



RANWW

**Realtors® Association of
Northwestern Wisconsin**

**REALTORS® ASSOCIATION
OF
NORTHWESTERN WISCONSIN**

BYLAWS

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ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the REALTORS® Association of Northwestern Wisconsin, Incorporated, hereinafter referred to as the “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 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 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 Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is: Eau Claire & Chippewa Counties; Region A, Dunn & Pepin Counties; Region B, Barron, Washburn, Burnett, Sawyer and Rusk Counties, also the towns of Barnes, Cable and Namekagon in Bayfield County; Region C.

Section 2. Territorial jurisdiction is defined to mean: (a) 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 Association agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

Section 1. There shall be seven (7) 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 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 an association 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 association 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.

Note: REALTOR® Members may obtain membership in a “secondary” Board 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; and 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.

(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 (or to mediate if required by the association) 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 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.

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

(c) **Affiliate Members.** Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a) or (b) of this Section, have interest requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® Membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

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

(g) **Local Affiliate Members.** The Association shall offer local affiliate membership to individuals associated with an affiliate member at local Association dues amount. Local Affiliate members shall consist of the second and subsequent members of a State Affiliate's firm who also desire association with this Association.

Privileges of 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; 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.

Obligation of REALTOR® Members. It shall be the duty and responsibility of every REALTOR® member of this association to abide by the Constitution and Bylaws and the rules and regulations of the 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 this association, as from time to time amended.

Alternate Section 2 for associations that require members to mediate otherwise-arbitrable disputes.

It shall be the duty and responsibility of every REALTOR® member of this association to abide by the Constitution and Bylaws and the rules and regulations of the 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 mediate and 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.

Section 2. Chairman of the Board of the Wisconsin REALTORS® Association

The current Chairman of the Board of the Wisconsin REALTORS® Association shall be a member in good standing without further payment of dues. The Wisconsin REALTORS® Association Chairman of the Board may serve as the accredited alternate voting delegate at the Annual Meeting of the Members (Delegate Body) of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the 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 (or to mediate) 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 Association, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the 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, at

the time of Orientation, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that he is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the 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 examination thereon as may be required by the Committee, and shall agree that if elected to membership, he will abide by such 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 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 judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

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

- (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 Association or a Designated REALTOR® Member of another Association (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 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 Membership Committee and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

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. 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 the period established by Association policy, 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 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 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 of a declaratory judgment by a court of competent jurisdiction of a final judgment 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 (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that the REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

Failure to satisfy this requirement within 180 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. Continuing REALTOR® Code of Ethics Training

Effective January 1, 2017, through December 31, 2018, and for successive two year periods thereafter, each REALTOR® member of the association (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 two (2)_year cycle shall not be required to complete additional ethics training until a new 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 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 two (2)_cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

Discipline of REALTOR® Members. 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.

Enforcement of the Code. The responsibility of the association and of association 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 6. Status Changes

(a) A REALTOR® who changes the conditions under which 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 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 specified in this Article.

Privileges of 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; 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.

Obligation of REALTOR® Members. It shall be the duty and responsibility of every REALTOR® member of this association to abide by the Constitution and Bylaws and the rules and regulations of the 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 this association, as from time to time amended.

Alternate Section 2 for associations that require members to mediate otherwise-arbitrable disputes.

It shall be the duty and responsibility of every REALTOR® member of this association to abide by the Constitution and Bylaws and the rules and regulations of the 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 mediate and 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.

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 the 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® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

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, division, 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 association 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 ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

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

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, may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests and welfare of the Association and the real estate profession.

(a) If a REALTOR® Member is a sole proprietor in a firm, ~~a partner 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 until readmission of the disciplined Member or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself/herself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the

suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers of other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the Association. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed 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 unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply.

If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

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

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

Note: Local Associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR®-Associate, or the REALTOR® logo; to serve as President of the local Association, or to be a Participant in the local Association's Multiple Listing Service.

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

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

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

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

Section 12. Local Affiliate Members. Local Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 13. Certification by REALTORS®. "Designated" REALTOR® Members of the Association shall annually certify to the Association, on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTORS® office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTORS® offices(s), and if Designated REALTOR® dues have been paid to another Board based on said non-member licensees, the Designated Realtor® shall identify the Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firms(s) within 15 days of the date of affiliation or severance of the individual.

Section 14. 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, President-elect and one Member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with 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, or President-elect, 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 Association and of Association 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 from time to time amended, which by this reference is made a part of 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 abide by the Constitution and Bylaws and the Rules and Regulations of the 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 mediate and 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 Association as from time to time amended.

