

**BYLAWS OF THE  
Mid-Illinois REALTORS Association  
Revised March 20, 2020**

**ARTICLE I - NAME**

**Section 1:** Name. The name of this organization shall be the Mid-Illinois REALTORS Association, hereinafter referred to as the "Association" or as "MIRA". (Amended 3/2020).

**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 Illinois 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, those 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 all of DeWitt, Livingston, and McLean Counties, and Clayton, El Paso, Greene, Kansas, Minonk, Palestine, and Panola townships in Woodford County, Illinois. (Amended 8/13, 3/2020).

**Section 2:** Territorial Jurisdiction is defined to mean:

The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Association 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:

**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 located in the state of Illinois 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. (Amended 1/01)

**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 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.

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 Board. 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 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, of 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. (Amended 1/02)

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 interests 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.

## **ARTICLE V- QUALIFICATION AND ELECTION**

**Section 1: Application:** 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 of membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, the Constitution, 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<sup>®</sup> Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> 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, 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<sup>®</sup> 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 managing broker's (Amended 8/13) 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 pending or recent bankruptcy (\*), has no record of official sanctions involving unprofessional conduct (\*\*), agrees to complete a course of instruction, as defined by Association Policy, 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. (Amended 1/05)

**(\*) NO RECENT OR PENDING BANKRUPTCY** is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, or 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 1:** One or more of the requirements for REALTOR® Membership set forth above in Article V Section 2(a) may be deleted at the Board's discretion. However, Boards may NOT adopt membership qualifications more rigorous than specified in the Membership Qualification Criteria for REALTOR® Membership approved by the Board of Directors of the National Association.

**NOTE 2:** Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® membership to any applicant who has an

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

B. Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Board (if a secondary member) and must maintain a current, valid real estate managing broker's or broker's (Amended 8/13) 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, as defined by Association Policy, 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 will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

C. The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (*except for violations of the Code of Ethics; See Article V, Section 2(a) NOTE 2*) provided that all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six

months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. (Amended 06/06)

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

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

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

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

D. If the Board of Directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant. (Adopted 1/98, Amended 1/05, Amended 1/17)

**Section 4:**     **MIRA New Member Orientation and Code of Ethics:** Applicants for REALTOR® membership and provisional REALTOR® members shall complete a MIRA new member orientation program and a Code of Ethics class of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within 2 offerings of NMO of the date that provisional membership was granted will result in termination of provisional membership.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®. (Adopted 1/01) (Amended 3/2020).

**Section 5:**     **REALTOR® Code of Ethics Training**

*Effective January 1, 2019, through December 31, 2021,* and for successive three 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 (3) cycle shall not be required to complete additional ethics training until a new three (3) 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 (3) 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 (3) year cycle or until the requirement is met, whichever is sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, Amended 11/08, Amended 11/2014, Amended 1/27/2020)

**Section 6:**     **Termination.** Membership in the Association shall be terminated when a member disassociates from a Realtor® member who is a principal of a firm, partnership, corporation, trust or other business entity and does not associate themselves with another principal Realtor® Member within 30 working days.

**Section 7:**     **Re-association:** A person who has terminated his/her membership in the Association, and reapplies for membership within the current year of



their paid dues, shall not be required to complete the Association's New Member Orientation program or pay the Association's application fee and membership dues for the remaining calendar year, since said dues were previously paid, but will be assessed a "Re-association Fee", in the amount as time to time established by the Board of Directors.

**Section 8: Status Changes;**

A. A REALTOR<sup>®</sup> who changes the conditions under which he holds membership shall be required to provide written notification to the Association within 30 days. A REALTOR<sup>®</sup> (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<sup>®</sup> principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR<sup>®</sup> (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<sup>®</sup> (principal). If the REALTOR<sup>®</sup> (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<sup>®</sup> who is transferring his/her license from one firm comprised of REALTOR<sup>®</sup> principals to another firm comprised of REALTOR<sup>®</sup> principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

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

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

C. Dues shall be prorated from the first day of the month in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year. (Amended 01/05)

**ARTICLE VI - PRIVILEGES AND OBLIGATIONS**

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

**Section 2:** Any member of the 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 neither 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®. It shall be the duty and responsibility of every REALTOR Member of this Board to abide by the Constitution and Bylaws and the Rules and Regulations of the Board, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to 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 Board as from time to time amended.

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

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

**Section 5.** If the 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 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®. (Amended 5/16)

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

**Section 6. REALTOR® Members.** REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; 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 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 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, or 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 Board. 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<sup>®</sup> Member (non-principal) elects to sever his connection with the REALTOR<sup>®</sup> and affiliate with another REALTOR<sup>®</sup> Member in good standing in the Association, whichever may apply.

