# 2019 BYLAWS

of the NAVARRE AREA BOARD OF REALTORS®, Inc.

## Article I - Name

**Section 1. Name.** The name of this organization shall be the Navarre Area Board of *REALTORS*®, Incorporated, hereinafter referred to as the "Board".

**Section 2. *REALTORS*®.** Inclusion and retention of the Registered Collective Membership Mark *REALTORS*® in the name of the Board shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF *REALTORS*® as from time to time amended.

## Article II - Objectives

The objectives of the Board are:

**Section 1.** To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

**Section 2.** To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*®.

**Section 3.** To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

**Section 4.** To further the interests of home and other real property ownership.

**Section 5.** To unite those engaged in the real estate profession in this community with the Florida *REALTORS*® and the NATIONAL ASSOCIATION OF *REALTORS*®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

**Section 6.** To designate, for the benefit of the public, individuals authorized to use the terms *REALTOR*® and *REALTORS*® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF *REALTORS*®.

## ARTICLE III - Jurisdiction

**Section 1.** The Territorial jurisdiction of the Board as a member of the NATIONAL ASSOCIATION OF *REALTORS*®S is: The area bounded on the North by the Yellow River, on the East by Santa Rosa County/Okaloosa County Line, on the South by the Gulf of Mexico, and on the west by the center of Range 28 West, Santa Rosa County, Florida.

**Section 2.** Territorial jurisdiction is defined to mean: The right and duty to control the use of the terms *REALTOR*® and *REALTORS*®, subject to the condition set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF *REALTORS*®, in return for which the Board agrees to protect and safeguard the property rights of the National Association in the terms.

## Article IV - Membership

**Section 1.** There shall be six classes of members as follows:

(1) *REALTOR*® *Members*. *REALTOR*® Members, whether primary or secondary shall be:

(a) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Florida or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for *REALTOR*® Membership only, and each is required to hold *REALTOR*® Membership (except as provided in the following paragraph) in a Board of *REALTORS*® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section l (2) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals holds *REALTOR*® membership, shall be required to hold *REALTOR*® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (2) of Article IV. (Amended 1/05)

**NOTE**: REALTOR® Members may obtain membership in a "secondary" Board in another state.

(b) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a *REALTOR*® Member and meet the qualifications set out in Article V.

(c) *Franchise REALTOR*® *Membership*. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of *REALTOR*® membership (including compliance with the Code of Ethics) except: obligations related to board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term *REALTOR*® in connection with their franchise organization's name; and the right to hold elective office in the local board, state association and National Association. (Adopted 1/96)

(d) *Primary and secondary REALTOR*® *Members*. An individual is a primary member if the Board pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated *REALTOR*® member of the Board in order for licensees affiliated with the firm to select the Board as their "primary" Board.

(e) *Designated REALTOR*® *Members*. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one *REALTOR*® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of the Bylaws. The "Designated *REALTOR*®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for *REALTOR*® Membership established in Article V, Section 2, of the Bylaws.

(2) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF *REALTORS*® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold *REALTOR*® or REALTOR-ASSOCIATE *REALTOR*® membership, subject to payment of applicable dues for such membership. (Amended 1/02)

(3) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in

Paragraphs (1) or (2) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Board.

(4) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

(5) Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Board, or for the public.

(6) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

## Article V - Qualification and Election

### Section l. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (l) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*®, the Constitutions, Bylaws, and Rules and Regulations of the Board, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Board, State and National Associations, and if a *REALTOR*® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article l7 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF *REALTORS*®, as from time to time amended, and (2) that applicant consents that the Board, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

**Section 2. Qualification**

(a) An applicant for *REALTOR*® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that he is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Board of Directors, and shall agree that if elected to membership, he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. (Amended 1/05)

** No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Board and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.*

*** No record of official sanctions involving unprofessional conduct is intended to mean that the Board may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.*

**NOTE 1**: One or more of the requirements for *REALTOR*® Membership set forth above in Article V, Section 2(a) may be deleted at the Board's discretion. However, Boards may NOT adopt membership qualifications more rigorous than specified in the Membership Qualification Criteria for *REALTOR*® Membership approved by the Board of Directors of the National Association.

