

**BY-LAWS  
OF  
GEORGIA ASSOCIATION OF BUSINESS BROKERS, INC.  
As Amended October 30, 2007**

**ARTICLE ONE**

**NAME OF CORPORATION**

- 1.0 The name of the organization shall be GEORGIA ASSOCIATION OF BUSINESS BROKERS, INC.

**ARTICLE TWO**

**PURPOSE OF CORPORATION**

- 2.0 The stated function and purposes of GEORGIA ASSOCIATION OF BUSINESS BROKERS, INC. (“GABB”) shall be to educate business brokers, to influence any possible regulation of business brokers, to adopt and enforce a code of Professional Standards for business brokers, to promote the profession of business brokerage, to educate the public, to aid and assist in cooperative brokering between members, to facilitate co-brokering between members, and to encourage co-brokering within the business brokerage profession.

**ARTICLE THREE**

**MEMBERSHIP**

- 3.1 There shall be three categories of membership as described herein, and the membership rate (dues) may be different for each category of membership. The annual membership rates for each category shall be determined by the Board of Directors.
- a. Active Member. The Owner, Qualifying Broker of a business brokerage or real estate brokerage firm, or the Managing Broker of the brokerage department or branch office where the business brokerage activities of the firm will be conducted, or the duly appointed representative of the brokerage. Appointment of an alternate representative to be the Active Member on behalf of the brokerage shall be submitted for review and approval by the Board of Directors as part of the membership application if the Owner, Qualifying Broker, or Managing Broker is not going to be an active participant. An Active Member may also provide a written proxy instruction to any officer or director prior to any vote where the Active Member cannot personally cast the vote. The Secretary shall maintain for the Board of Directors a file of appointed alternative representatives, and any proxy vote cast shall

- have the written instructions appended to the Secretary's filed minutes of that meeting.
- b. Associate Member. An independent contractor or employee who is engaged in the listing and selling of businesses and real estate interests for the Active Member firm. In order to vote, an Associate Member must be present at a meeting when a vote is called for which the Associate Member is entitled to cast a vote.
  - c. Affiliate Member. An individual or representative of an organization whose business is related to the conveyance of ownership interests in businesses or real estate. This membership category would include, but is not limited to, attorneys, accountants, appraisers, financial planners, lenders, franchisers, and others providing support or related services to the business brokerage industry. Affiliate Members shall be permitted access to certain data and reports pertaining to the multiple listing service upon approval of their request by the Board of Directors, e.g., sold data may be provided to appraisers, but Affiliate Members shall not be provided access codes to the multiple listing service. An investment banker or business intermediary engaging exclusively in transactions larger than a \$3,000,000 sale price may be an Affiliate Member, but if they wish multiple listing service access, data, or reports not available to the general public, they must qualify as an Active Member. An Affiliate Member may be replaced by another individual from that Affiliate Member's firm upon receipt of that Affiliate Member's resignation and upon approval of a membership application from the replacing individual. Such replacing individual must submit an application for membership to the Membership Committee, but no further fees shall be due from the replacing individual for the remaining portion of that Affiliate Member's uncompleted calendar year.
- 3.2 Membership Applications. The Membership Committee shall publish, upon approval by the Board of Directors, such membership application forms, policy and procedures as are deemed necessary to screen applicants appropriately for the category of membership being sought. Every applicant shall be sponsored by an existing member. The sponsor's future responsibility will be to monitor and inform the Provisional Member as to his/her compliance with the rules and guidelines of GABB and the GABB BBMS. The sponsor will periodically report to appropriate members of GABB regarding the Provisional Member's conduct in this regard. Each applicant shall demonstrate by way of application and public reputation that they are a person of good character and have conducted themselves in an ethical and moral manner in their business and life activities, to meet the minimum qualifications for:
- a. Active Member. A natural person holding a currently active real estate license in the state where the business is conducted. Must be actively engaged in the conveyance of interests in businesses and real estate, be the qualifying or managing broker for the firm or branch, or their duly appointed and approved representative, as appropriate. The Active Member (or representative) shall demonstrate involvement in business

