

BYLAWS OF THE DARIEN BOARD OF REALTORS®, INC. - 2022

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INDEX

BYLAWS

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BYLAWS OF THE DARIEN BOARD OF REALTORS®, INC.

ARTICLE I-- NAME

Section 1. Name The name of this organization shall be the Darien Board of REALTORS®, Inc., 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.

REALTOR Trademark: (1/1/2018) 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 association 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.

REALTOR® members of the association 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.

A REALTOR® principal member 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 or Institute Affiliate members.

In the case of a REALTOR® principal member 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 holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

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 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 CONNECTICUT ASSOCIATION OF 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 term REALTOR®, REALTORS®, REALTOR-ASSOCIATE® AND REALTOR-ASSOCIATES® as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

Section 7. To perform any other act which a non-stock corporation can perform according to Connecticut Non-stock Corporation not inconsistent with any federal income tax exemption which may be granted the Board

ARTICLE III--JURISDICTION

Section 1. The territorial jurisdiction of the Board as a Member of the NATIONAL ASSOCIATION OF REALTORS is the town of Darien, Connecticut.

Section 2. Territorial jurisdiction is defined to mean:

(a). The right and duty to control the use of the terms REALTOR®, REALTORS®, REALTOR-ASSOCIATE®, AND REALTOR-ASSOCIATES® subject to the conditions 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:

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

(1) Individuals who, as sole proprietors, partners, corporate officers, or branch 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 Connecticut 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 1(b) 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 (b) of Article IV.

(2). Individuals who are licensed as brokers or salesmen by the State of Connecticut, and who are engaged in the real estate profession other than as principals, partners, corporate officers or branch office managers and are employed by, or affiliated as an independent contractor, with a REALTOR® member.

(3). 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 the "primary" Board.

(4). Designated REALTOR® Members. Each firm 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.

(5). 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.

(c). 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 REALTOR®S 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 membership, subject to payment of applicable dues for such membership.

(d). Affiliate Members. Affiliate Members shall be real estate owners and other individuals who, while not engaged in the real estate profession as defined in paragraphs (a), (b) or (c) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Board.

(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 Board, or for the public.

ARTICLE V--QUALIFICATION AND ELECTION

Section 1. Application

(a). An application for membership shall be made in such a 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 REALTOR®S, the Constitutions, Bylaws and Rules and Regulations of the Board, State and National Associations, and if elected a Member, will abide by the Constitutions, Bylaws and the Rules and Regulations of the Board, State and National Associations, and if a REALTOR® or REALTOR®-ASSOCIATE member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTOR®S 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 REALTOR®S, 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 comments 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 Membership Committee that he is actively engaged in the real estate profession and maintains a current, valid real estate broker's or salesperson's license within the State of Connecticut or a state contiguous thereto (unless a secondary member), 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 REALTOR®S,

and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Committee, Bylaws, Rules and Regulations and Code of Ethics.

(b). An applicant for REALTOR® Membership who is not a sole proprietor, partner, corporate officer or Branch office manager shall supply evidence to the Membership Committee that he is actively engaged in the real estate profession and is employed by a REALTOR® or affiliated with a REALTOR® as an independent contractor, 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 REALTOR®S, 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 will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTOR®S, and by the Constitution, Bylaws, Rules and Regulations of the local Board, the State Association and the National Association.

*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 association 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 association 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 association may only consider:

- A. judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities
- B. criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date (Amended 5/07)

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. 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 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) within 90 days from the association's receipt of their application, 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/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 provisional membership should be terminated, it shall record its reasons with the chief staff executive. 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 association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual. (Adopted 1/98, Amended 1/05)

Section 4. New member Code of Ethics orientation.

Applicants for REALTOR® and REALTOR®-ASSOCIATE membership 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® or REALTOR®-ASSOCIATE membership or members who have completed comparable orientation in another association,

provided that REALTOR® or REALTOR®-ASSOCIATE membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within 90 days of the date of application will result in denial of the membership application.

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

Section 5. REALTOR® Code of Ethics training.

Effective January 1, 2019, through December 31, 2021, and for successive ~~three~~ ~~two~~ year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) 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 ~~three year~~ ~~two (2) year~~ cycle shall not be required to complete additional ethics training until a new three year ~~two (2) 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 in ~~any three year~~ ~~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 ~~three year~~ ~~two (2) year~~ 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. (Amended 1/2020)

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® 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® 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.

