	CALMLS	NEW CALMLS
Number of directors	17	21 initially, then 17 after January 1, 2013
Composition of Board	Categories a) 3 of 10 largest brokers b) 3 broker owners ≤100 c) 3 broker owners any size d) 3 practicing salespersons/broker associate e) 3 Open Realtor® f) 2 Any person g) Nonvoting: C.A.R. EVP, 1 C.A.R. Officer	Initial Board composition: h) 12 MRMLS Assn Representatives (1) i) 2 of 10 largest brokers (1) j) 2 of brokers ≥100 but not 10 largest (3) k) 2 broker owners <100 (3) l) 2 practicing salespersons/broker associate (3) m) 1 open Realtor® (3) n) Nonvoting: C.A.R. EVP, 1 C.A.R. Officer Terms of office in years in parentheses; Association Reps. & 10 largest broker directors have no restrictions on reappointment; other directors limited to two consecutive terms. Initial election for calREDD reps. would be in June 2011. Initial calREDD reps. would serve 18 months and largest brokers would be from Southern California. After January 1, 2013: a) 6 Association Representatives b) 3 of 10 largest brokers c) 2 of brokers ≥100 but not 10 largest d) 2 of broker owners <100 e) 3 of salespersons/broker associate f) 1 open Realtor® Terms of office are same as above. Directors can be removed by Class A members.
Nomination process	7 person Nominating Commitee chosen by Chair (maj. non board members); open applications	Chairman of the Board selects nominating chair; each association has right to submit name of person for nominating. That person must have had Assoc. BOD and C.A.R. Directorship experience. 11 members are randomly selected. For Association director positions, slate goes back to Associations after initial process for two weeks for additional nominees. Those nominees would go through the nomination process. The nomination process for all nominees would include an application process and meeting a list of qualifications for service that the New CALMLS will develop.

	CALMLS	NEW CALMLS
Election process	CALMLS delegate vote: Proportional vote based on size/CALMLS delegates PLUS majority of AORs represented	3 Largest Broker Directors are elected directly by the 10 largest Brokers respectively; all other Directors elected by majority of both AOR state directors (CALMLS delegates of Assns.) and the Class A members representatives (Associations that are members of New CALMLS). No more than two Assoc. Directors may serve from any one Association
Delegates	CALMLS delegates are selected by the local AORs; All AOR presidents plus the state directors selected by each AOR	Same. See Election above
Members	C.A.R.	All Associations are Class A members; C.A.R. is the Class C member; all members have 1 vote for each interest
Bylaws Amendments	Board of Directors EXCEPT : CALMLS delegates (proport. + maj. of AORs) must approve for: -delegate structure change -director structure or selection method C.A.R. must also approve if: -changes sole member (C.A.R.) status -delegate structure change -director structure or selection method -amendment of bylaws CALMLS delegates can override bylaws amendments by CALMLS board C.A.R. may override bylaws amendments by either CALMLS delegates or CALMLS board	11 votes during transition and 9 needed thereafter (Majority of total # of all voting directors) C.A.R. would have "poison pill" authority over the following actions and bylaw amendments: • Merger, dissolution, or sale of assets, • Change in board composition, or • Purpose of corporation

	CALMLS	NEW CALMLS
Officer selection	CALMLS Board of directors elects officers of Chairman of the Board, President/CEO, CFO, Secretary. (Chair is a director); serve at the pleasure of the board; no written employment agreements unless approved by C.A.R. (none at this time).	Chairman of the Board, President, CFO, Secretary. (Chair is a non-voting director); serve at the pleasure of the board; no written employment agreements.
Officer Removal	Majority of Board of Directors present at a meeting (aka Board of Directors)	11 votes during transition and 9 needed thereafter (Majority of total # of all voting directors)
Vendor selection	Board of Directors present	11 votes during transition and 9 needed thereafter (Majority of total # of all voting directors)
Budget	Board of Directors present	11 votes during transition and 9 needed thereafter (Majority of total # of all voting directors)
Non budgeted items >$150k	No special requirement	Majority of total # of directors11 votes during transition and 9 needed thereafter (Majority of total # of all voting directors)
$1 million in debt or more	C.A.R. Board approval required	No special requirement
Admission or removal of member; Admission fees; Assessments;	N/A; Authorized Providers under standard contract terms of which generally approved by Board of Directors	11 votes during transition and 9 needed thereafter (Majority of total # of all voting directors)
Ownership structure	Mutual benefit corp; Membership structure with C.A.R. sole member	Mutual benefit corp; Membership structure of AOR entities are the Members; C.A.R. class C member with limited rights

Revised: June 2, 2010