**NOTE 2**: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting *REALTOR*® or REALTOR-ASSOCIATE® membership to any

applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of *REALTORS*® for violation of the Code of Ethics. (Adopted 1/01)

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for *REALTOR*® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated *REALTOR*® Member of the Board or a Designated *REALTOR*® Member of another Board (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Board of Directors and shall agree in writing that if elected to membership he will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

(c) The Board/Association will also consider the following in determining an applicant's qualifications for *REALTOR*® membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in this or any other *REALTOR*® association within the past three (3) years

2. Pending ethics complaints (or hearings)

3. Unsatisfied discipline pending

4. Pending arbitration requests (or hearings)

5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS

6. Any misuse of the term *REALTOR*® or *REALTORS*® in the name of the applicant's firm. (Amended 06/2006)

   *"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; see Article V, Section 2(a), NOTE 2), provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a*

*member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. (NAR Amended 11/09)*

**Section 3. Election**.

**Section 3. Election**
The procedure for election to membership shall be as follows.
(a) The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the board of directors.

(b) If the board of directors determines that the individual does not meet all of the qualifications for membership as established in the association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 180 days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

(c) The board of directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the board of directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The board of directors may also have counsel present. The board of directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

(d) If the board of directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the board of directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant. (Adopted 1/98, Amended 1/05 Amended 11/16)

**Section 4. New Member Code of Ethics Orientation.**

Applicants for *REALTOR*® membership and provisional *REALTOR*® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for *REALTOR*® membership or provisional members who have completed comparable orientation in another association, provided that *REALTOR*® membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within 180 days of the date of application (or, alternatively, the date that provisional membership was granted) will result in denial of the membership application or termination of provisional membership. **(Amended 8/08)**

**Note**: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF *REALTORS*®. (Adopted 1/01)

**Section 5. Continuing Member Code of Ethics Training.**

Effective January 1, 2017, through December 31, 2018, and for successive two year periods thereafter, each *REALTOR*® member of the association shall be required to complete ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of *REALTORS*®, the NATIONAL ASSOCIATION OF *REALTORS*®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF *REALTORS*® from time to time. *REALTOR*® members who have completed training as a requirement of membership in another association and *REALTOR*® members who have completed the New Member Code of Ethics Orientation during any two year cycle shall not be required to complete additional ethics training until a new two year cycle commences.

*Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4)-year cycles in any two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4)- two (2) cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, Amended 11/08, Amended 11/2016)*

**Section 6. Status Changes**.

(a) A *REALTOR*® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A *REALTOR*® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of *REALTOR*® principals may be required to satisfy any previously unsatisfied membership requirements applicable to *REALTOR*® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a *REALTOR*® (principal). If the *REALTOR*® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A *REALTOR*® (or REALTOR-ASSOCIATE®, where applicable) who is transferring their license from one firm comprised of *REALTOR*® principals to another firm comprised of *REALTOR*® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

(The Board of Directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with the Board's Bylaws.)

(b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

(c) Dues shall be prorated from the first day of the month in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year. (Amended 1/05)

## Article VI - Privileges and Obligations

**Section 1.** The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws, shall be specified in this Article.

**Section 2.** Any Member of the Board may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Board Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Board. Although Members other than *REALTORS*® are not subject to the Code of Ethics nor its enforcement by the Board, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*® and conduct their

business and professional practices accordingly. Further, Members other than *REALTORS*® may, upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms *REALTOR*® or *REALTORS*®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, the State Association, and the NATIONAL ASSOCIATION OF *REALTORS*®.

**Section 3**. Any *REALTOR*® Member of the Board may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Board, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF *REALTORS*® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

**Section 4**. Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

**Section 5**. If a member resigns from the association or otherwise causes membership to terminate with an ethics complaint pending, ~~t~~the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (Amended 1/00 and 11/11)

**Section 6**. *REALTOR*® Members. *REALTOR*® Members, whether primary or secondary, in good standing whose financial obligations to the Board are paid in full shall be entitled to vote and to hold elective office in the Board; may use the terms *REALTOR*® and *REALTORS*®, which use shall be subject to the provisions of Article VIII; and have the

primary responsibility to safeguard and promote the standards, interests, and welfare of the Board and the real estate profession.