ARTICLE VI--PRIVILEGES AND OBLIGATIONS

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

Section 2. Any member of the association may be reprimanded, fined, placed on probation, suspended, or expelled by the board of directors for a violation of these Bylaws and association rules and regulations consistent 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 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 association, 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 NATIONAL ASSOCIATION OF REALTORS®, 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 OF REALTORS®.

Section 4. Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if the 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 Board or otherwise causes membership to terminate with an ethics complaint pending 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 ethics 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 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~~ are entitled to vote and hold elective office in the association; and may use the terms REALTOR® and REALTORS®, and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the association and the real estate profession. For purposes of this section, the term "good standing" means the member satisfies the "Obligations of REALTOR® Members", is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR's trademark rules.

(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, or management control is relinquished, 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 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, 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 3 (b) 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 (b) and 7 (d) shall apply.

Section 8. 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®.

Section 9. Affiliate Members. Affiliate Members shall confer only the right to attend meetings and participate in discussions.

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

Section 11. Certification by REALTOR®. "Designated" REALTOR® Members of the Board shall certify to the Board during the month of January, on a form approved by the Board, 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(s) and if Designated REALTOR® dues have been paid to another Board based on said number of licensees, the Designated REALTOR® shall identify the Board to which dues have been remitted. These declarations shall be used for the purposes of calculating dues under Article X, Section 2 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 12. 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.

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 association to safeguard and promote the standards, interests, and welfare of the association and the real estate profession., and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. ~~REALTOR® members also must abide by the Constitution and Bylaws governing documents and the rules and regulations policies of the association, the Constitution and Bylaws of the State Association, and the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by as well as~~ 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 association, as from time to time amended.~~

Every REALTOR® member shall maintain a high level of integrity and adhere to the association's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership.

Section 3. The responsibility of the association and 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 consistent with the cooperative professional standards enforcement agreement entered into by the association, which by this reference is made a part of these Bylaws.

ARTICLE VIII--USE OF THE TERMS REALTOR®, REALTORS® AND REALTOR®-ASSOCIATE AND REALTOR®-ASSOCIATES

Section 1. Use of the term REALTOR®, REALTORS®, REALTOR®-ASSOCIATE 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 term 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 5/06)

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.

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 (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® 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.

Section 4. Institute Affiliate members shall not use the terms REALTOR®, REALTORS®, or REALTOR®-ASSOCIATE, 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 the Connecticut Association of REALTORS®. By reason of the Board's Membership each REALTOR® and REALTOR®-ASSOCIATE member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Connecticut Association of 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®, REALTORS® and REALTOR®-ASSOCIATE. 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® and REALTOR®-ASSOCIATE Members. The Board 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 Connecticut Association of REALTORS®.

ARTICLE X--DUES AND ASSESSMENTS

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTOR® Membership in a 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.

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

(a) REALTOR® Members: The annual dues of each Designated REALTOR® shall be in such amount as established annually by the Board of Directors plus an additional 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 (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues 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.

*****(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 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 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, renting, 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®.

The exemption for any licensee included on the certification form shall automatically 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.

The annual dues of REALTOR® Members other than the Designated REALTOR® shall be an amount determined annually by the Board of Directors.

(b) Affiliate Members. The annual dues of each Affiliate Member shall be in such amount 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 (\$105). The National Association shall credit \$35 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 \$35 amount will be credited to the COB, unless the Institute Affiliate member directs that the dues be distributed to the other association. The National Association shall also credit \$35 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 11/2013)

(d) Honorary Members. There will be no dues required for Honorary Members.

Section 3. Dues Payable. Dues for all members shall be payable annually in advance on 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 association 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 thirty (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 (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Sixty days 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 the dues, fee, 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, department, 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 Board for any purpose shall be deposited to the credit of the Board 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 Board, but shall not incur an obligation in excess of \$100.00 over the available cash on hand except for usual operating expenses without authorization of a majority vote of the Members present and qualified to vote at any meeting at which a quorum is present. Donations or gifts to charitable organizations in excess of \$2,000.00 can only be made after approval by the voting membership. Cumulative donations or gifts may not exceed \$5,000 in any one calendar year without member approval. (Amended 8/13)

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 Darien Board of REALTORS®, Inc. or the Darien Multiple Listing Service, Inc. shall be noticed to the delinquent Board Member in writing setting forth the amount owed and due date.