- sales closings or have a minimum of two (2) business listings that are legally sufficient with “arms-length” clients. The applicant must have office facilities and must be able to demonstrate during an office visit such files, records, advertising, and other evidence of business activities that the firm has engaged in brokerage for a period sufficient for it to be perceived by the public as an established firm.
- b. Associate Member. Be a natural person holding a currently active real estate license (salesperson or broker category) in the state where the sponsoring Active Member conducts business. Must be able to demonstrate commitment to business brokerage by having been involved with business sale closings or have a minimum of two (2) business listings that are legally sufficient with “arms-length” clients. The Associate Member applicant’s listings can be counted to meet the Active Member listing requirement since the listings would belong to the firm, but the reverse cannot apply. In lieu of the agent/associate member of GABB demonstrating relevant experience in business brokerage or having the required two listings, the agent/associate can become an associate of the broker member of the firm, who is an Active Member of GABB, and who recommends the agent/associate within his/her firm and is willing to assume responsibility for training the incoming agent/associate in the field of business brokerage.
- c. Affiliate Member. Be a natural person engaged in a profession related to the conveyance of interests in businesses and real estate. The Affiliate Member can be an employee or representative of a firm without the firm and its owner or senior officer being approved for membership. An Affiliate Member cannot engage in brokerage activities in any form except as provided at Paragraph 3.1 c for transactions larger than \$3,000,000. In the event that certain individuals are recognized by the organization for unique contributions to the industry and the organization by being named “Honorary Member of the Georgia GABB of Business Brokers”, those persons shall be accorded the privileges of an Affiliate Member. An Affiliate Member may be replaced by another individual from that Affiliate Member’s firm upon receipt of that Affiliate Member’s resignation and upon approval of a membership application from the replacing individual. Such replacing individual must submit an application for membership to the Membership Committee, but no further fees shall be due from the replacing individual for the remaining portion of that Affiliate Member’s uncompleted calendar year.
- 3.3 Provisional Membership Period. All membership applications approved by the Board of Directors shall become “provisional membership in the category approved” (“Provisional Member”) until the mandatory Orientation Program has been completed. Unless excused by prior written notice to the Membership Chairperson (on behalf of the Board of Directors), each Provisional Member shall complete the Orientation Program at the next scheduled Orientation after membership has been approved. Failure to complete the Orientation Program at the second Orientation Program after membership approval will terminate the provisional membership, and the applicant must re-apply for

membership.

- 3.4 Orientation Program. The Membership Committee shall develop the Orientation Program for approval by the Board of Directors. The Membership Committee shall draw its staffing and support to conduct the Orientation Program from the officers, directors, the Education Committee, the GABB BBMS Committee, the Professional Standards Committee, and such other committees as are necessary to provide all Provisional Members with a thorough understanding of the organization, its operational policy and procedures, and the Code of Professional Standards. All Active Members and Associate Members shall attend the Orientation Program.
- a. The Orientation Program agenda shall place primary emphasis upon how business brokerage is conducted on a practical basis within the Code of Professional Standards and other Rules and Regulations or Policy and Procedures published by GABB. It should include a review of standard forms and the concept of co-brokerage among the membership. The orientation shall include training in the use of the GABB Business Brokerage Management System.
  - b. Orientation Programs shall be conducted during each calendar year. Based upon the number of provisional memberships approved, they can be scheduled as frequently as needed by the Board of Directors as recommended by the Membership Committee. Cost for materials, meeting rooms, refreshments, etc., shall be paid from GABB funds without further cost to the Provisional Members. A record of attendance shall be retained by the Membership Committee, and any absentees not excused by prior arrangement shall have their provisional membership terminated upon commencement of the Orientation Program. Such termination shall be final upon review and approval by the Board of Directors.
  - c. Provisional memberships approved by the Board of Directors must complete the Orientation Program within the time standards imposed above. Any member who desires to attend the Orientation Program, may contact the Membership Committee Chairperson to reserve a seat in any announced Orientation Program; however, if seating is limited, preference will be given to Provisional Members first.
- 3.5 Membership Renewal. The term of membership shall be one (1) calendar year. Any prior year member who has not paid dues for the current year by March 1 shall have all membership rights and privileges terminated on that date. Notice of dues by way of invoice, published notices in the organization's newsletter, and announcements at meetings shall constitute notice of dues requirements, and timely payment of dues is deemed the individual responsibility of each member. After the February meeting each year, the Treasurer, Membership Committee Chairperson, and the GABB BBMS Chairperson, shall prepare a list of all members whom have met the requirements for membership renewal, and that list shall be published as the Membership Directory by the April meeting. In order to renew Active Member or Associate Member categories of

