

REALTORS® Association of Northeast Wisconsin, Inc.

BYLAWS

February 2010

REALTORS® Association of Northeast Wisconsin, Inc.
 BYLAWS

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Bylaws of the
REALTORS® Association of Northeast Wisconsin, Inc.
(Adopted 9/20/79)

ARTICLE I - Name

Section 1. Name. The name of this organization shall be the REALTORS® Association of Northeast Wisconsin, Inc., hereafter referred to as the "local Association".

Section 2. REALTORS®. Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the Association 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 Association are:

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

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 interest may be safeguarded and advanced.

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

Section 5. To unite those engaged in the real estate profession in this community with the Wisconsin REALTORS® Association 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 local Association as a Member of the National Association of REALTORS® shall include all of Brown County, Oconto County south of Hwy. 22 and including the communities of Gillett, Oconto Falls and Oconto; the Oneida Reservation; that part of Outagamie County including the Communities and Townships of Appleton, Kimberly, Little Chute, Combined Locks, Buchanan, Kaukauna, Vandenberg, Freedom, Center, Grand Chute, Ellington, Greenville, Dale, Bovina, Shiocton, Hortonville, Black Creek, Osborn, Seymour, Deer Creek, Hortonia, Liberty and Maple Creek; all of Winnebago County, the Township of Harrison and Sherwood in Calumet County; all of Waupaca and Shawano Counties. That portion of Kewaunee County as follows: Commencing at the Northwest Corner of Kewaunee County, East to Highway C; then South along Highway C and continuing South along Maple and Crevice Roads, Highway C, Highway T and Highway B to Southern Boundary of Kewaunee County; Then East to Western Boundary of Kewaunee County; Then North to Point of Beginning; The Township of Wolf River in Winnebago County (Thus all of Winnebago County); and all of Fond du Lac County Except the Townships of Alto, Ashford, Auburn, Metomen and Ripon; all of Calumet County and all of Manitowoc County west of Hwy 67 and west of County Hwy W.

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 conditions set forth in these Bylaws and those of the National Association of REALTORS®, in return for which the local Association agrees to protect and safeguard the property rights of the National Association of REALTORS® in the terms.

ARTICLE IV - Membership

Section 1. There shall be eight classes of Members, as follows:

(a) REALTOR® Members. REALTOR® Members whether primary or secondary shall be:

- (1) 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 Wisconsin or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in real estate business within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except 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 association in which one of the firm's principals holds REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV) in a board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section (b) of Article IV. NOTE: REALTOR® members may obtain membership in a "secondary" Association in another State.
- (2) 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.
- (3) 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 Association-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; the right to hold elective office in the local Association; State Association and National Association.
- (4) Primary and secondary REALTOR® Members. An individual is a primary member if the Association pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as their "primary" Association.

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- (5) 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 Association dues as established in Article X of the Bylaws. The "Designated REALTOR® must be a sole proprietor, partner, corporate office 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.
- (b) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation awarded by 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® membership, subject to payment of applicable dues for such membership.
- (c) Affiliate Members. Affiliate Members shall be individuals or firms who, while not engaged in the real estate profession as defined in paragraph (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association.
- (d) 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.
- (e) 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 Association, or for the public.
- (f) Student Members. Student Members shall be individuals who are:
- (1) seeking a degree in real estate from a technical institute and have completed one full year working towards the associate degree in real estate;
 - (2) an undergraduate or seeking a graduate degree with a specialization or major in real estate who have completed two years of college and one college level course in real estate; or
 - (3) enrolled in a formal apprenticeship program approved by the state licensing agency; Student members in (f1) and (f2) shall not be engaged in the real estate profession on their own account or be associated with an established real estate office.
- (g) Life Members. Life Members may be REALTOR® Members, prior to REALTOR® status, who have attained the age of 65, and have served as a recognized member for 25 years, and wish to transfer from REALTOR® to Life Membership. Life membership will be conferred by the Board of Directors after application by a REALTOR® Member.
- (h) Special Services Employee Members. Special Services Employee Members shall be unlicensed *individuals* (not companies) who are employed by Designated REALTOR® members, and who are not engaged in the real estate profession as defined in paragraph (a) or (b) of this Section, and who do not qualify for REALTOR® membership as defined in paragraph (a) or (b) of this Section, but who have interests serving the real estate profession and are in sympathy with the objectives of the Association.