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® AND 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.

Section 1. 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.

Section 2. 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.

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 Association or Institute Affiliate Members as described in Section 1(b) of Article IV.

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.

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

ARTICLE IX – STATE AND NATIONAL MEMBERSHIPS

Section 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the Wisconsin Association of REALTORS®. By reason of the association's membership, each REALTOR® member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Wisconsin Association of REALTORS® without further payment of dues. The 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 Association recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The association 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 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 – REALTORS® POLITICAL ACTION COMMITTEE

Section 1. There shall be established a REALTORS® Political Action Committee to be known as RPAC-NW whose function shall be the distribution of real estate political funds.

Section 2. The functions of RPAC-NW shall be vested in a nine member Board of Trustees who shall report to the Board of Directors.

Section 3. Said Trustees shall be nominated by the President and confirmed by the Board of Directors for staggered three-year terms.

Section 4. The Trustees shall elect the chairman who shall have served at least one year on the Committee.

Section 5. No RPAC-NW Trustee shall serve more than six consecutive years.

Section 6. The Trustees shall report to the Board of Directors as to any disbursements from RPAC-NW funds.

ARTICLE XI – 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 (3) 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 upon final approval of the application.

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

(a) **Designated REALTOR® Members Dues.** The annual dues of each Designated REALTOR® member shall be in such amount established annually by the board of directors plus an additional amount to be established annually by the board of directors times the number of real estate salespersons and licensed or certified appraisers

who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and who (2) are not REALTOR® members 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 (1) and (2) of this paragraph 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 association 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 association.

(1) 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 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 of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, 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®. Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm.

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.

(b) **REALTOR® Members Dues.** The annual dues of each REALTOR® member shall be in such amount as established annually by the board of directors.

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

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

(d) **Affiliate Members.** The annual dues of each Affiliate Member shall be in such amount as established annually by the Board of Directors plus dues established by WRA Board of Directors for Affiliate Members.

(e) **Public Service Members.** The annual dues of each Public Service Member shall be in such amount as established annually by the Board of Directors.

(f) **Honorary Members.** No dues payable.

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

(h) **Local Affiliate Members.** The annual dues of each Local Affiliate Member shall be in such amount as established annually by the Board of Directors.

Section 3. Dues payable. Dues for all members shall be payable in advance of the first day of October. Dues for new members shall be computed from the date of application and granting of provisional membership. Three (3) months after the due date, membership of the non-paying Member shall automatically terminate.

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

(b) A former Member who has had his membership terminated for nonpayment of dues in accordance with the provision of these bylaws or other Rules and Regulations of the Association or any of its services, departments, division or subsidiaries may apply for reinstatement in the manner prescribed for new applicants for membership, after making full payment of all accounts due as of the date of termination.

Section 4. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors

Section 5. Fees

(a) All fees incurred for goods and/or services provided by the Association or any of its committees are due and payable upon billing.

(b) Should any fees owed the Association become 60 or more days delinquent (from date of billing), the Treasurer shall refer the delinquencies to the Board of Directors for possible action.

(c) For those delinquent fees referred to the Board of Directors per the preceding paragraph, the Board of Directors shall have the authority to immediately suspend the delinquent Member from the Association, and/or forward the delinquent billing to a collection agency.

(d) Should the Board of Directors suspend a Member per the above paragraph, and the fees remain unpaid for 30 days after the date of the suspension, the Board of Directors shall terminate the delinquent Member’s membership in the Association.

Section 6. Notice of dues, Fees, Fines, Assessments, and Other Financial Obligations of Members

All dues, fees, fines, assessments or other financial obligations to the Association or Association’s Multiple Listing Service shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

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

ARTICLE XII - OFFICERS AND DIRECTORS

Section 1. Officers: The elected officers of the Association shall be: a President, a President-elect, and a Treasurer. They shall be elected for terms of one year. The Executive Vice President of the Association shall serve as Secretary of the Association. In the event the Association does not have an Executive Vice President in its employ, the Treasurer of the Association shall also serve as Secretary of the Association.

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 the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Wisconsin REALTORS® Association.

Section 3. Board of Directors. The governing body of the Board shall be a Board of Directors consisting of the elected officers, the immediate Past President of the Association, one Past President representative elected by the Past Presidents, (6) six REALTOR® Members of the Association, as defined by Article IV, Section 1 (a), and any State Director or any elected officers of the State and National Associations. One (1) outside director “may” be nominated by the President-Elect to service a (1) year term.

