

REAL ESTATE MILLION DOLLAR ASSOCIATION, LTD.

BY-LAWS

ARTICLE I

NAME

1. The name of the organization shall be the Real Estate Million Dollar Association, Ltd. (hereinafter referred to as the "Association").
2. The use and retention of the term "Real Estate Million Dollar Association, Ltd." by the Association and its members shall be governed by these By-Laws as amended from time to time.

ARTICLE II

OBJECTIVES

The objectives of the Association are:

- (a) To unite real estate salespersons who have attained a high degree of achievement and professionalism for the purpose of promoting their common interests;
- (b) To encourage the promotion and maintenance of the high standards of conduct in the real estate profession by members of the Association of Realtors;
- (c) To promote cooperation and good will within the real estate industry and to promote and enhance a professional image of high standards to the public; and
- (d) To expand the objectives of the Association to include the support of one or more charitable organizations.

ARTICLE III

MEMBERSHIP

1. There shall be four (4) classes of membership as follows: Active, Life, Inactive and Honorary.
 - (a) Active Members shall be individuals who are engaged in the real estate profession, who meet the qualifications set fourth in Article IV of these By-Laws as may be amended from time to time as herein provided.
 - (b) Life members shall be members of the association who qualify for Life Membership in accordance with the provisions of Article IV of these By-Laws. To allow for the automatic admission of persons who are Life Members in other real estate organizations with objectives and criteria similar to that of the Association and who apply to the Association during a two-year "open admission" period commencing January 1, 1997.
 - (c) Inactive Members shall be individuals who previously met the qualifications for membership and who were members in good standing of the Association but who are no longer eligible for continued membership in the Association as provided for in Sections 4(c) of Article IV of these By-Laws.
 - (d) Honorary Members shall be individuals, who by virtue of the performance of notable service for the real estate profession, for the Association or for the public, have been elected to Honorary Membership by a vote of not less than three-fourths (3/4) of the Board of Directors.

ARTICLE IV

1. Application. Application for membership shall be made in such manner as may be prescribed by the Board of Directors.

2. Qualification. Only duly licensed salespersons who are members in good standing of the Greater Baltimore Board of Realtors shall be eligible for Active Membership.

3. Criteria for Initial Qualification. Any individual otherwise meeting the qualification for membership must submit, at the time of application for membership, a performance record, signed by only a manager or authorized officer which the individual is associated, which describes the sales and/or listing activities by the applicant during the immediate preceding calendar year.

In order to qualify for membership in the Association, the performance record must demonstrate that, during the immediate preceding calendar year, the applicant was responsible for settled listings or sales which equaled at least Two Million Dollars (\$2,000,000.00) in total value or was the listing or selling agent or both in a minimum of 24 real estate sales transactions which equaled at least One Million Dollars (\$1,000,000.00) in total value. In the calculations of the Two Million Dollar value or 24 real estate transactions the following factors shall be used:

(a) Only those transactions which have actually been settled and for which the broker has been paid a commission during the calendar year shall be included in the computation;

(b) An individual who lists and procures a purchaser for said listing shall receive credit for both the listing value and the sale value; for example, an individual who obtains a listing for a \$50,000.00 sales price would be credited with a \$100,000.00 transaction if that individual also procured a purchaser for the property;

(c) The required 24 sales transactions may consist of sales by an agent, said agent listings sold by others or any combination thereof. In the event an agent listed a property and also procured a buyer for the same property, said agent would be given credit for two real estate transactions. The 24 transactions must equal at least One Million Dollars in total value;

(d) No credit shall be granted from commissions earned strictly on the basis of referrals where the individual did not participate in the actual listings or sale of the property;

(e) Where two or more salespersons associated with the same real estate firm co-list or co-sell a specific property, the dollar value shall be credited proportionate to the agreed upon commission split and

(f) All new homes sales shall be credited with a value equal to the in fee amount of the sale

(g) Leases shall count in the computation of qualification for membership

4. Criteria for Continuing Membership Qualifications.

(a) Except as provided in Section 5 of this Article, an individual who is accepted for membership must meet the requirements of Section 3 of this Article for three (3) consecutive years following acceptance of membership. A member who fails to meet the qualification requirements for three consecutive years shall no longer remain eligible for continuing membership in the Association and must re-apply for membership in accordance with the provisions of this Article. However, in cases of hardship, to be reviewed and approved by the Board of Directors, on a case-by-case basis, the member's period of accumulation of annual qualification requirement could be extended to an overall four (4) year period*. (As adopted by membership 3/7/2000) Each member shall file a performance record with the Association on an annual basis at such time and in said format as prescribed by the Board of Directors in order to demonstrate continuing qualifications for membership in the Association.