membership, a firm and/or individual member must:

- a. Have paid the dues specified for the current year.
- b. Have paid all GABB BBMS fees for prior periods, the first quarter of the current year, and be in compliance with the GABB BBMS Rules & Regulations.
- c. Members in any category who are the subject of an unresolved inquiry by the Professional Standards Committee (“PSC”) may renew their membership, if otherwise qualified, pending resolution of the PSC action.
- d. Members are expected to be actively involved in at least fifty percent (50%) of the GABB activities with such activity to include at least one educational conference.

3.6 Annual Dues Rate. The Annual Dues Rate for new memberships and renewal of memberships shall be set by the Board of Directors for each year not later than the October meeting of Board of Directors in the preceding year, and the amount shall be recorded in the minutes and published in the newsletter.

## **ARTICLE FOUR**

### **ASSESSMENTS**

- 4.1 Annual dues shall be established by the Board of Directors for the membership. Annual dues shall be for the calendar year and shall be due on January 1 of each such year.
- 4.2 Members who have not paid their dues by March 1st of each calendar year shall be delinquent and shall be deemed not to be in good standing with GABB. Members not in good standing shall not be entitled to vote on any issue. However, upon payment of a member’s dues, that member shall automatically become in good standing with GABB. Members who have not paid their dues by July 1<sup>st</sup> of each calendar year shall be deemed to have terminated their membership in GABB.

## **ARTICLE FIVE**

### **OFFICERS AND DIRECTORS**

- 5.1 The officers shall consist of President, Vice President, Secretary and Treasurer.
- 5.2 All officers shall be elected from the membership.
- 5.3 Terms for Officers and Directors shall be for one year. Officers and Directors may serve two consecutive terms in the same office. An Officer or Director must be out of office for one year, after serving two consecutive terms, before that member may be elected

again to that same office.

- 5.4 The Board of Directors shall consist of not less than five and not more than nine members, four of whom shall be the current Officers of GABB, one shall be the Immediate Past President who shall have full voting privileges, and the remainder of whom shall be at large Directors.
- 5.5 Not more than two members from the same firm may serve on the Board of Directors during each calendar year.

## **ARTICLE SIX**

### **COMMITTEES**

- 6.1 There shall be such standing and temporary committees as are deemed necessary to carry on the work of the GABB.
- 6.2 Committee Chairman shall be appointed by the President with the approval of the Board of Directors.
- 6.3 There shall be a standing Professional Standards Committee. The Chairman of the Professional Standards Committee shall be appointed by the President during the first month of the President's term.
  - 6.3.1 The Professional Standards Committee shall investigate all written complaints in a timely manner when brought against business brokers for violation of the code of Professional Standards who are, or were, members of the GABB.
  - 6.3.2 The Professional Standards Committee shall submit the results of their investigation to the Board of Directors together with their findings (no violation, unintentional violation, or intentional violation) and their recommendations for punishment, if any, which may include censure, probation, suspension, removal, and notification to the Georgia Real Estate Commission.
- 6.4 There shall be a Nominating Committee appointed by the President in August of each year.
  - 6.4.1 The Nominating Committee shall submit a slate of officers and directors for the ensuing year who shall be Active Members or Associate Members of GABB. The slate shall be submitted no later than October 1 of each year to the President and Secretary. At anytime between August and October, any member may submit in writing any nominations to the Nominating Committee for consideration. In addition, nominations from the floor by any members will be accepted at the November meeting. The member nominating another qualified member from the

floor for an office must have that nominee's prior approval to be nominated.