In order to adequately represent the membership base the (6) six REALTOR® members vacancies should be represented as follows: Region A is allocated (3) slots, Region B is allocated (1) slot and Region C is allocated (2) slots. If any region is unable to fill their respective vacancies, then the vacancy will be open to the remaining two regions.

REALTOR® Directors shall be elected to serve for terms of three (3) years, except that at organization, one-third of the elected REALTOR® Directors shall be elected for terms of one, two and three years, respectively, or for such lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many REALTOR® Directors shall be elected each year as are required to fill vacancies, plus an alternate REALTOR® Director shall be elected, said alternate to fill the first Director vacancy occurring during the elective year. The Outside Director is appointed by the President-Elect and ratified by the current board of directors. The Outside Director will serve a (1) one year term, is a full voting director but is not eligible to determine a full voting quorum.

Section 4. Election of Officers and Directors

(a) At least two (2) months before the annual meeting, the President shall appoint, subject to the approval of the Board of Directors, a Nominating Committee of at least five (5) REALTOR® Members, one of whom is the immediate Past President of the Association who shall act as chair of the committee. No more than two (2) of the committee shall be officers or directors as named in Article XII. The Executive Vice President will be an ex-officio member of this committee. The duty of the Nominating Committee will be to select at least one Member in good standing for each position to be filled on the Board of Directors. The Nominating committee shall seek to find qualified candidates in all regions areas of the Association’s jurisdiction.

(b) At least one month before the annual meeting, the President shall appoint, subject to the approval of the Board of Directors, an Election Committee of three (3) Realtor® Members to conduct the election.

(c) By July 1st of each year, after the Members nominated have agreed to serve if elected, a report of the Nominating Committee shall be mailed or electronically delivered to all members eligible to vote, announcing the candidates and the dates of the election.

(d) Additional candidates for the offices to be filled may be placed in nomination at the annual meeting by a REALTOR® Member if seconded by another REALTOR® Member. Additional candidates for the positions to be filled may also be placed in nomination by a petition signed by at least 25 of the members eligible to vote. The petition must be on a properly executed petition and must be received by the Association’s Executive Vice President no later than June 14.

(e) A ballot containing the names of all candidates and their company affiliation will be made available electronically to all Members eligible to vote no later than July 1st of each year. The names of the candidates will be placed on the ballot according to the region they represent, in an order determined by drawing of the candidates’ names by the Association staff. The ballot and biographical information on each candidate will be on the Association’s website and will be password protected. After a Member has cast a ballot, the voting page on the site will be unavailable to that Member.

(f) Members may cast their vote July 15-25 of each year and will be notified, through the Association’s newsletter, website and MLS messaging, of the election process. No votes by phone, mail, e-mail, in person at the Association’s office, or fax will be allowed.

(g) The election committee shall tabulate the election results no earlier than July 26 and no later than July 30. In the event of a tie, the issue will be determined by a drawing conducted by the election committee. The election committee shall also ensure that a quorum (15%) of the membership has voted. In the event a quorum of the membership has not voted, the Board of Directors will be advised and will make arrangements for a second election with the same slate of candidates.

(h) When more than one person is being elected (including the alternate), the candidate receiving the top vote total will receive the longest term of office, and the candidate receiving the second largest vote total will receive the second longest term, and so on. When all director vacancies are filled, the candidate receiving the next highest vote total will become the alternate.

(i) The results of the election will be announced no later than August 1st of each year on the Association's website.

(j) Newly elected Officers and Directors shall be installed at the Annual Awards and Installation Banquet, date and place to be determined by the incoming President. The outgoing Treasurer shall continue in an overlap capacity with the newly elected Treasurer in order to close out the books and prepare the end of the year financial reports.

Section 5. Vacancies. The Board of Directors shall fill vacancies among the Officers and the Board of Directors until the next annual election, except that the alternate elected at the annual meeting will fill the first Director vacancy during an elective year, for the remainder of the year.

Section 6. Chief Staff Executive. There shall be an Executive Vice President, appointed by the Board of Directors, who shall be the chief administrative officer of the Association. The Executive Vice President 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.

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. Indemnification of Directors, Officers and Employees. 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:

- 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;
- 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;

- a transaction from which the Director, Officer or employee derived an improper personal benefit; or
- willful misconduct.

Section 9. The termination of any action, suit or proceeding referred to in Section (1) 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 1.