(b) Any Active or Life Member who receives compensation for the performance of management duties or who becomes a principal, partner, corporate officer or trustee in the real estate firm or office with which the member is associated shall be eligible for continuing membership provided the member shall continue on an

annual basis to meet the requirements of Section 3 of this Article, even if they have previously satisfied the requirement of Section 3 for three consecutive years. For the purpose of this section, compensations shall include the payment or receiving of anything of value whether money or other tangible benefit. The performance of management duties shall include any act by or responsibility of an agent which directly relates to the internal operation of the real estate firm or office of the supervision of other agents or employees associated with or employed by the real estate office or firm. Those who do not meet and provide criteria for membership continuation, shall immediately submit resignations.

(c) Any Active or Life Member who receives compensation as defined in Section 4(b) of this Article for the performance of duties as an employee, independent contractor, consultant or agent with a title company, mortgage banker, mortgage broker, institutional lender or appraisal firm or company or who shall become a principal, partner, corporate officer or trustee of a title company, mortgage banker, mortgage broker, institutional lender or appraisal firm or company shall be eligible for continuing membership provided the member shall continue on an annual basis to meet the requirements of Section 3 of this Article, even if they have previously satisfied the requirements of Section 3 for three (3) consecutive years. Those who do not meet and provide criteria for membership continuation, shall immediately submit resignations.

5. Members in good standing as of March 1, 1986 will be “grandfathered” under the following criteria:

In order to qualify for membership in the Association, the performance record must demonstrate that, during the immediate preceding calendar year, the applicant was responsible for listings, sales or leases which equaled at least One Million Dollars (\$1,000,000.00) in total value. In the calculation of the One Million Dollar value, the following factors shall be used:

(a) Only those transactions which have actually been settled and for which the broker has been paid a commission during the calendar year shall be included in the computation;

(b) An individual who lists and procures a purchaser or tenant for said listing shall receive credit for both the listing value and the sale or leasing value; for example, an individual who obtains a listing for a \$50,000.00 sale price would be credited with a \$100,000.00 transaction if that individual also procured a purchaser for the property;

(c) Value from leases shall be credited to the year in which the commission is received; for example, with a five-year lease and commission to be paid annually, twenty percent (20%) of the value would be credited each year;

(d) No credit shall be granted for commissions earned strictly on the basis of referrals where the individual did not participate in the actual listing, sale or lease of the property.

ARTICLE V

ELECTION TO MEMBERSHIP

1. All applications for membership shall be made in writing on forms approved and provided by the Association.
2. Upon receipt of a properly complete application and a check in the amount of the appropriate application fee and dues, the Membership Committee shall determine whether the applicant is qualified for membership in the Association. If the applicant is found not to be qualified for membership, written notice of such fact and a statement as to the reasons for disqualification shall be mailed to the applicant. Any individual who is denied membership shall be given the opportunity, within thirty (30) days of the notice of membership denial, to appear before the Membership Committee to establish his or her qualifications.
3. Within thirty (30) days after the Membership Committee has reviewed the application, it shall report its recommendations to the Board of Directors in writing. If the applicant receives approval by a majority vote of the Board of Directors, he or she shall be declared elected to membership and shall be notified in writing. If approval is denied, the reasons for such denial shall be mailed to the applicant who shall be given the opportunity, within thirty

(30) days of notice of membership denial, to appear before the Board of Directors to establish his or her qualifications for membership.

4. No application for membership shall be denied by the Membership Committee or the Board of Directors for any reason except on the basis of improper or incomplete application, as provided in Section 1 and Section 2 of this Article, or failure to meet the qualification requirements of Section 2 and Section 3 of Article IV of these By-Laws.