(a) If a *REALTOR*® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms *REALTOR*® or *REALTORS*® in connection with its business during the period of suspension, or until readmission to *REALTOR*® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of *REALTORS*® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the *REALTOR*® Member (non-principal) elects to sever his connection with the *REALTOR*® and affiliate with another *REALTOR*® Member in good standing in the Board, whichever may apply.

If a *REALTOR*® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms *REALTOR*® or *REALTORS*® by the firm, partnership, or corporation shall not be affected.

(b) In any action taken against a *REALTOR*® Member for suspension or expulsion under Section 6(a) hereof, notice of such action shall be given to all *REALTORS*® employed by or affiliated as independent contractors with such *REALTOR*® Member and they shall be advised that the provisions in Article VI, Section 6(a) shall apply.

**Section 7**. Institute Affiliate Members. Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF *REALTORS*®.

**NOTE**: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term *REALTOR*®, REALTOR-ASSOCIATE®, or the *REALTOR*® logo; to serve as President of the local association; or to be a Participant in the local association's Multiple Listing Service. (Amended 1/02)

**Section 8.** Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

**Section 9**. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

**Section 10**. Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

**Section 11**. Student Members. Student Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

**Section 12.** Certification by *REALTOR*®. "Designated" REALTOR® Members of the Board shall certify to the Board during the month of June on a form provided by the Board, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Board based on said non-member licensees, the Designated REALTOR® shall identify the Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Board of any additional individual(s) licensed or certified with the firm(s) within 30 days of the date of affiliation or severance of the individual.

**Section 13.** Harassment

Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. (Amended ~~5/03~~, 5/08)**NAR change**

**NOTE**: Suggested procedures for processing complaints of harassment are available online through http://www.REALTOR.org, or from the Member Policy Department.

## Article VII - Professional Standards and Arbitration

**Section 1.** The responsibility of the Board and of Board Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF *REALTORS*®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

**Section 2**. It shall be the duty and responsibility of every *REALTOR*® Member of this Board to abide by the Constitution and Bylaws and the Rules and Regulations of the Board, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF *REALTORS*®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Board as from time to time amended.

**Section 3.** The responsibility of the Board and Board members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Board, which by this reference is made a part of these Bylaws.

**Section 4**. An arbitration deposit fee as set by the Board, not to exceed $500, will be charged as provision for arbitration services per case.

**Section 5.** Other than the findings of fact, all material related to board hearings are to be destroyed within 30 days of said final hearing.

## Article VIII - Use of the Terms *REALTOR*® and *REALTORS*®

**Section I**. Use of the terms *REALTOR*® and *REALTORS*® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF *REALTORS*® and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF *REALTORS*®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 06/2006)

*"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2 (a) NOTE 2) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.* (Amended 06/2006)

**Section 2.** *REALTOR®* Members of the Board shall have the privilege of using the terms *REALTOR®* and *REALTORS®* in connection with their places of business within the state or a state contiguous thereto so long as they remain *REALTOR®* Members in good standing. No other class of Members shall have this privilege. (Amended 1/96)

**Section 3.** A *REALTOR®* Member who is a principal of a real estate firm, partnership, or corporation may use the terms *REALTOR®* and *REALTORS®* only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are *REALTOR®* Members of the Board or Institute Affiliate Members as described in Section 1(2) of Article IV.

(a) In the case of a *REALTOR®* member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term *REALTOR®* or *REALTORS®* shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds *REALTOR®* membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds *REALTOR®* membership, the term *REALTOR®* or *REALTORS®* may not be used in any reference to those additional places of business. (Amended 1/01)

**Section 4**. Institute Affiliate Members shall not use the terms *REALTOR®* or *REALTORS®*, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF *REALTORS®*.

## Article IX - State and National Memberships

**Section 1**. The Board shall be a Member of the NATIONAL ASSOCIATION OF *REALTORS®* and Florida *REALTORS®*. By reason of the Board's Membership, each *REALTOR®* Member of the Member Board shall be entitled to membership in the

NATIONAL ASSOCIATION OF *REALTORS*® and Florida *REALTORS*® without further payment of dues. The Board shall continue as a Member of the State and National Associations, unless by a majority vote of all of its *REALTOR*® Members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

**Section 2.** The Board recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF *REALTORS*® in the terms *REALTOR*® and *REALTORS*®. The Board shall discontinue use of the terms in any form in its name, upon ceasing to be a Member of the National Association, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

**Section 3.** The Board adopts the Code of Ethics of the NATIONAL ASSOCIATION OF *REALTORS*® and agrees to enforce the Code among its *REALTOR*® Members. The Board and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and Florida *REALTORS*®.

