or act or proposition for approval or ratification at any meeting of the members and unless otherwise specifically prohibited by law, any contract, resolution, act, or proposition that shall be approved or ratified by the majority vote of the members present at that meeting shall be as valid and binding as if it had been approved or ratified by every member of CBA and by the Board of Directors.

K. Committees. The Executive Committee shall consist of, but not be limited to, the Chairman, Secretary/Treasurer and President and CEO. The Board of Directors may designate from among its members, other committees to serve at the pleasure of the Board. Provided, however, that no such committee shall have the authority to take any action on behalf of the Board.

L. Failure to Attend - Resignation. The failure of a Director to attend three (3) consecutive regular or special meetings of the Board or who is not a member in good standing shall automatically constitute resignation of a Director.

M. Nomination Procedure.

1. Nominating Committee. At a meeting during the third calendar quarter of each year, the Board of Directors shall appoint a nominating committee consisting of four persons, one of whom shall be the immediate Past Chairman who shall act as chairperson of the committee. If the immediate Past Chairman is unable or unwilling to serve as such, the Chairman shall designate another chairperson. The committee shall meet and nominate at least one

person for each directors position to be filled, and shall present the slate to the Directors for approval at a meeting no later than the fourth quarter of that year. The slate so nominated shall be identified to the membership at least thirty days in advance of the annual membership meeting.

2. Other Nominations. Other persons meeting the qualifications for election as a Director may have their names placed in nomination at the annual membership meeting by submitting to the Secretary/Treasurer, at least thirty days in advance of the annual meeting, a petition signed by at least twenty CBA members. The petition shall also be signed by the nominee to show his/her consent to the nomination. Nomination by the committee or written petition are the only means of placing a person's name in nomination. Nominations will not be accepted from the floor.

#### **IV. OFFICERS**

A. Number. The officers of CBA shall be a Chairman, a Vice-Chairman and a Secretary/Treasurer. In addition to the foregoing, the Board of Directors may elect assistant or other officers.

B. Term. Officers shall be elected by the Board of Directors and shall serve for a term of oneyear.

C. Vacancies. A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

D. Qualifications. No person may serve as an officer of CBA unless he/she is also a Director.

E. President and CEO. The Board of Directors shall appoint a person to act as President and CEO of CBA and shall fix a salary for such services. The President and CEO shall carry out the instructions of the Board of Directors and supervise and maintain the day-to-day routine operation of CBA, subject to the ultimate authority of the Board.

F. Chairman. The Chairman shall preside over all meetings of the Board of Directors and members and shall have general charge of, and control over, the affairs of CBA, provided that on policy matters or major decisions, he/she shall obtain prior approval of the Board of Directors.

G. Vice-Chairman. In the absence of the Chairman or his/her inability or refusal to act, the Vice- Chairman shall perform the duties of the Chairman

and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman.

H. Secretary/Treasurer. The Secretary/Treasurer shall have charge of the membership roll, and shall supervise keeping a record of the minutes of the proceedings of meetings of members and Board of Directors, and shall perform such other duties as are usually performed by the secretary of such organizations and as may be assigned from time to time by the Board of Directors. The Secretary/Treasurer of the Board shall oversee the minute taking at the meetings of the Board. The Secretary/Treasurer shall also be responsible for presenting a financial report to the Directors at their meetings and chairing the Finance Committee should the board appoint such a committee.

I. Indemnification. CBA agrees to indemnify all Directors, officers, agents and employees, and furnish legal counsel at CBA's expense as to any claims or suits, civil or criminal, against them arising out of actions taken by them in such capacities as long as such actions were taken in good faith for the benefit of and authorized by CBA.

## **V. MEMBERSHIP MEETINGS**

A. Annual Meeting. The annual meeting of the members of CBA shall be in the first calendar quarter of each year at such time and place as the Board of Directors shall determine.

B. Notice. Notice of the time and place of the annual meeting, with a proxy ballot, shall be given to the membership at least twenty days and not more than fifty days in advance of the meeting.

C. Special Meetings. Special meetings of the members may be called by the Chairman, the Board of Directors, or twenty-five percent of the members in good standing.

D. Quorum. 10% (ten percent) of the total votes of the members of CBA, represented in person or by proxy, shall constitute a quorum for the transaction of business at any annual or special meeting of the members. The vote of a majority of the members present, in person or by proxy, shall be necessary for the adoption of any matter, unless a greater proportion is required by law.

## **VI. VOTING**

A. General. Voting shall not be cumulated and shall be proportional. The vote of members in good standing shall be counted as follows: The total votes allocated to the total CBA

membership shall be Five thousand (5,000). One thousand (1000) votes shall be allocated among the members' offices and branches based on the number of members' offices and branches. To qualify to be counted independently of a main office, a branch must be operating separately from the main office and be separately licensed by the State of Washington as a branch. Four thousand (4,000) votes shall be allocated among the voting offices and qualifying branches based on the number of subscribers licensed to such office or branch. By way of example, if CBA has a total of 700 offices and qualifying branches and 5000 subscribers licensed to those offices and branches, then:

(a.)  $1,000 \div 700 = 1.428$  votes per office and qualifying branch.