5. A \$25 handling fee will be charged for any "bounced checks."

ARTICLE VI

PRIVILEGES AND OBLIGATIONS

1. The privileges and obligations of members, in addition to those otherwise provided in these By-Laws, shall be as specified in this Article.

2. Any member of the Association may be reprimanded, fined, suspended or expelled by the Board of Directors for a violation of these By-Laws or Rules and Regulations of the Association after the opportunity for a hearing.

3. Any member of the Association may resign from the Association by giving notice to the President in writing and surrendering membership cards, or other credentials issued by the Association, provided all indebtedness to the Association is paid up to the end of the current dues period in which such resignation is submitted. Such resignation shall not become effective until received by the Board of Directors and all outstanding indebtedness owed to the Association has been paid. Any member so resigning may re-apply for membership as provided in Article IV. Any Life Member so resigning shall be eligible to renew his or her membership classification as a Life Member only by compliance with Section 4 of Article IV of these By-Laws.

4. Life Members.

(a) All Active and Life Members who have been accepted for membership in the Association prior to April 30, 1983, may vote on all matters at any regular or special meeting of the full membership. Members accepted after April 30, 1983, shall not be entitled to vote at any special or regular meeting of the full membership unless they have qualified for and are Life Members of the Association.

(b) Only Life Members in good standing and who satisfy the criteria for Continuing Membership Qualification as provided for in Section 4(a) of Article IV of these By-Laws, may use the term "Life Member Real Estate Million Dollar Association, Ltd.," which shall be subject to the provisions of Article VII of these By-Laws.

(c) Active and Life Members shall have the primary responsibility to safeguard and promote the standards, interest and welfare of the Association and the real estate profession.

5. Inactive and Honorary Members. Inactive and Honorary membership shall confer no rights except those rights as specifically granted by the Board of Directors from time to time. Inactive and Honorary Members shall not be eligible to hold elected office in the Association and shall have no dues obligations to the Association. Active and Life Members who shall become ineligible for continued membership in accordance with the provision of Section 4 (b) and Section 4 (c) of Article IV of these By-Laws shall automatically become an Inactive member of the Association but shall be entitled to automatic re-instatement as an Active or Life Member upon written evidence satisfactory to the Board of Directors that the former Active or Life Member is no longer disqualified for Active or Life Membership by virtue of the provisions of Section 4 (b) and Section 4 (c) of Article IV of these By-Laws.

6. Revocation or Suspension of License; Effect. Any member of the Association holding a license in Maryland as a real estate salesperson, whose license as such, for any reason, shall be revoked or suspended, shall automatically, and without the necessity of a hearing, be summarily expelled (in the case of a license revocation) or suspended (in the case of a license suspension) from membership in the Association. In the event of any such suspension of membership, such suspension shall remain effective until receipt of a written request from any such member for the termination of the suspension of membership and approval of such request by the vote of two-thirds (2/3) of the Board of Directors present and voting at any meeting of the Board of Directors. For the purpose of this Section, any such member's license shall not be deemed to have been revoked or suspended until the time for any appeal provided by law shall have expired or, in the event any such appeal is taken and the revocation or suspension of the

license shall be stayed during the pendency of such appeal, until a final ruling affirming the revocation or suspension of such license has been rendered by a court of competent jurisdiction.

7. Any member, in good standing, may use the phrase "Member, Real Estate Million Dollar Association, LTD." on any printed material, including but not limited to, stationery or business cards. Any Life Member, once attained and authorized per By-law regulations, may use the phrase "Life Member, Real Estate Million Dollar Association, LTD." On any printed material, including but not limited to, stationery or business cards. (AS ADOPTED BY MEMBERSHIP 4/3/2001)