## Article X - Dues and Assessments

**Section l. Application Fee**. The Board of Directors may adopt an application fee for *REALTOR*® Membership in reasonable amount, not exceeding three times the amount of the annual dues for *REALTOR*® Membership, which shall be required to accompany each application for *REALTOR*® Membership and which shall become the property of the Board upon final approval of the application. (Amended 1/02)

**Section 2. Dues.** The annual dues of Members shall be as follows:

(a) ***REALTOR*® Members**. The annual dues of *REALTOR*® Members shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such *REALTOR*® Member, and (2) are not *REALTOR*® Members of any Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board by a Designated *REALTOR*® Member, non-member licensees as defined in Section 2(a) (1) and (2) of this Article shall not be included in the computation of dues if the DR has paid dues based on said non-member licensees in another Board in the state or a state contiguous thereto, provided the Designated *REALTOR*® notifies the Board in writing of the identity of the Board to which dues have been remitted.

In the case of a Designated *REALTOR*® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated

*REALTOR*® (as defined in (1) and (2) of this paragraph) in the office where the Designated *REALTOR*® holds membership, and any other offices of the firm located within the jurisdiction of this board. (Amended 1/05)

(1) For the purpose of this Section, a *REALTOR*® Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section l, of the Constitution of the NATIONAL ASSOCIATION OF *REALTORS*®. An individual shall be deemed to be licensed with a *REALTOR*® if the license of the individual is held by the *REALTOR*®, or by any broker who is licensed with the *REALTOR*®, or by any entity in which the *REALTOR*® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

A *REALTOR*® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the *REALTOR*® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, renting managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the *REALTOR*® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated *REALTOR*®.

The exemption for any licensee on the certification form shall be revoked upon the individual being engaged in real estate licensed activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year. (NAR - Amended 11/09)

(b) ***REALTOR*® Members**. The annual dues of *REALTOR*® Members other than the Designated- *REALTOR*® shall be as established annually by the Board of Directors.

(c) **Institute Affiliate Members**. The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF *REALTORS*®.

***NOTE:*** *The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members ($75.00). The National Association shall credit $25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the $25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit $25.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe*. (Amended 1/02)

(d) **Affiliate Members**. The annual dues of each Affiliate Member shall be as established annually by the Board of Directors. (Amended 1/05)

(e) **Public Service Members**. The annual dues of each Public Service Member shall be as established annually by the Board of Directors. (Amended 1/05)

(f) **Honorary Members**. Dues payable, if any, shall be at the discretion of the Board of Directors. (Amended 1/05)

(g) **Student Members**. Dues payable, if any, shall be at the discretion of the Board of Directors. (Amended 1/05)

**Section 3. Dues Payable**. Dues for all Members shall be payable annually in advance on or before the first day of January**.** Dues for new members shall be computed from the date of application and granting of provisional membership. (Adopted 1/98, Amended 1/05)

(a) In the event a sales licensee or licensed or certified appraiser who holds *REALTOR*® membership is dropped for nonpayment of Board dues, and the individual remains with the designated *REALTOR*®'s firm, the dues obligation of the "designated" *REALTOR*® (as set forth in Article X, Section 2 (a)) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination.

**Section 4. Nonpayment of Financial Obligations**. If dues, fees, fines, or other assessments including amounts owed to the Board or the Board's Multiple Listing Service are not paid within one (l) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after

the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Board or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

**Section 5. Deposits and Expenditures**. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors. (Amended 1/05)

**Section 6. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members**. All dues, fees, fines, assessments, or other financial obligations to the Board or Board Multiple Listing Service shall be noticed to the delinquent Board Member in writing setting forth the amount owed and due date.

**Section 7.** The dues of *REALTOR®* Members who are *REALTOR®* Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

***NOTE:*** *A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the Board is assessed for a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Board. The dues obligation of such individuals to the local Board should be reduced to reflect the reduction in the Board's dues obligation to the National Association. The Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Board's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the Board to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the Board with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not Members of the local Board*.