(b.)  $4,000 \div 5,000 = .8$  votes per subscriber licensed to such office or branch

Thus, an office or qualifying branch with 10 subscribers gets 1.428 votes for the office or branch plus 8 votes for the subscribers which equals 9.428 votes.

B. Proxies, Mail and Email. Members may vote on all matters in person or by proxy and by mail or email if approved by the Board of Directors, in which case, a written or email ballot shall be sent to each member at least twenty days in advance of the date for canvas of the votes. The ballot shall contain the names of the candidates and shall provide space for the member to vote for other candidates of his choice. A proxy, to be valid, must be in writing; signed by the managing broker of the member; and submitted to CBA prior to voting. No proxy shall be valid after eleven months from the date of its execution.

## **VII. CBA FUNDS**

A. Deposits. All funds of CBA, other than a reasonable amount for petty cash, shall be deposited, in the name of CBA, in such banks, other depositories or investments as the Board of Directors shall select.

B. Disbursements. All disbursements by CBA, other than small amounts from petty cash, shall be by check, credit card, or wire transfer, drawn or paid direct to the ultimate payee, and signed by the President and CEO. In the absence of the President and CEO, the Executive Vice President may sign checks. Provided, however, that additional security policies may be established from time to time by the Board of Directors.

## **VIII. AMENDMENTS**

These Bylaws may be altered, amended or repealed, and new Bylaws may be adopted, by the Board of Directors with the approval of the membership. Provided, however, that no such action may be taken by the membership unless: (a) it is referred to the membership by the Board of Directors; or (b) upon written request signed by at least twenty members and given to CBA at least twenty days prior to the meeting at which it is to be acted upon.

## **IX. DUES AND CHARGES**

Membership fees, dues and/or other charges; the time for payment thereof; and procedures in the event of delinquency; shall be established, from time to time, by the Board of Directors. In any legal dispute between CBA and a member or subscriber, the prevailing party shall be entitled to an award of its reasonable attorney's fees and costs.

## **X. ARBITRATION**

A. Duty to Arbitrate. It is the duty of the members of CBA (and each so agrees) to submit all controversies involving commissions between or among them to binding arbitration by CBA pursuant to its then current arbitration rules and policies, rather than to bring a suit to law. The foregoing includes controversies which arose prior to one of the parties becoming a member. The term "commissions" as used above means commissions or fees arising from the real estate brokerage services as the same is now or in the future defined in RCW 18.85; together with interest and out-of-pocket costs or expenses related thereto and included commissions or fees actually paid, as well as commissions or fees lost as a result of the acts of another member.

B. Inter-Multiple Arbitration. It is also the duty of members to submit to arbitration all controversies involving commissions (as defined above), between or among them and members of other multiple listing services, boards of Realtors or similar organizations which extend reciprocal privileges

to members CBA and whose arbitration procedures have been approved by the Board of Directors. In such cases, the multiple listing service receiving the complaint will refer it for arbitration under the Rules of any multiple listing service which published the listing and in whose territory the listing was located. The arbitration panel shall be composed of six persons - three of whom are members of and designated by each such organization. The chairperson of the panel shall be one of the six panelists and shall be designated by the organization conducting the arbitration.

C. Former Members - Must Still Arbitrate. In the event of the resignation or expulsion from membership of a party to a controversy, subsequent to the date on which the controversy arose or the rights of the parties became fixed, CBA shall continue to have exclusive jurisdiction to arbitrate the controversy. The decision of the arbitration panel shall be final and conclusive in the same manner as if resignation or expulsion had not occurred.

D. Arbitration Procedures & Rules. The Board of Directors shall adopt and, from time to time, amend rules and procedures governing arbitration.

## **XI. DISCIPLINARY ACTION**

All violation of the Bylaws or Rules of CBA shall subject the member to disciplinary action, in accordance with Rules adopted and, from time to time, amended by the Board of Directors.

## **XII. RULES AND REGULATIONS**

The Board of Directors shall, from time to time, adopt, amend, maintain and enforce Rules and policies relating to the conduct of the business of CBA, forms, reporting listings and sales, presentation of offers, division of commissions, advertising, and other matters related to listings processed through CBA. Such Rules and policies shall be binding on all members following announcement of adoption or amendment thereof.

## **XIII. FORMS**

Use of CBA forms and data is purely voluntary and are provided "AS IS" and without any assumption of liability by CBA whatsoever. CBA disclaims any and all warranties, express or implied, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose with regard to forms.