If a REALTOR<sup>®</sup> 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<sup>®</sup> or REALTORS<sup>®</sup> by the firm, partnership or corporation shall not be affected.

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

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

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<sup>®</sup> or the REALTOR logo; to serve as President of the local association; or to be a participant in the local association's Multiple Listing Service. (Amended 1/02)

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

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

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

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

**Section 12. Certification by REALTOR<sup>®</sup>.** "Designated" REALTOR<sup>®</sup> Members of the Association shall certify to the Association annually, by August 1 on

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

**Section 13. Harassment.** Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the Association. As used in the Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shove, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-Elect and/or Vice President and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for the Association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint. (Amended 5/08)

## **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 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 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<sup>®</sup>, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, 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 NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> as adopted by this Association and from time to time amended.

**Section 3.** The responsibility of the Association and of 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<sup>®</sup> AND REALTORS<sup>®</sup>**

**Section 1.** Use of the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup> by members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, use of their terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 06/2006)

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

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

**A.** In the case of a REALTOR<sup>®</sup> 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<sup>®</sup> or REALTORS<sup>®</sup> shall be limited to

office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business. (Amended 1/01)

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

## **ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS**

**Section 1.** The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and of the Illinois REALTORS®. By reason of the Association's membership, each REALTOR® Member of the Member Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Illinois 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 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 that Code among its REALTOR® Members. The Association and all its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the Illinois REALTORS®.

## **ARTICLE X - DUES AND ASSESSMENTS**

**Section 1. Application Fee.** The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of annual dues for REALTOR® Membership, which shall be required to

accompany each application for REALTOR® membership and 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. **REALTOR® Members.** The dues of each Designated REALTOR® Member shall be as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate broker and managing broker licensees (Amended 8/13) 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 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 DR 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 board. \* (Amended 1/05) Appraiser members will be charged the same application fees and dues as Realtors.

1. For the purpose of this Section, a REALTOR® Member of a Member Association shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section I, 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 sponsoring broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, or corporate officer of the entity. (Amended 8/13)

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® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® membership during the preceding calendar year. (Amended 11/09 and 11/14)

2. The Designated REALTOR® shall submit annually, by August 1 to the Association a signed list naming all those whose licenses are displayed in his/her office. Acceptance of the Designated REALTOR®'s annual dues is contingent on receipt of said list.

B. The annual dues of REALTOR® Members other than the Designated REALTOR® shall be as established annually by the Board of Directors. (Amended 01/05)

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 (\$105.00). The National Association shall credit \$35.00 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 \$35.00 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 \$35.00 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 voluntarily subscribe. (Amended 11/13)

D. **Affiliate Members.** The annual dues of each Affiliate Member shall be as established annually by the Board of Directors.

E. **Public Service Members.** The annual dues of each Public Service Member shall be as established annually by the Board of Directors.

F. **Honorary Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

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

**Section 3. Dues Payable.** Dues for all members shall be payable annually in advance on the first day of October. Dues for new members shall be computed from the date of application and granting of provisional membership and shall be prorated for the remainder of the year.

A. In the event a licensee or licensed or certified appraiser who holds REALTOR® membership is suspended or terminated 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 30 days of the notice of suspension or termination.

#### **Section 4. Non-Payment of Financial Obligations**

A. **Dues.** Membership dues are due on October 1<sup>st</sup>. If dues are not paid within 15 days of the due date, the Member is automatically suspended. SUSPENSION MEANS THAT ALL MIRA PRIVILEGES, INCLUDING MLS, WILL CEASE. After 30 days if dues are still not paid, membership shall automatically terminate. TERMINATION MEANS THAT MEMBERSHIP IN MIRA, INCLUDING MLS, WILL BE REVOKED AND THE TERMINATED MEMBER MUST APPLY AS A NEW MEMBER. (Amended 3/2020).

B. **Fees, Fines, and Other Assessments (other than dues).** If fees, fines, and other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within 15 days past due, all MLS Participant services will be suspended. Sixty (60) days past the due date the Membership will be terminated. In addition, once the payment has not been made within 15-day period, a finance charge of 18% (APR) will be applied to the unpaid balance and computed on a daily basis. Reinstatement of MLS Services will require payment of all current and past dues, fees and fines and other assessments plus a

\$150 reinstatement fee and any finance charge. Subsequent late payments resulting in a suspension of services for an office within twenty-four (24) months of a previous suspension a late fee assessment will require payment of all current and past dues, fees and fines, a \$500 reinstatement fee plus the finance charge of 18% (APR) applied to the unpaid balance and computed on a daily basis.