Section 8. The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association or recipients of the Distinguished Service Award shall be as determined by the board of directors. (Amended 11/2013)

NOTE: A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® members of the association. The dues obligation of such individuals to the local association should be reduced to reflect the reduction in the association's dues obligation to the National Association. The association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the association's obligation to the

State Association with respect to such individuals. Member Boards should determine whether the dues payable by the association 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 association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the local association. (Amended 11/2013)

ARTICLE XI--OFFICERS AND DIRECTORS

Section 1. Board of Directors. The Darien Board of REALTORS®, Inc. shall be managed and governed by a Board of Directors. The Board of Directors shall make recommendations on matters of general concern to the voting members and shall, from time to time, seek the opinions of the general membership.

(a). The Board of Directors shall consist of nine members, each of whom shall be a REALTOR® Member of the Darien Board of REALTORS®, Inc. REALTOR® members must be in good standing whose financial obligations to the Association are paid in full and who shall have been a member of the Association for the three year period immediately preceding any vote or election. No more than two members of any individual firm may serve on the Board of Directors at any one time.

(b). **Term of Office.** At the Annual Election Meeting three Directors shall be elected to serve for a term of three years. No Director shall be eligible to succeed himself unless he is President and has served in that capacity for only one year or unless he is Vice President/President-Elect during the year at the end of which his term expires.

Section 2. Election of Directors.

(a). **Election Meeting.** An election Meeting to elect members to the Board of Directors shall be held on the first Wednesday in December of each year. Notice of such meeting shall be given at least ten days prior to the meeting.

(b). **Nominating Procedure.**

(1). A Nominating Committee of seven voting members shall be appointed in January by the Board of Directors. The Nominating Committee shall consist of no more than one person from any one firm.

(2). The Nominating Committee shall send a list of those eligible to serve as Directors to the voting membership no later than September 1st, explaining those who are eligible, including the status of Past-President and request recommendations from the voting membership.

(3). From these recommendations the Nominating Committee shall contact potential nominees and present a proposed slate no later than October 1st to be filed with the Chief Staff Executive. The Chief Staff Executive shall publish the proposed slate immediately in the bulletin. The

Nominating Committee is not excluded from nominating any member of the committee.

(4). Alternate nominees for directors may be made by individual petitions, signed by a least ten voting members, and presented to the Nominating Committee at least ten days in advance of the November election day. Notice shall be sent to voting members of any additional nominees.

(c). Judges of Election. The President shall appoint three Judges of Election by September 15th of each year, at least one of whom is a REALTOR® member to serve as Chairman.

(d). Voting Procedure. The following members in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and, subject to the provisions of this Article, to hold elective office in the Association: (A) Designated REALTOR® Members, and (B) Any REALTOR® Member who is employed by, or affiliated as an independent contractor with, a Designated REALTOR® Member, and who shall have been a member of the Association for the three year period immediately preceding any vote or election, Each voting member shall receive one ballot listing the proposed slate and any other nominees to signify their choice of persons nominated for positions of director.

(e). In case of a tie the President will cast an additional vote.

Section 3. Vacancies. If any vacancy shall occur among the Directors by death, resignation or otherwise, the remaining Directors, by affirmative vote of the majority thereof, may elect a successor to hold office for the unexpired portion of the term of the Director whose place shall be vacated and until the election of his successor.

Section 4. Officers. The elective officers of the Board shall be a President, a Vice-President/President-Elect, a Secretary and a Treasurer. **They shall be elected for terms of one year.**

Section 5. 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 respectively by the Board of Directors from time to time, and such as are required by law. It shall be the particular duty of the Secretary to keep the records of the Board and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Connecticut Association of REALTORS®.

Section 6. Election of Officers.

(a). Within ten days after the Annual Election, the Directors shall meet and elect officers for the ensuing year: a President, a Vice-President/President-Elect,

a Secretary and a Treasurer, to be installed at the meeting in December. All terms begin on the first day of January. All of the said officers must be members of the Board of Directors.

(b). If any vacancy shall occur among the officers of the Board, such vacancy shall be filled by the Board of Directors for the unexpired term.

(c). The term of office for each officer of the Board shall be one year or until his successor has been elected and installed. No officer may serve more than two consecutive terms.

(d) The President and Treasurer shall furnish surety bonds in such amounts as the Board of Directors shall deem necessary, the cost to be paid by the Board.

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 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 association 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 (10) days prior to the meeting, and shall be conducted by the president of the 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 8. 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 association. 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 the month of December of each year, the date, place and hour to be designated by the Board of Directors. The call for the annual meeting shall be

issued at least one week in advance.