## **ARTICLE SEVEN**

### **MEETINGS**

- 7.1 There shall be at least one annual meeting per year of the membership. This meeting shall be held during the month of November. At this meeting, annual reports from the President, Vice President, Secretary, Treasurer, and all committees shall be presented to the membership.
- 7.2 In addition, the GABB may hold additional meetings as determined by the membership.
- 7.3 The President or Secretary may call a business meeting of the GABB or the GABB Board of Directors upon fourteen days written notice to the respective membership.

## **ARTICLE EIGHT**

### **AMENDMENTS**

- 8.1 Amendments to the By-Laws shall be made by the membership. To become effective, amendments to the By-Laws shall be approved by the majority of the membership present in person at any special meeting called for that purpose; provided however, a quorum is present. Amendments to the By-Laws may be proposed by any voting member of GABB.

## **ARTICLE NINE**

### **QUORUM**

- 9.1 A quorum for any purpose of the GABB shall be a minimum of thirty percent (30%) of those Active Members and Associate Members in good standing with the GABB.

## **ARTICLE TEN**

### **DUTIES OF OFFICERS**

- 10.1 The President shall prepare the agenda for and preside over all meetings of the GABB and over the meetings of the Board of Directors. The President shall appoint all committee chairmen subject to the approval of the Board. The President shall be an ex-officio member of all committees. The President and Vice President shall act as representatives of the GABB.
- 10.2 The Vice President shall have the following duties:

- (a) To serve in the President's place in his absence;
- (b) To contact and regularly discuss with the President affairs and current matters affecting the GABB.

10.3 The Secretary shall have the following duties:

- (a) Attend to correspondence of the GABB as requested and report on all communications at meetings of the Board of Directors, or, optionally, at meetings of the GABB.
- (b) Take minutes of each meeting of the GABB and the Board of Directors.
- (c) Notify all Board members of meeting dates and locations, and shall attend to other matters pertaining to meeting procedures, as directed by the President.
- (d) When appropriate, prepare and provide ballots for election of officers, proposed amendments to the By-laws, and other ballots designated by the Board of Directors.
- (e) Solicit at his discretion and obtain help from members for any specific or continuing job necessary in the administration of the business of the GABB.

10.4 The Treasurer shall have the following duties:

- (a) Manage all funds in the bank or banks approved by the Board of Directors.
- (b) Deposit all GABB funds in banks approved by the Board of Directors and issue payments therefrom for all approved GABB expenditures.
- (c) Issue receipts for money paid into the GABB.
- (d) Maintain a complete record of all business transactions and report on the financial status of the GABB to the Board of Directors and the general membership on a monthly basis.
- (e) File or cause to be filed tax returns for the GABB as may be required.

10.5 Each Officer at the expiration of his term of office, whether through course of time, desirability, death, or otherwise, shall transfer all records pertaining to such office to the succeeding officer within two weeks of such expiration.

**ARTICLE ELEVEN**

## **DUTIES OF BOARD OF DIRECTORS**

- 11.1 All Directors shall attend meetings of the Board of Directors. Any Director or Officer who has three or more absences from Board of Director meetings in a calendar year shall stand automatically removed from the Board of Directors and office he holds and the Board of Directors may appoint a person to fulfill the un-expired portion of the term of such Director or Officer.
- 11.2 The Board of Directors shall be sensitive to the thoughts and wishes of the GABB membership.
- 11.3 It shall be the duty of the Officers, in consultation with the Board of Directors, to conduct the business of the GABB between meetings of the membership. The Board of Directors shall expend those funds deemed necessary to carry on the activities of the GABB.

## **ARTICLE TWELVE**

### **ELECTION OF BOARD OF DIRECTORS**

- 12.1 All Directors shall be elected at the November annual meeting from the slate provided by the Nominating Committee or by nominations from the floor. Voting members will be limited to Active Members and Associates Members who are in good standing with the GABB. A quorum must be present.
- 12.2 All Directors shall take office on January 1 of the year following the elections in the preceding November.