ARTICLE V - Qualifications and Election

Section 1. Application.

- (a) 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:
- (1) 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 Local Association, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Local Association, 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 17 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 local Association, may invite and receive information and comment about the applicant from any member or other persons, and that applicant agrees that any information and comment furnished to the Association 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, Regulations, and Code of Ethics referred to above.

Section 2. Qualifications.

- (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 Association that s/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 including, but not limited to covering the Bylaws and Rules and Regulations of the local Association, the Bylaws of the State Association, and the Constitution, 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 Committee, and shall agree that if elected to membership, will abide by the Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

* **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.

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Note: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board of Association of REALTORS for violation of the Code of Ethics.

- (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 local Association, or a Designated REALTOR® Member of another board within the state (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 local Association, 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 committee and shall agree in writing that if elected to membership he/she will abide by the Code of Ethics of the National Association of REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, the State Association, and the National Association.
- (c) The 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 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 association or association MLS

"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 (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 obligation 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.

Section 3. Election. The procedure for election to membership shall be as follows:

- a) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable Association dues and any application fee, provided the applicant meets, and continues to meet, the terms of qualification per Article V, Section 2(a) or 2(b). Provisional members shall be considered REALTORS® and shall be subject to all the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. 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 in accordance with the Association) membership may, at the discretion of the Board of Directors, be terminated.
- b) Dues shall be computed from the date of application and shall be non-refundable unless the Association's Board of Directors terminates the individual's membership in accordance with subsection (a) above. 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.
- c) The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as (s)he 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 provisional membership should be terminated, it shall record its reasons with the Executive Vice-President. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the Board for a declaratory judgement by a court of competent jurisdiction of a final judgement declaring that the termination violates no rights of the individual.

Section 4. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership and provisional REALTOR® members 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 the Orientation period granted under the association policy will result in denial of the membership application or termination of provisional membership.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.

Section 5. Continuing Member Code of Ethics Training.

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the association shall be required to complete quadrennial 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 four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

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Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be automatically suspended until such time as the training is completed.

Members suspended for failing to meet the requirement for the first four (4) year cycle (2001 – 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership.

Failure to meet the requirement for all subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. Membership of the suspended member will automatically terminate on March 1 of that year.

Section 6. Status Changes

A REALTOR® who changes the conditions under which s/he holds membership shall be required to provide written notification to the Association within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which s/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 Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

ARTICLE VI - Privileges and Obligations

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

Section 2. Any Member of the local Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws, and the Rules and Regulations of the local association which are inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Association. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Association, 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 request 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 of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Any REALTOR® Member of the Association 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 Association, 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 Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association 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 local Association or otherwise causes membership to terminate with an ethics complaint pending, the Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

- (a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

Section 6. REALTOR® Members

REALTOR® Members, whether primary or secondary, in good standing, whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; and may use the terms REALTOR® or 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 local Association and the real estate profession.

- (a) If a REALTOR® Member is a principal in a firm, partnership, or corporation and is suspended or expelled, the firm, partnership, or corporation, of which (s) he is a principal 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 (nonprincipal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® member in good standing with the Association, 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 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 (a) shall apply.

Section 7. Institute Affiliate Members. Institute Affiliate Members shall have such rights and privileges and be subject to such obligations as are prescribed by the Board of Directors in compliance with the Constitution and Bylaws of the National Association of REALTORS®.

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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.

- Section 8. Affiliate Members. Affiliate Members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Board of Directors.
- Section 9. Public Service Members. Public Service Members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Board of Directors.
- Section 10. Honorary Members. Honorary membership shall confer no rights except the right to attend meetings and participate in discussions, and shall impose no obligations.
- Section 11. Student Members. Student Members shall have such privileges and rights and shall be subject to such obligations as may be prescribed by the Board of Directors.
- Section 12. Life Members. Life Members shall have all the privileges and rights of a REALTOR® Member.
- Section 13. Special Services Employee Members. Special Services Employee Members shall have such privileges and right and be subject to such obligations as may be prescribed by the Board of Directors.
- Section 14. Certification by REALTOR® Designated REALTOR® Members of the Association shall annually certify to the local Association, on a form provided by the local Association, a complete listing of all individuals licensed or certified with the REALTOR®'s office(s) within the state, 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 and if the Designated REALTOR®'s dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the Association 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 local Association of any additional individual(s) licensed or certified with the office(s) within so many days of the date of affiliation or severance of the individual, as determined by the Board of Directors.
- Section 15. 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 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.