## Article XI - Officers and Directors

**Section l. Officers.** The elected officers of the Board shall be: a President, a President-Elect, a Secretary, and a Treasurer. The Secretary and Treasurer may be the same person. They shall be elected for terms of one year.

**Section 2. Duties of Officers**. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Chief Staff Executive to keep the records of the Board and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF *REALTORS*® and Florida *REALTORS*®. (Amended 1/05)

**Section 3. Board of Directors**. The governing body of the Board shall be a Board of Directors consisting of the elected officers, the immediate past president of the Board, and five REALTOR® Members of the Board. Directors shall be elected to serve for terms of two years, except that at organization, one-third of the elected Directors shall be elected for terms of one, two, and three years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many Directors shall be elected each year as are required to fill vacancies. (Amended 10/14)

(a) Term Limits. No director shall serve for more than two consecutive two-year terms. (Amended 1/05)

(b) The President Elect shall automatically ascend to President for the ensuing year, and the President shall automatically become Immediate Past President for the ensuing year.

**Section 4. Election of Officers and Directors.**

(a) At least two (2) months before the annual election, a Nominating Committee of at least 3 *REALTOR*® Members, to include the president elect, shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one or more candidates for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed or where permitted by state law, electronically transmitted to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the Board of Directors to be filled may be placed in nomination by petition signed by at least 25% of the REALTOR® Members eligible to vote. The petition shall be filed with the Chief Staff Executive at least two (2) weeks before the election. The Chief Staff Executive shall send notice of such additional nominations to all Members eligible to vote before the election. (Amended10/14)

(b)The election of Officers and Directors shall take place at the annual meeting or where permitted by state law, electronically.

(c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of 3 *REALTOR*® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

(c) No more than three (3) Members from any one Member Firm, Brokerage or appraisal shall be nominated either by the Nominating Committee or by petition, for election to the Board of Directors. When an elected member moves to a Brokerage Firm which has three (3) elected members, they shall serve out their term. (Approved 10/18)

**Section 5. Vacancies.** Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

**Section 6. Removal of Officers and Directors.** In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

…….
(a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Board shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

(c) The special meeting shall be noticed to all voting Members at least ten (l0) days prior to the meeting, and shall be conducted by the President of the Board unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

**Section 7. Chief Staff Executive.** There shall be a Chief Staff Executive, appointed by the Board of Directors, who shall be the chief administrative officer of the Board. The Chief Staff Executive shall have the authority to hire, supervise, evaluate, and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. (Adopted 1/05)

## Article XII- Meetings

**Section 1. Annual Meetings.** The annual meeting of the Board shall be held during October of each year, the date, place, and hour to be designated by the Board of Directors. (Amended 1/05)

**Section 2. Meetings of Directors**. The Board of Directors shall designate a regular time and place of meetings. Absence from three regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.

**Section 3. Other Meetings.** Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least 25% of the Members eligible to vote.

**Section 4. Notice of Meetings**. Written notice shall be given to every Member entitled to participate in the meeting at least one (l) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

**Section 5. Quorum**. A quorum for the transaction of business shall consist of 25% of the Members present and eligible to vote for membership meetings and 51% of the Board of Directors for Board Meetings.

**Section 6. Electronic Transaction of Business.** To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means. (Adopted 1/05)

**Section 7. Action without Meeting**. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the ***Chief Staff Executive*** to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date. (Adopted 1/05)

## Article XIII - Committees

**Section l. Standing Committees**. The President shall appoint from among the *REALTOR*® Members, subject to confirmation by the Board of Directors, the following standing committees:

- Professional Standards
- Grievance
- Multiple Listing

- Executive **(Amended 8/08)**

Note:

- The Executive Committee shall consist of the president, president elect, treasurer, secretary and the immediate past president of the Board. The chief staff executive shall serve in a non-voting capacity. **(Amended 8/08)**

- Other standing committees which may be listed under this section include, but are not limited to, Finance, Legislative, Public Relations, Membership, *REALTOR*® Protection, Education, Equal Opportunity, RPAC Fundraising, International, Commercial, Affordable Housing, Community Service, *REALTOR*® of the Year, etc.