Section 2. Meeting of Directors. The Board of Directors shall meet monthly, or at such other times as a majority of the Directors shall designate or on the call of the Members. Two business day's notice shall be sent by the Secretary, except that Waiver of Notice of Meeting shall be valid when executed by all the Directors. Absence from two duly warned consecutive meetings without an excuse deemed valid, and so recorded by the Directors, shall be construed as a resignation. Five Directors shall constitute a quorum, with a majority of those present necessary to pass a resolution.

Section 3. Other Meetings. Meetings of the members may be held at such other times as the President or Board of Directors may determine, or upon the written request of twenty percent of the members in good standing. Due notice by mail shall be given to every member entitled to participate in the meeting. When called otherwise than by the President or the Board of Directors, the notice shall contain a statement of the purpose of the meeting and shall be issued at least two days preceding the meeting.

Section 4. Voting. At each meeting REALTOR® Members in good standing shall be entitled to vote in person or by a signed proxy vote. All voting by those present shall be by a show of hands, and the President or Chairman shall determine whether it is or is not a vote. If a vote is doubted by a member, the Chairman shall request those in the affirmative to rise until counted and afterwards, those in the negative. Upon the motion of any member and the affirmative vote of five of the members present, a secret ballot shall be taken.

Section 5. Quorum. Fifty percent of the REALTOR® Members of the Board in good standing in person or by proxy on the date of the meeting shall constitute a quorum.

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 a 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 secretary/chief staff executive [select one] 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)

Section 8. Executive Officer. The Board of Directors may employ an Executive

Officer and may delegate to the Executive Officer all or part of the duties of Secretary, and may otherwise prescribe the functions of such office. The Directors may also employ such other persons as may be necessary to conduct properly the activities of the Board.

Section 9. The Directors may retain legal counsel and fix the terms of his compensation.

ARTICLE XIII--COMMITTEES

Section 1. Appointment. The President shall appoint all Committees and Committee Chairmen, subject to confirmation by the Board of Directors.

Section 2. Standing Committees. The President shall appoint from among the REALTOR® and REALTOR®-ASSOCIATE members, subject to confirmation by the Board of Directors, the following standing committees:
Education/Membership, Legislative, Professional Standards, Grievance, Program.

Section 3. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, such special committees as may be deemed necessary.

Section 4. Organization.

(a). Size and Term. Unless otherwise provided by these Bylaws, committees shall consist of such a number of members as the Directors may determine, and shall be appointed for a term of one year or until their successors have been duly appointed and confirmed.

(b). Duties. Committees shall have such duties and functions as may be assigned to them by the Board of Directors, except as herein provided.

(c). Actions. All actions of committees shall be subject to the approval of the Board of Directors, except as otherwise provided by the Bylaws.

(d). Reports. All committees shall report annually to the membership at the Annual Meeting in December.

(e). Quorum. At committee meetings a majority shall constitute a quorum, except that when a committee consists of more than nine members, five shall constitute a quorum.

(f). Absences. Any committee member who remains absent for two consecutive meetings of a committee without good cause shall automatically forfeit his/her appointment unless, upon written request, he/she shall be restored to the committee by action of the Board of Directors in the exercise of its own discretion.

Section 5. 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 and elective year of the Board shall be January to December.

ARTICLE XV--RULES OF ORDER

Section 1. Roberts 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 a 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. When Bylaws amendments are mandated by NAR policy, these Bylaws may be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by the NATIONAL ASSOCIATION OF REALTORS®. The Board shall provide notice of that change in a regular or special membership communication.

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 (1) week prior to the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR®, REALTOR®-ASSOCIATE AND INSTITUTE AFFILIATE members, the use of the terms REALTOR®, REALTORS®, AND REALTOR®-ASSOCIATE and REALTOR®-ASSOCIATES 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 1. Upon dissolution or winding up of affairs of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Connecticut Association of REALTORS® or, within its discretion, to any other non-profit tax-exempt organization.

ARTICLE XVIII--MULTIPLE LISTING

Section 1. Authority. The Board of REALTORS® shall maintain a Multiple Listing Service which shall be a lawful corporation of the State of Connecticut, all the stock of which shall be owned by the Board of REALTORS®.

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 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 3. 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, Policies, Practices and Procedures at all times to the Constitution, Bylaws, Rules, Regulations and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Participation. Any REALTOR® of this or any other association who is a principal, partner, corporate officer, or branch office 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 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 an association 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 an association multiple listing service where access to such information is prohibited by law. (Amended 11/08)

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)

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)

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.

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely. (Amended 11/09)

Section 5. 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, 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 6. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.