ARTICLE VII - Professional Standards and Arbitration

- Section 1. The responsibility of the local Association and of local Association 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 governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as amended from time to time, which is by 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® and of the local Association to abide by the Constitution, and Bylaws, and the Rules and Regulations of the local Association, 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 the local Association as from time to time amended.
- Section 3. Disputes arising from transactions between REALTOR® members of the REALTORS® Association of Northeast Wisconsin and boards with whom the Association has a reciprocal agreement for Multiple Listing Service shall be submitted to the Board in which the respondent holds REALTOR® membership.

ARTICLE VIII - Use of the Terms REALTOR® and REALTORS®

- Section 1. Use of the terms REALTOR® or REALTORS® by members shall at all times be subject to the provisions of the Constitution and Bylaws of the National Association of REALTORS® and the Rules and Regulations prescribed by its Board of Directors. The Association shall have 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.
- Section 2. REALTOR® Members of the local Association shall have the privilege of using the terms REALTOR® or 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.
- Section 3. A REALTOR® Member who is a principal of a firm, partnership, or corporation, may use the terms REALTOR® or REALTORS® only if all of 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 Association or Institute Affiliate Members as described in Section 1(b) 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® 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® or REALTORS® may not be used in any reference to those additional places of business.
- 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®

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ARTICLE IX - State and National Membership

Section 1. The local Association shall be a member of the National Association of REALTORS® and of the Wisconsin REALTORS® Association. By reason of the Association's membership, each REALTOR® Member of the Local Association shall be entitled to membership in the National Association of REALTORS® and the Wisconsin REALTORS® Association without further payment of dues. The local Association 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 local Association recognizes the exclusive property rights of the National Association of REALTORS in the terms REALTOR® and REALTORS®. It shall forthwith 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 local Association adopts the Code of Ethics of the National Association of REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and Policies of the National Association of REALTORS® and the Wisconsin REALTORS® Association.

ARTICLE X - Dues and Assessments

Section 1. 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 Association.

(a) The application fee for REALTOR membership shall be as determined annually by the Board of Directors.

(b) The application fee for Affiliate membership shall be an amount per company as determined annually by the Board of Directors.

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

(a) Designated REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be a local portion of dues to be determined annually by the Board of Directors, in addition to WRA and NAR dues plus an amount equal to the total dues times the number of real estate salespersons and licensed or certified appraisers who: (1) are employed by or affiliated as independent contractors with such REALTOR® Members, or who are otherwise directly or indirectly licensed with such REALTOR® member, and, (2) are not themselves REALTORS® of any association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in Section 2(a) of this Article shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association 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.

(1) For the purpose of this Section, a REALTOR® Member of a Member Board or Association 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 1, 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, or corporate officer of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring client 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, 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®.

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.

(b) REALTORS® Other Than Designated REALTORS®. The annual dues of each REALTOR® Member other than the Designated REALTOR® shall be a local portion as determined annually by the Board of Directors in addition to WRA and NAR dues.

(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®.

(d) Affiliate Members. The annual dues of an Affiliate Member Company location who is a WRA member shall be as determined annually by the Board of Directors, plus WRA dues as applicable. A registration fee will be required of each Affiliate Representative other than the Designated Affiliate in each company, to be determined annually by the Board of Directors.

(e) Special Service Employee Members. The annual dues of a Special Services Employee Member shall be as determined annually by the Board of Directors. A registration fee will be required of each Special Services Employee in each company, to be determined annually by the Board of Directors.

(f) Public Service Members. The annual dues of each Public Service Member shall be as determined annually by the Board of Directors.

(g) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

(h) Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

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(i) Life Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 3. Dues Payable.

- a) Dues for new Members shall become payable upon receipt of application for membership, computed from the date of application, and granting of provisional membership-
- b) Dues for all renewal Members shall be payable annually in advance in September.
- c) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Local Association dues and the individual remains with the designated REALTORS® 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 nonmember 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. Payment of Financial Obligations/Dues.