**Section 2. Special Committees**. The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

**Section 3. Organization**. All committees shall be of such size and shall have duties, functions, and powers as assigned by the President or the Board of Directors except as otherwise provided in these Bylaws.

**Section 4. President.** The President shall be an ex-officio member of all standing committees and shall be notified of their meetings.

**Section 5. Action without Meeting**. Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee. (Amended 1/05)

**Section 6. Attendance by Telephone.** Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the President and shall constitute presence at the meeting. (Amended 1/05)

## Article XIV - Fiscal and Elective Year

**Section l.** The fiscal year of the Board shall be January 1st to December 31st. **(Amended 8/08)**

**Section 2.** The elective year of the Board shall be January 1 to December 31. (Amended 1/05)

## Article XV - Rules of Order

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

## Article XVI – Amendments

**Section 1**. These Bylaws may be amended by the majority vote of the Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

**Section 2.** Notice of all meetings at which amendments are to be considered shall be mailed to every member eligible to vote at least one (l) week prior to the meeting.

**Section 3**. Amendments to these Bylaws affecting the admission or qualification of *REALTOR*® and Institute Affiliate Members, the use of the terms *REALTOR*® and *REALTORS*®, or any alteration in the territorial jurisdiction of the Board shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF *REALTORS*®.

## Article XVII – Dissolution

**Section l.** Upon the dissolution of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to Florida *REALTORS*® or, within its discretion, to any other non-profit tax exempt organization. (Amended 1/05)

## Article XVIII - Multiple Listing

**Section l. Authority.** The Board of *REALTORS*® shall maintain for the use of its Members a Multiple Listing Service which shall be subject to the Bylaws of the Board of *REALTORS*® and such rules and regulations as may be hereinafter adopted.

**Section 2. Purpose.** A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by

law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease). (Amended 11/04)

**Section 3. Participation**. Any *REALTOR*® Member of this or any other Board who is a principal, partner, or corporate officer, or branch manager acting on behalf of the principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law**.** **(Amended January 09)**

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant's real estate business. The ''actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. **(Adopted 11/08) NAR change**

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates

a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. **(Adopted 11/08) NAR change**

**Note**: Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided, or at the first scheduled Orientation, whichever occurs first.

**Note**: Generally, Boards of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS "Participant". If each principal is defined as a "Participant," then each shall have a separate vote on MLS matters. Brokers or salespersons other than principals are not considered "Participants" in the Service, but have access to and use of the Service through the principal(s) with whom they are affiliated.

a) A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS rules and regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information

developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant's real estate business. The ''actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. **(Adopted 11/08) NAR change**

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. **(Adopted 11/08) NAR change**

***NOTE 1****: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted*

*to the MLS of a Board of* REALTORS®*, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the MLS is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the MLS.*

***NOTE 2****: A Board may also choose to have the Board of Directors consider the following when determining a nonmember applicant's qualifications for MLS participation or membership:*

1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other Associations or Association MLS'.

**Section 4. Supervision**. The activity shall be operated under the supervision of the Multiple Listing Committee, in accordance with the rules and regulations, subject to approval of the Board of Directors of the Board of *REALTORS*®.

**Section 5. Appointment of Committee**. The President shall appoint, subject to the confirmation of the Board of Directors, a Multiple Listing Committee of *REALTOR*® members. All members of the Committee shall be Participants in Multiple Listing except, at the option of the local Board, *REALTORS*® (or REALTOR-ASSOCIATE®'s, where applicable) affiliated with Participants may be appointed to serve in such numbers as determined by the local Board. The Committee members so named shall serve two-year terms. The Committee shall select its Chairperson from among the members thereof. (The Chairperson may be designated by the President.)

**Section 6. Vacancies**. Vacancies in unexpired terms shall be filled as in the case of original appointees.

**Section 7. Attendance**. Any Committee member who fails to attend three (3) consecutive regular or special meetings of the Committee, without excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

**Section 8. Access to Comparable and Statistical Information.** Board Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for

the exclusive use of Board Members and individuals affiliated with Board Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in the MLS rules and regulations. Board members who receive such information, either as a Board service or through the Board's MLS, are subject to the applicable provisions of the MLS rules and regulations whether they participate in the MLS or not.

**Section 9. Subscribers**. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.