Section 10. Any indemnification under Section (1) 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 (1)(a) to (d). 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:

- 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
- By the Executive Committee of the Association by a majority vote of a quorum consisting of members who were not parties to such Proceeding.

Section 11. 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, 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.

Section 12. All capitalized terms used in this Article shall have the meaning given to them in Section 1818.0871 of the Wisconsin Statutes.

Section 13. Conflict of Interest. Officers and Directors shall promptly disclose all material financial interests and any other circumstances that 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 Association Executive Vice President and the Association attorney 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 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 Association has a transaction or business arrangement;
- A compensation agreement with the Association or with any entity or individual with which the Association 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 a situation where a Director or Officer has a financial, personal or other interest that has a significant likelihood of preventing the Director or Officer from fulfilling his or her fiduciary duties to the Association.

Fiduciary Duties. Directors shall perform the duties of a Director in good faith, in a manner which is in the best interests of the Association 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 Association to liability or use information obtained as a Director inconsistently with the fiduciary duties of the Director or otherwise to the detriment of the Association.

Section 14. Executive Committee.

(a) The Executive Committee shall consist of the President, President – Elect, Treasurer and Immediate Past President.

(b) The Executive Committee may: exercise the powers of the Board of Directors between meetings of the board, fix the hour and place of meetings, determine agenda items in advance of meetings and perform other duties as are specified in these bylaws.

(c) The Executive Committee may not: amend the bylaws, makes rules or regulations governing nominations or elections, or prescribe regulations for professional standards proceedings. It may not express a public opinion or position on any matter including legislation of major import to the members of the Association. It may not approve expenditures in excess of \$500

(d) The Executive Committee shall report any actions taken to the Board of Directors at the next scheduled meeting. Any action required or permitted to be taken at a meeting of the Executive Committee may be taken by written action signed by two-thirds (2/3) of the members of the Executive Committee then in office.

ARTICLE XIII - MEETINGS

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

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

Section 3. Other Meetings. Meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten (10) percent of the REALTOR® Members eligible to vote.

Section 4. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting, it shall be accompanied by a statement of the purpose of the meeting.

Section 5. Quorum. A quorum for the transaction of business shall consist of fifteen (15) percent of the REALTOR® Members eligible to vote. A quorum at a Board of Directors meeting shall consist of sixty (60) percent of the members of the Board of Directors.

ARTICLE XIV - 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:

- Education/Programs
- Equal Opportunity
- Membership/Orientation
- Professional Standards*
- Nominating/Recognition
- Public Relations
- Government Affairs

RPAC/RPAC Trustees

*Appointments to the Professional Standards Committee shall be consistent with the cooperative professional standards enforcement agreement of the Association.

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

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

Section 4. Attendance. Any Committee Member who fails to attend three (3) successive regular or special meetings of the Committee, without excuse acceptable to the Chairman of the Committee, shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointments.

Section 5. President. The President shall be an ex-officio Member of all committees except Nominating/Recognition and shall be notified of their meetings.

Section 6. Action without Meeting. Any committee may act by majority consent in writing without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee.

Section 7. Attendance by Telephone. Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the Committee Chairman and shall constitute presence at the meeting.

ARTICLE XV - FISCAL AND ELECTIVE YEAR

The fiscal and elective year of the Association shall be October 1 to September 30.

ARTICLE XVI - RULES OF ORDER

Section 1. Roberts 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 XVII - AMENDMENTS

Section 1. 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. Through a signed petition of ten percent (10%) of the members eligible to vote, such amendment(s) in question shall then be submitted to the members for a ballot vote, provided such petition is received prior to the thirty (30) days from the date of publication. Article IX may be amended only by a majority vote of all REALTOR® Members. Amendments to these bylaws being mandated by the NATIONAL ASSOCIATION OF REALTORS® may be approved by a majority of the Board of Directors without the necessity of membership approval.

Section 2. Notice of all meetings at which amendments are to be considered shall be given to every REALTOR® Member eligible to vote at least one week prior to the time of the meeting.

Section 3. Amendments to the Bylaws affecting the admission or qualification of REALTOR® Members and Institute Affiliate Members, the use of the terms REALTOR® and 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®.

ARTICLE XVIII - DISSOLUTION

Section 1. Upon the dissolution of this 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 XIX - MULTIPLE LISTING SERVICE

Section 1. Authority. The Association of REALTORS® 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 Association.

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

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

Section 3. 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 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 the principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an 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 by or published by an Association's Multiple Listing Service where access to such information is prohibited by law.

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

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.

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

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