- a) Dues. REALTOR® dues are payable annually in advance of each dues year in September and due by the close of business November 1st. Dues paid after November 1st, but before the close of business on December 1st, will be increased by \$30. Dues paid after December 1st but before the close of business on December 30th, will be increased by \$50. The Designated REALTOR® of the non-renewing members will be notified of non-renewals prior to December 30th and advised that (s)he is required to fulfill her/his responsibilities to the Association in accordance with Article X, Section 2(a) and 3(c). If dues have not been paid by the close of business on December 30th, membership will be automatically terminated for non-renewal. Membership can be reinstated only within the year for which dues were not renewed by completing the following:

- Payment of current dues applicable at time of reinstatement (local, state and national)
- Payment of an Association reinstatement fee (equal to one-half the current local application fee rounded up to the nearest dollar)
- Payment of WRA application fee
- Update of new membership application. Orientation will not be required.

For example, if local dues billed in September are \$99 and new-member application fees are \$199 local and \$75 WRA

<u>Renew by 11/01</u>	<u>Renew by 12/01</u>	<u>Renew by 12/30</u>
\$104 + WRA & NAR	\$104 + \$30 + WRA & NAR	\$104 + \$50 + WRA & NAR
<u>Reinstatement after 12/30</u>		

Local/WRA/NAR Dues + local reinstatement fee (\$199 x one-half) + WRA reinstatement \$75 = \$104+ WRA & NAR+ \$100 + \$75

- b) Dues for member types other than REALTORS® shall be payable annually in advance. If dues have not been paid by the close of business on December 30th, membership will be automatically terminated for non-renewal. Membership can be reinstated only within the year for which dues were not renewed by completing the following:
 - Payment of current dues applicable at time of reinstatement (local, state and/or national as required)
 - Payment of an Association reinstatement fee (equal to one-half the current local application fee rounded up to the nearest dollar)
 - Payment of WRA application fee
 - Update of membership application. Orientation will not be required
- (c) Other Financial Obligations. If financial obligations other than dues (including amounts owed to the local Association or any of its services, departments, divisions, or subsidiaries unless Rules of those subsidiaries differ) are not paid within three months after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Six (6) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. 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/her membership terminated for nonpayment of financial obligations other than dues (including amounts owed to the local Association or the local Association's subsidiaries and other assessments duly levied in these Bylaws or the provisions of other Rules and Regulations of the local Association 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. Deposit. All money received by the local Association for any purpose shall be deposited to the credit of the local Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. Expenditures. The Board of Directors shall administer the finances of the local Association, but shall not incur any obligation in excess of \$100.00 over the available funds on hand without authorization by vote of a majority of the REALTOR® Members at a meeting at which a quorum is present for the transaction of business.

Section 7. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the Association shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

ARTICLE XI - Officers and Directors

Section 1. Officers. The elective officers of the local Association shall be: a President, a President-Elect, and a Secretary/Treasurer. The President-elect and Secretary/Treasurer shall be elected by the Directors from within the then-seated Board of Directors for terms of one year, or at their discretion, two years; or if necessary, until a successor is elected. The President-Elect shall succeed to the office of President for a term of one year or two years. The President-Elect shall, when necessary, perform the duties of the President. In the absence of a President-Elect, the Secretary/Treasurer shall, when necessary, perform the duties of the President. In any circumstance where the President then serving is not an elected member of the Board of Director s/he shall serve as an ex-officio and non-voting Member of the Board of Directors. The immediate Past-President shall serve as an ex-officio and non-voting Member of the Board of Directors, following termination of his/her term as President, unless such Past-President is then simultaneously fulfilling a current term as a voting Director. The administrative Secretary shall be the Executive Vice-President.

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 Executive Vice-President to keep records of the Association and to carry on all necessary correspondence with the National Association of REALTORS® and the Wisconsin REALTORS® Association.

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Section 3. Board of Directors. The governing body of the local Association shall be the Board of Directors consisting of eleven Directors who are REALTOR® Members of the local Association, including the Officers elected by the Board of Directors. Directors shall be elected to serve for terms of three years, except that at merger re-organization, Directors shall be elected for terms of one, two, and three years, according to the Plan of Merger. Thereafter, as many Directors shall be elected each year as are required to fill vacancies.

Section 4. Election of Directors.