ARTICLE VII

LIFE MEMBERS

1. Any member who meets the criterion as set fourth in Section 4 of Article IV of these By-Laws shall qualify and shall automatically become a Life Member of the Association. Except for those Life Members who are compensated for the performance of duties as defined in Section 4 (b) and Section 4 (c) of Article IV of these By-Laws, upon becoming a Life Member, the member shall not be required to file an annual performance record. Each Life Member, however, shall file either a letter or the standard performance record with the words "Life Member" written or typed thereon and such letter or record shall be signed by the member and the broker or an authorized officer of the real estate firm with which the member is associated. Life Members who are compensated for the performance of duties as defined in Section 4 (b) and Section 4 (c) of Article IV of these By-Laws **may continue Life Membership status AND shall be required to file an annual performance record and to meet and satisfy the criteria for continued membership qualifications, each year, as provided for in Section 4(a) of Article IV of these By-Laws.**

2. Life Members shall be entitled to use the designation "Life Member Real Estate Million Dollar Association, Ltd." on their personal printed material, including stationery, business cards and any marketing.

3. Life Members who become ineligible for continued Life Member membership in the Association may not continue to use the phrase "Life Member Real Estate Million Dollar Association, Ltd." on their business cards.

ARTICLE VIII

DUES, FEES and FINANCES

1. Application Fee. The Board of Directors may adopt an application fee for Active Membership in a reasonable amount, which shall be required to accompany each application for Active Membership, and which shall become the property of the Association upon final approval of the application. If the application for membership is not approved, the fee, if any, shall be returned to the applicant.

2. Dues. The annual dues of members shall be in such amount as established annually by the Board of Directors.

3. Dues Payable. Dues for all members shall be payable annually in advance but no later than January 31st of each calendar year. Dues for new members shall begin on the first day of the month in which a member shall be notified of acceptance and shall be prorated for the year. Unless otherwise provided herein all fees, dues and any other monies paid to the Association shall be non-refundable; subject, however, to the right of the Board of Directors to refund, in its discretion and upon good cause shown, all or a portion of any such fees, dues or monies so paid.

4. Non-Payment of Dues. If a member's dues are not paid on or before the date set fourth in Section 3 of this Article and remain unpaid as of the immediately following February 1, such member's membership in the Association shall be immediately terminated without any further action. A former member who has had their membership terminated or who has resigned their membership may apply for reinstatement in the manner prescribed for new applicants for membership in the manner provided in Article IV of these By-Laws.

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 resolution of the Board of Directors.

6. Expenditures. The Board of Directors shall administer the finances of the Association. No officer, agent or employee shall incur an obligation in excess of \$500.00 without the prior authorization of the Board of Directors. Such expenditures shall be in furtherance of the objectives of the Association described in Article II.

7. Budget. A budget of expenses in keeping with the income of the Association shall be adopted before the start of each fiscal year by the Board of Directors. No expenditures of the Association funds not provided for in this budget shall be made unless first approved by the Board of Directors.

8. Checks, Drafts, Etc. All checks, drafts, orders for the payment of money, and all authorized notes or other evidences of indebtedness, issued in the name of the Association, shall be signed by an officer of the Association, or any two of them, if so directed by the Board of Directors. No checks shall be signed and countersigned in blank, either as to payee or as to amount.

ARTICLE IX

OFFICERS AND DIRECTORS

1. Officers. The elective officers of the Association shall be a President, a Vice President, a Recording Secretary, a Correspondence Secretary and a Treasurer. Only Life Members may be elected to and hold elective office in the Association unless the Life Member has become ineligible for continued membership in accordance with Article IV, Section 4 (b) or 4 (c).

2. Duties of Officers.

(a) The President shall be the chief executive officer of the Association. It shall be the President's duty to assume general supervision of the affairs of the Association, to preside at all meetings of the Board of Directors and of the membership, to appoint all committees, the appointment of which is not otherwise provided for, and to see that the provisions of the By-Laws, and any Rules and Regulations of the Association, are followed and enforced. The President may sign and execute, in the name of the Association, all authorized deeds, mortgages, contracts or other instruments, except in cases in which the signing and execution thereof shall have been expressly delegated by the Board of Directors to some other officer or agent, and the President shall, in general, perform all duties and have power ordinarily incident to the office of a president of a corporation. The president shall have such other duties and power as shall, from time to time, be assigned by the Board of Directors.

(b) The Vice President shall perform the duties of the President in the absence or inability of the President to act, and shall perform such other duties as may be assigned from time to time by the President or by the Board of Directors.

