

Market Center entity's current [Operating Agreement / Bylaws / Partnership Agreement] should address the following provisions. Please review the document and enter the section the provision can be found.

\_\_\_\_\_ **Definition of Operating Principal.** Operating Principal shall mean an individual who is a [Sole Manager] [Chief Manager] [Principal Manager] designated by the Company and approved by KWRI to serve as the Company's Operating Principal and will have full authority to operate and manage the Market Center.

\_\_\_\_\_ **Designation of Operating Principal.** The Company shall designate and retain an individual to serve as Operating Principal of the Market Center, as defined in the License Agreement. The Operating Principal shall meet the qualifications and criteria established in the License Agreement and Manuals and shall be acceptable to KWRI. Unless otherwise approved in writing by KWRI, the Operating Principal shall devote his or her substantial energy and best efforts to the supervision and operation of the Market Center. Unless the Company has otherwise secured the services of a real estate broker, the Operating Principal shall be a real estate broker, licensed under the laws of the state or province.

\_\_\_\_\_ **Authority and Control.** Notwithstanding anything in this Operating Agreement to the contrary, the Operating Principal shall have substantial authority and control over the management and operation of the Market Center. The Operating Principal shall be fully authorized without further approval of the members to take or omit any action that Company is required to take or not take under the License Agreement.

\_\_\_\_\_ **Replacement.** Any replacement Operating Principal shall be subject to all requirements [this Agreement] [these Bylaws] places on the original Operating Principal.

\_\_\_\_\_ **Sole Purpose.** The sole and exclusive purpose of the Company is to operate a Keller Williams Realty Market Center, providing real estate brokerage and core real estate services and products as are permitted by the License Agreement.

\_\_\_\_\_ **Conflict Resolution.** The Market Center License Agreement with KWRI may contain provisions that impose other or additional requirements on the Company or its members. In case of conflict, between the License Agreement and this Agreement [or these By-laws], the provisions of the License Agreement will govern and control the conflict's resolution, so long as the interpretation does not violate applicable law.

\_\_\_\_\_ **KWRI Consent to Transfer / Right of First Refusal.** Pursuant to the terms of the License Agreement, neither the Company nor any successor to any part of the Company's interest in the License Agreement, nor any [Member] [Shareholder] that directly or indirectly owns an interest in the Company, shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in the License Agreement, in the Market Center or in the Company without KWRI's prior written consent. Further, pursuant to the terms of the License Agreement, KWRI has the first right of refusal on a proposed sale or transfer of any interests in the Company.

\_\_\_\_\_ **Non-Competition; Surrender of Ownership Interests.** Any [Member] [Shareholder] [Partner] of the Company who purchases, maintains, operates, engages in, or has any interest in any real estate business that competes directly with KWRI, including any real estate business that involves (i) the real estate brokerage business; or (ii) the offer, sale or operational support of businesses in the real estate brokerage business (whether as a franchisor, licensor, regional representative, area director or other similar service provider capacity); or who affiliates with a non-Keller Williams company that diverts or attempts to divert any business or customer of any Market Center to any competitor by direct or indirect inducement or otherwise, must promptly transfer his or her interests in the Company according to the buy-sell provisions described in this Agreement in order to comply with the non-competition provisions in the License Agreement.