- (a) At least two months before the annual election, a Nominating Committee of at least five (5) but not more than seven (7) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors. No less than five (5) REALTOR® Members shall constitute a quorum. The Nominating Committee shall select at least one candidate for each place to be filled on the Board of Directors. The report of the nominating committee shall be sent to each REALTOR® Member eligible to vote at least three weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by a petition signed by at least 10% of the REALTOR® Members. The petition shall be filed with the Executive Vice-President at least two weeks before the election. The EVP shall send notice of such additional nominations to all REALTOR® Members eligible to vote before the election. No write-in nominations or nominations from the floor shall be accepted.
- (b) The election of Directors shall take place by the end of September of each year, either by written ballot mailed at least (10) days in advance of September 30th to members eligible to vote, or on date of the annual meeting in September at a time and location to be determined by the Board of Directors. If held at the annual meeting, shall be by voice or hand vote, or by ballot if there is more than one nomination per Director position to be filled. All votes shall be cast in person. Any ballot shall contain the names of all candidates and the offices for which they are nominated.
- (c) The President, with the approval of the Board of Directors, shall appoint an election committee of three (3) REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

Section 5. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by the Board of Directors until the next annual election.

Section 6. Executive Vice President. The Board of Directors may employ an Executive Vice President and may delegate to him/her all or part of the duties of the Secretary and may otherwise prescribe his/her function. The Executive Vice President, with the advice and consent of the Board of Directors, may also employ such other persons as may be necessary to properly conduct the activities of the local Association.

Section 7. 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 33.5 percent 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 subject thereof is deemed disqualified from further service.
- (b) Upon receipt of the petition, and not less than 20 days or more than 45 days thereafter, a special meeting of the voting Membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director who is the subject of the petition and to render a decision on such petition.
- (c) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting and shall be conducted by the President of the local Association 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 7.1 Suspension of Officer and/or Director. The suspension of an Officer and/or Director results in the individual being unable to exercise his/her rights to serve as such Director and/or Officer until the cause of suspension is remediated.

Section 8. Indemnification of Directors, Officers, and Employees

- A. The Association shall indemnify a Director, Officer or employee who was or is a party or threatened to be made a party to any Proceeding, including any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether with or without merit (other than an action, suit or proceeding by or in the right of the Association) by reason of the fact that he or she is or was a Director, Officer or employee of the Association, against reasonable Expenses and Liabilities, including attorney's fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with such Proceeding, unless the breach or failure to perform constitutes any of the following:
 - 1) A willful failure to deal fairly with the Association or its members in connection with a matter in which the Director, Officer or employee has a material conflict of interest;
 - 2) A violation of criminal law, unless the Director, Officer or employee had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful;
 - 3) A transaction from which the Director, Officer or employee derived an improper personal benefit; or
 - 4) Willful misconduct.
- B. The termination of any action, suit or proceeding referred to in Section 8 (A) by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not itself create a presumption that indemnification of the Director, Officer or employee is not required under Section 8 (A).
- C. Any indemnification under Section 8 (A) shall be made by the Association unless there is a determination that indemnification of the Director, Officer or employee is improper under the circumstances because he or she has breached or failed to perform a duty in the manner described in Section 8 (A) (1-4).. Such determination shall be made by one of the following subject to review by the court which conducted the Proceeding or by another court of competent jurisdiction.
 - 1) By the Board of Directors of the Association by a majority vote of a quorum consisting of members who were not parties to such Proceeding; or
 - 2) By the Executive Committee of the Association by a majority vote of a quorum consisting of members who were not parties to such Proceeding.

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- D. The Association may, at its option, provide indemnification to agents of the Association, including an agent of the Association acting on its behalf as a committee, division, or section member or as an appointee of an officer of the Association, who are acting within the scope of their duties as such, for Expenses and Liabilities incurred in a Proceeding to the same extent as Director, Officer or employee hereunder.
- E. All capitalized terms used in this Article XI, Section 8, shall have the meaning given to them in Section 181.0871 of the Wisconsin Statutes.

Section 9. Conflicts of Interest. Officers and Directors shall promptly disclose all material financial interests and any other circumstances which may result in a material conflict of interest to the Executive Vice President. The disclosure shall be made no later than three days prior to the discussion of any matter relating to the financial interest or other conflict of interest. The RANW Executive Vice President and General Counsel shall determine if a material conflict of interest exists.