## **ARTICLE THIRTEEN**

### **ELECTION OF OFFICERS**

- 13.1 All Officers shall be elected at the November annual meeting from the slate provided by the Nominating Committee or by nominations from the floor. Voting will be limited to Active Members and Associate Members in good standing with the GABB. A quorum must be present.
- 13.2 All Officers shall be members of the Board of Directors.
- 13.3 All Officers shall take office on January 1 of the year following the elections in the preceding November.

## **ARTICLE FOURTEEN**

## **REMOVAL OF OFFICERS AND DIRECTORS**

- 14.1 Officers may be involuntarily removed from office by the following process:
- (a) The Professional Standards Committee delivers a majority recommendation to the Board of Directors.
  - (b) The Board of Directors delivers a majority recommendation to the membership.
  - (c) The membership ratifies by a majority vote by those present at a GABB meeting where there is a quorum present.

This may be done at a special meeting called for this purpose.

- 14.2 Vacancies in Officer or Director positions occurring subsequent to the election at the November annual meeting shall be filled by a candidate selected and approved by a majority vote of the Board of Directors for the remaining term of such position.

## **ARTICLE FIFTEEN**

### **VOTING**

- 15.1 Each Active Member and each Associate Member in good standing shall be entitled to one vote.
- 15.2 Written proxies submitted to the Secretary prior to any voting on an issue under consideration by an Active Member in good standing and signed by such member may be counted. The Secretary shall determine the validity of any such proxy. Such proxies shall be valid only for the issue under consideration and no other issues that may come up for a vote by the membership of GABB. Proxies of any kind will not be accepted from an Associate Member.
- 15.3 Each Active Member shall have one (1) vote for all actions related to the organization including conduct of the multiple listing service.
- 15.4 Each Associate Member shall have one (1) vote for the conduct of the general business of the organization, election of officers and directors, or the amendment of the By-Laws, but shall not have a vote for matters pertaining to the conduct of the multiple listing service, or any topic that the Board of Directors shall reserve for a vote by only the Active Members.
- 15.5 Affiliate Members shall not have a vote in any matters pertaining to the organization, but may serve on committees or as an appointed advisor to the Board of Directors.

- 15.6 All members must be “in good standing” with annual dues paid, not in breach of any Rules and Regulations enacted by the Board of Directors, and be appropriately licensed to conduct their own business activities in order to exercise their voting right.

## **ARTICLE SIXTEEN**

### **DISSOLUTION**

- 16.1 If at any time the GABB dissolves, any funds remaining in the treasury shall be distributed to such organizations as the Board of Directors shall designate, provided such organizations have purposes, goals, and aims consistent with the expressed intentions of the GABB.
- 16.2 Dissolution may only occur by a majority vote of those remaining voting members in good standing. The minimum number of voting members required for a quorum as stated herein shall be waived for purposes of dissolution.

## **ARTICLE SEVENTEEN**

### **PARLIAMENTARY AUTHORITY**

- 17.1 Robert's Rules of Order Revised shall govern Board of Directors and Membership meetings when not in conflict with their By-Laws.

## **ARTICLE EIGHTEEN**

### **GIFTS**

- 18.1 The Board of Directors may accept on behalf of the GABB any contributions, gifts, bequests, or devises for the general purposes for which the GABB was formed or for the general purposes for which the GABB was formed or for any special purpose in keeping with the general purpose.

## **ARTICLE NINETEEN**

### **BOOKS AND RECORDS**

- 19.1 The GABB shall keep minutes of the proceedings of its Board of Directors and Committees designated by the Board of Directors. All books and records of the GABB may be inspected by any member of the Board of Directors, or such member’s agent, for any proper purpose at a reasonable time.

## **ARTICLE TWENTY**

## **MULTIPLE LISTING SERVICE**

- 20.1 The Board of Directors is hereby authorized to institute on behalf of its members a Multiple Listing Service for businesses. Responsibility for establishing procedural guidelines lies with the Board of Directors and the chosen methods necessary to improve and upgrade the business brokerage industry in the State of Georgia.
- 20.2 All members must be participating with exclusive listings. Open listings will not be permitted on the Multiple Listing Service.