(c) The Recording Secretary shall be responsible to see that complete and proper minutes of all meetings of the membership, the Board of Directors and all committees are kept and that copies of all minutes of the Board of Directors and of all committees are sent to the members thereof and are presented to the Board of Directors and each committee, respectively, at their next meeting. The Secretary shall see that all notices are duly given, in accordance with the provisions of these By-Laws, unless otherwise provided, and shall, keep and file all documents committed to the Secretary's custody. The Secretary shall be the custodian of the records and of the corporate seal of the Association and shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, has been fully authorized, and, when so fixed, may attest the same. In general, the Secretary shall perform all duties ordinarily incident to the office of a secretary of a corporation, and such other duties as shall, from time to time, be assigned by the President or by the Board of Directors.

(d) The Correspondence Secretary shall ensure that all correspondence to or from the Association is timely received and prepared and, unless otherwise directed by the President, may sign all such correspondence on behalf of the Association. The Correspondence Secretary shall have such other duties and powers as shall, from time to time, be assigned by the Board of Directors.

(e) The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Board, and shall receive and deposit, or cause to be received and deposited, in the name of the Association, all monies or other valuable effects of the Association, in such banks, trust companies or other financial institutions as shall, from time to time, be selected by the Board of Directors. The Treasurer shall render to the President and to the Board of Directors, periodically and whenever requested, an account of the financial

condition of the Association, and shall, in general, perform all duties ordinarily incident to the office of a treasurer of a corporation and such other duties as may be assigned to him, from time to time, by the President or by the Board of Directors.

3. Board of Directors.

(a) The governing body of the Association shall be a Board of Directors consisting of the President, the Vice President, the Recording Secretary, the Correspondence Secretary, the Treasurer, the immediate past President of the Association and sixteen (16) other Life Members.

(b) The Board of Directors shall meet regularly, at the call of the President, and at such other times as may be decided upon by the majority of the Board of Directors. The Board of Directors shall have full charge of the general conduct of the affairs of the Association and shall have the power to enact such Rules and Regulations, not inconsistent with these By-Laws, as may be deemed appropriate or necessary for the proper governance of the Board and its members.

(c) Unless otherwise provided in these By-Laws, the Board of Directors shall have the power to fix, from time to time, within the limits, if any, prescribed by these By-Laws, the amount of application fees and annual dues for all classes of membership and such annual dues may be different in amount for each membership class.

(d) The Board of Directors shall have such other powers and duties, not inconsistent with these By-Laws, as shall be necessary or appropriate for the proper governance of the Board and its members.

4. Election of Officers and Directors.

(a) Nominations for Officers and Directors, except as otherwise herein provided, shall be made by a Nominating Committee, which shall be composed of five (5) Life Members appointed by the President with the approval of the Board of Directors and who are members in good standing at the time the nominations are made. It shall be the duty of the Nominating Committee to nominate one candidate each for the office of President, Vice President, Recording Secretary, Correspondence Secretary and Treasurer and such number of persons for membership on the Board of Directors, as there shall be vacancies to be filled. It is the intention of the Board of Directors to have the Vice-President and Treasurer to ascend, absent good cause. Absent good cause for failures, actions or inactions of current officers as determined by two-thirds of the Nominating Committee, the Nominating Committee shall nominate the Vice-President as candidate for the office of President and Nominating Committee shall nominate the Treasurer as candidate for Vice-President.

(b) Additional candidates for all or any of the officers or directorships to be filled may be placed in nomination by any Life Member and sent by first-class mail and received by President not less than 10 days prior to Annual Election.

(c) The report of the Nominating Committee shall be mailed by first-class mail or electronic mail to each Life Member in good standing and entitled to vote at least twenty (20) days preceding the date of the Annual Election Meeting.

(d) The election of officers and directors shall be held at the Annual Election Meeting, and the candidates receiving the highest number of votes for the offices and directorships to be filled shall be declared duly elected.

5. Terms of office. All Officers and Directors shall be elected for the term of one (1) year from the date of their installation or until their successors are duly elected and installed. All officers and directors must be full-time realtors in good standing with the Greater Baltimore Board of Realtors.