If it is decided that a material conflict of interest exists, the Director or Officer shall be promptly notified of the decision. If the material conflict of interest relates to a matter which is the subject of current or upcoming discussion, the Director or Officer shall not: 1) Participate in the discussion of the matter without full disclosure of the material conflict of interest prior to participation in the discussion; 2) Vote on any matter for which the Director or Officer has a material conflict of interest. The Board may ask Directors with material conflicts of interest to leave the meeting during discussion of the matter giving rise to the conflict. The Board minutes should state which Directors or Officers were present for the discussion, the content of the discussion and any roll call of the vote.

If the material conflict of interest is of an ongoing nature, the Director or Officer shall eliminate the conflict of interest or resign from the Board and/or his or her position as Officer.

An Officer or Director has a financial interest if that person has, or may acquire as a result of the matter being deliberated, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which the RANW has a transaction or business arrangement.
- A compensation agreement with the RANW or with any entity or individual with which the RANW has a business arrangement
- A potential ownership or investment interest or compensation arrangement with such entity.
- Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

Material Conflict of Interest. A material conflict of interest is as a situation where a Director or Officer has a financial, personal or other interest which has a significant likelihood of preventing the Director or Officer from fulfilling his or her fiduciary duties to the RANW.

Fiduciary Duties. Directors shall perform the duties of a Director in good faith, in a manner which is in the best interests of RANW, and with such care as an ordinarily prudent person would exercise in a similar circumstance. Directors shall not take any action which unduly exposes the RANW to liability or use information obtained as a Director inconsistently with the fiduciary duties of the Director or otherwise to the detriment of the RANW.

The conflict of interest policy of the RANW shall be distributed to and subscribed by each Director and Officer annually.

ARTICLE XII - Meetings

Section 1. Annual Meetings. The annual meeting of the local Association shall be held in the month of September of each year, the date, the place, and hour to be designated by the Board of Directors.

Section 2. Other Membership Meetings. Meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon written request of at least ten percent of the REALTOR® Members.

Section 3. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least one week preceding all meetings. If a special meeting, it shall be accompanied by a statement of the purpose of the meeting.

Section 4. Quorum. A quorum for the transaction of business shall consist of five percent (5%) of the REALTOR® Members eligible to vote.

Section 5. Meetings of Directors. The Board of Directors shall designate a regular time and place of meeting. Absence from three regular meetings within an elected year by elected Directors shall be construed as automatic resignation therefrom. Other meetings of the Board may be called by the President. Notice of meetings is to be given one week in advance. If a meeting is required with less than one week's notice, any action taken shall be ratified at the next meeting for which proper notice is given.

The Board of Directors is authorized to meet in person or by telephone conference or through other electronic communication media so long as all the members may simultaneously hear each other and participate during the meeting. Directors shall be further authorized to vote by electronic mail for such matters that need to be handled between meetings. Votes taken by electronic mail must be ratified at the next meeting of Directors.

ARTICLE XIII - Committees

Section 1. Standing Committees. The President shall appoint from among the Members subject to confirmation by the Board of Directors, the following standing committees: Bylaws, Equal Opportunity in Housing, Executive, Finance, Governmental Affairs, Membership, Nominating, Professional Standards/Review, and Strategic Planning.

- (a) Only REALTOR® Members may serve on the following standing committees: Bylaws, Executive, Nominating, and Professional Standards/Review.
- (b) Affiliate Members may serve on the following standing committees: Equal Opportunity in Housing, Finance, Governmental Affairs and Strategic Planning.
- (c) Special Services Employee Members may serve only on the following standing committee: Equal Opportunity in Housing. Special Services Employees may serve on other Committees for Association events, and for community-related and social functions.

Section 2. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, such special committees as (s)he may deem necessary.

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Section 3. Organization. All committees shall be of such size and shall have such duties, functions, and powers as may be assigned to them by the President or 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.

ARTICLE XIV - Fiscal and Elective Year

Section 1. The fiscal year, and elective year of the Association shall be January 1 through December 31 each year.

ARTICLE XV - Rules of Order

Section 1. Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors and committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XVI - Amendments

Section 1. These Bylaws may be amended by a three-quarter (3/4) majority vote of the Directors present and qualified to vote at any regular Board of Directors 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, or at a special Directors meeting, provided such amendments are mailed at least one (1) week prior to the meeting.

(a) Upon approval of amendments by the Board of Directors, such changes shall be noticed to the membership. Within thirty (30) days from the date of publication, all amendments shall automatically go into effect provided no petition from the membership has been received. If a petition signed by five percent (5%) of the members eligible to vote is received by the Association within thirty (30) days from the date of publication, the amendment(s) in question shall be submitted to the members for a vote, either at a membership meeting, or for a ballot vote by mail, at the option of the Board of Directors.

(b) The Board of Directors may, at their discretion, choose to put any Bylaw amendments before the membership for a vote at a membership meeting or by ballot vote.

(c) Notice of any membership meetings at which such amendments are to be considered under provisions of either section (a) or (b) shall be given to every REALTOR® Member at least one week prior to the time of meeting.

Section 2. Amendments to these Bylaws affecting the admission or qualification of REALTOR® Members and Institute Affiliate Members, the use of the terms REALTOR® or REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval as authorized by the Board of Directors of the National Association of REALTORS®.

Section 3. Amendments to these Bylaws which are mandated by the National Association of REALTORS® shall become effective upon their approval by the Board of Directors at any regular meeting of the Directors at which a quorum is present.

ARTICLE XVII - Dissolution

Section 1. Upon the dissolution or winding up of the affairs of the local Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Wisconsin REALTORS® Association or, within its discretion, to any other non-profit tax exempt organization.

ARTICLE XVIII - Multiple Listing

Section 1. Authorization. The Local Association shall maintain for the use of its members, a Multiple Listing Service which shall be a lawful corporation of the state of Wisconsin, all the stock of which shall be owned by the Local Association.

Section 2. Creation of Subsidiary. The Board of Directors may, at its discretion, create wholly-owned corporation(s) and/or division(s) within the Association Corporation or within its subsidiaries to better serve its members and the buying and selling public. The corporation(s) and/or division(s) may concentrate on specific aspects of the real estate business including, but not limited to, the management of a multiple listing service and provision of computer services to participating Boards of REALTORS®. Such corporation(s) and/or division(s) shall be operated in accordance with their charter(s) and these Bylaws.

Section 3. The operations and supervision of the subsidiary corporation(s) and/or shall be vested in the Board of Directors of the REALTORS® Association of Northeast Wisconsin, Inc.

Section 4. The Board of Directors of the REALTORS® Association of Northeast Wisconsin may, at its discretion, or through its subsidiary corporations, enter into reciprocal or other cooperative agreements with other Boards of REALTORS®, as a partnership, joint venture, or corporation(s), for the purpose of shared services for Multiple Listing Service, computer service or other contract service, subject to the policy guidelines of the National Association of REALTORS®. The operation and control of any entity created by such an agreement shall be vested in the Board of Directors.

Section 5. Purpose. The 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 databases; 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).

Section 6. Governing Documents. The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Constitution, Bylaws, Rules, Regulations, and Policies, Practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the National Association of REALTORS®.

Section 7. Participation Any REALTOR® Member of this or any other Association, who is a principal, partner, or corporate officer, or branch manager acting on behalf of a 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

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Regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to MLS "Membership" or "Participation" unless they hold a current, valid Wisconsin real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate Wisconsin regulatory agency to engage in the appraisal of real property. Use of information developed by or published by the local Association's 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 or published by a Board Multiple Listing Service where access to such information is prohibited by law. 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.

The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Service by all persons affiliated with the Participant who utilize the Service.

*Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with the 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 three (3) consecutive opportunities after access has been provided.

Note: 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.

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 that 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.

Section 8. Access to Comparable and Statistical Information. REALTORS® who are actively engaged in real estate brokerage, management, appraising, land development or building, but who do not participate in the MLS, or Local Association Affiliate Members, are nonetheless entitled to receive, by purchase or lease, 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 REALTORS® and Local Association Affiliate Members 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. REALTORS® and Local Association Affiliate members who receive such information, either as a Local Association service or through the Local Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

Article XIX – Commercial Council

Section 1: Authority. The Local Association shall operate a Commercial/Investment Council (CIC) for the use of its members, which shall be subject to the Bylaws of the Local Association and such Rules and Regulations as may be hereinafter adopted.

Section 2: Purpose. The purpose of the Council shall be to provide specialized services to Local Association Members engaged in commercial real estate.

Section 3: Membership. Membership in the Commercial Council is available to all REALTOR® members of the Local Association without further qualification, except as stipulated in the rules and regulations *, upon agreeing in writing to conform to the rules and regulations of the Council and to pay the costs incidental thereto.