6. Removal of Officers. The Board of Directors shall have the power by a two thirds (2/3) vote, at any regular or special meeting, to remove any elected or appointed officer, for cause, and such action shall be conclusive on the officer so removed.

7. Vacancies. Any vacancy occurring on the Board of Directors or in any elective office of the Association due to death, resignation, ineligibility for Life Membership as herein provided or otherwise, shall be filled by a majority vote of the Board of Directors as then constituted for the unexpired term, and any vacancy occurring on any standing or other committee shall be filled for the unexpired term by appointment by the President.

Article X

MEETINGS

1. Annual Meetings. The Annual Election Meeting of the Association shall be held during the month of November each year, the date, place and hour to be designated by the Board of Directors.
2. Meetings of Directors. The Board of Directors shall designate a regular time and place of meeting. Absence by a director from two consecutive regular meetings without an excuse deemed acceptable by the Board of Directors shall result in the declaration of a vacancy in such a position at the discretion of the Board of Directors.
3. Other Meetings. Meetings of the members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten percent (10%) of the Life Members.
4. Notice of Meetings. Written notice either by first-class mail or electronic mail shall be given to every member entitled to participate in the meeting at least fourteen (14) days preceding all meetings. If a special meeting, it shall be accompanied by a statement of the purpose of the meeting and written notice of the special meeting shall be given as herein provided at least seven (7) days preceding the meeting.
5. Quorum. A quorum for the transaction of business at the Annual Election Meeting shall consist of ten percent (10%) of the Life Members eligible to vote. For all other meetings, a quorum shall consist of a majority of the Directors.

ARTICLE XI

COMMITTEES

1. Standing Committees. Unless otherwise provided by these By-Laws, within thirty (30) days after installation, the President shall appoint all committees, or, as to those committees which are of a continuing nature, shall fill the vacancies thereon.
2. Special Committees. The President shall appoint such special committees, such as a Budget Committee, as may from time to time be deemed necessary or appropriate to carry out the objectives of the Association, and such other special committee may be dissolved at any time by a two-thirds (2/3) vote of the Board of Directors.
3. Organization of Standing and Special Committees. The President, when appointing each standing or special committee, or filling the vacancies thereon, shall designate the person who shall serve as Chairman and, if deemed appropriate by the President, the person or persons who shall serve as Vice Chairperson(s). All committees shall be of such size and shall have such duties, functions and powers as may be assigned to them by the President or by the Board of Directors, except as otherwise provided in these By-Laws or by law.
4. President Member Ex Officio of Committees. The President of the Board shall be a member, ex officio, of all standing and special committees and shall be notified of their meetings.
5. Removal of Committee Members. Any member or members of any standing or special committee of this Association may be removed from such committee, with or without cause, and at any time, by two-thirds (2/3) vote of the Board of Directors; provided further, that the seat of any member of any standing or special committee shall be automatically vacated if such member shall fail to attend three (3) consecutive meetings of such committee without an excuse satisfactory to the committee.
6. Committee Vacancies. In the event of a vacancy occurring for any reason, in the membership of any standing or special committee, such vacancy shall be filled promptly by the President.

ARTICLE XII

FISCAL AND EXECUTIVE YEAR

The Association shall have a calendar year accounting year, but the elective year for officers and directors shall be as of the first Tuesday of each February; provided, however, that ceremonial installation of Directors and Officers may be held on such reasonable dates as established by the board of Directors; provided, further, that actual installation and commencement of term of office shall, in all events and for purposes of official action and control, be deemed to have occurred at the Annual Election Meeting as provided for in Article X of these By-Laws.

ARTICLE XIII

RULE OF ORDER

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

ARTICLE XIV

AMENDMENTS

(a) These By-Laws may be amended by two-thirds (2/3) vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be stated in the notice for the meeting.

(b) Notice by mail, either electronically or first-class mail, of all meetings at which such amendments are to be considered shall be given to every Active and Life Member qualified to vote, at least ten (10) days prior to the time of the meeting.

Dated: November 5, 1996, Revised March 7, 2000, Revised April 3, 2001, Revised May 4, 2004