Handbook on Multiple Listing Policy. Further, the Board may, at its option, offer CIC membership to otherwise qualified members of contiguous (or non-contiguous) Member Boards of the National Association who hold membership in their primary Board or who have received a waiver of jurisdiction from their primary Board thus authorizing them to join a participating Board directly.

Section 4: Supervision. The Commercial Council shall be operated under the supervision of the Commercial and Investment Committee in accordance with the rules and regulations, subject to the approval of the Board of Directors.

Section 5: Appointment of Committee. The President shall appoint, subject to the confirmation by the Board of Directors, a Commercial and Investment Committee of not fewer than three Members. The Committee Members so named shall serve two-year terms. The Committee shall select its Chairperson from among the members thereof.

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 appointments.

ARTICLE XX - Commercial Exchange

Section 1: Authority. The Local Association shall operate a Commercial Information Exchange (CIE) for the use of its members, which shall be subject to the Bylaws of the participating Local Association and such Rules and Regulations as may be hereinafter adopted.

Section 2: Purpose. The CIE serves as an information exchange. Participants who have been retained by

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sellers of commercial or industrial property transactions to market those properties may submit information on those properties to the CIE, and participants who have been retained by buyers of commercial or industrial real estate may submit information on the type(s) of property sought to the CIE. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the CIE between the participants involved.

A Commercial Information Exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated through filing information on a property with the CIE.

Section 3: Participation. Any REALTOR® of this or any other Association who is a principal, partner, corporate officer or branch manager acting on behalf of a principal, without further qualification except as stipulated otherwise in these Bylaws, shall be eligible to participate in the Commercial Information Exchange upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto. However, no individual or firm, regardless of Local Association membership status, is eligible for CIE participation or membership status unless they hold a current valid real estate broker's license and are capable of accepting and offering compensation to and from other participants or to those individuals who are licensed or certified by a State Regulatory Agency to engage in the appraisal of real property. Licensees affiliated with CIE participants are not considered "participants" or "members" of the Exchange, but rather have access to and use of the Exchange Information by virtue of their affiliation with the Exchange participant (Subscribers).

(ADDITIONAL QUALIFICATION) Any applicant for CIE Participation and any licensee affiliated with a CIE Participant who desires access to the CIE-generated information shall complete an orientation program of no more than four (4) classroom hours devoted to the CIE Rules and Regulations and CIE computer training related to CIE information entry and retrieval.

Section 4: Supervision. The Exchange shall be operated under the supervision of the CIE Committee in accordance with the Policies and Rules and Regulations of the CIE and the CIC, subject to the approval of the CI Committee and the Board of Directors of the Local Association.

Section 5: Appointment of Committee. The CI Committee shall appoint, subject to the confirmation by the Board of Directors, a Commercial Information Exchange Committee of not fewer than three Members. All members of the CIE Committee shall be participants in the Exchange except, at the option of the CI Committee, REALTORS® licensed with participants may be appointed to serve in such numbers as determined by the CI Committee. The Committee shall select its Chairperson from among the members thereof.

Section 6: Vacancies. Vacancies in unexpired terms shall be filled as in the case of original appointments.

Section 7: Attendance. Any CIE Committee Member who fails to attend three (3) regular meetings of the Committee within an elective year, 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. REALTOR® Members of the Local Association who are actively engaged in real estate brokerage, management, appraising, land development, or building, but who do not participate in the Commercial Information Exchange, 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 CIE including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of REALTORS® and Association Members and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the CIE Rules and Regulations. REALTORS® and Local Association Affiliate Members who receive such information, either as a Local Association service or through the Local Association's CIE, are subject to the applicable provisions of the Exchange Rules and Regulations whether they participate in the C/I Property Information Exchange or not. Any Local Association Member wishing to obtain such information must agree to abide by the applicable CIE Rules and Regulations regarding use of the information and must agree to pay the costs incidental to receiving the information.

Section 9: Subscribers. Subscribers (or users) of the CIE include non-principal brokers, sales associates, licensed personal assistants, and licensed and certified appraisers affiliated with participants. Subscribers may also include affiliated unlicensed administrative and clerical staff, unlicensed personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a CIE participant or the participant's licensed designee, as specified in the CIE Rules and Regulations.