C. **Disputed Amounts.** No action shall be taken to suspend or terminate membership for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. During the period the member disputes the amount due and the Board Rules, no finance charge will be incurred.

D. **Reinstatement.** A former Member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other rules and regulations of the Association or any of its services, departments, divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

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

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

**Section 7. Refunds.** Only those Members whose annual dues are paid prior to October 1 and who terminate their membership prior to October 1 may have their annual dues refunded. Requests for refunds must be made in writing to the Board of Directors.

**Section 8. Expenditures.** The Board of Directors shall administer the finances of the Association but shall not incur an obligation in excess of \$25,000.00 for any non-budgeted item without authorization by vote of a majority of the REALTOR® Members present and qualified to vote at a meeting at which a quorum is present. A quorum shall consist of twenty percent of the REALTOR® Members eligible to vote.

**Section 9.** The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

NOTE: A Member Association's dues obligation to the National Association is reduced by an amount equal to the amount which the local Association is assessed for a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members

of the local Association. The dues obligation of such individuals to the local Association should be reduced to reflect the reduction in the local Association's dues obligation to the National Association. The local Association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the local Association's obligation to the State Association with respect to such individuals. Member Associations should determine whether the dues payable by the local 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 local 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. Officers.** The elected officers of the Association will be REALTOR® Members and will be: a President, a President-Elect, and a Treasurer. They will be elected for terms of one year. Except for extraordinary unforeseen events, the President-Elect will succeed to the Presidency, and Treasurer will succeed to President-Elect subject to election thereto

**Section 2. Officer Qualifications.** To become eligible to serve as an Officer of the Association, an Officer candidate must have completed at least two years as a Director on the Board of Directors as of October 1, and have served on at least two Association Committees or have chaired at least one Association Committee.

**Section 3. Duties of Officers.** The duties of the Officers will be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It will be the duty of the Executive Officer to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Illinois REALTORS®.

**Section 4. Board of Directors.** The governing body of the Association will be a Board of Directors consisting of the elected officers and Ten (10) Realtor® Members of the Association, plus the Immediate Past President. Directors will be elected to serve for terms of three years, except that at organization, one-third of the elective Directors will 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 years. Thereafter, as many Directors will be elected each year as are required to fill vacancies. (Rev 9/29/2011)

**Section 4a. Livingston County Representation.** The Board of Directors shall appoint a Livingston County Director to the Board of Directors as an eleventh director for the balance of the fiscal year during which the merger between the Association and the Livingston County Board of Realtors shall occur. The Director so appointed shall be a managing broker with his or her principal office in Livingston County, Illinois, or a member who maintains his or her license at a sponsoring broker's office in Livingston County, Illinois. The directorship held by the appointee identified above shall end at the close of said fiscal year. Thereafter, the Association's Nominating Committee, utilizing the

process described in Section 10 of this Article XI, shall reserve one of the ten director positions for a member from Livingston County who holds the qualifications set forth above, and those qualifications set forth in Section 5 of this Article XI. For purposes of the first nomination of a member from Livingston County, said nominees' membership in the Livingston County Board of Realtors for the two years immediately preceding the merger with the Association, shall be deemed to satisfy the membership tenure qualification standard set forth in said Section 5. (Amended 3/2020).

**Section 5. Director Qualifications.** In order to become eligible to serve as a Director, a Director candidate must have completed at least two years as a Realtor<sup>®</sup> Member in good standing prior to the election.

**Section 6. The Nominating Committee.** At least two months before the annual election, a Nominating Committee of seven REALTOR<sup>®</sup> Members will be appointed by the President with the approval of the Board of Directors.

The Committee will be made up of the Immediate Past President, who will serve as Chairman, the two most immediate Past Presidents willing to serve, and four REALTOR<sup>®</sup> Members at-large from offices not already represented on the committee.

**Section 7. Selection of Candidates for President.** The Nominating Committee will select one candidate for President, and that candidate would be the President-Elect (provided that the Member was elected to that position and not appointed.) If appointed, then the Nominating Committee will select two candidates for President.

**Section 8. Selection of Candidates for President-Elect.** If the existing Treasurer- Secretary chooses to run for the position of President-Elect, the Nominating Committee will automatically slate the existing Treasurer-Secretary as a candidate for that position.

**Section 9. Selection of Candidates for Treasurer-Secretary.** The Nominating Committee will slate one or more candidates for the position of Treasurer-Secretary.

**Section 10. Selection of Candidates for Director.** The Nominating Committee may slate two candidates per Director position available.

**Section 11. Petitioning Requirements for Officer and Director Candidates.** The approved slate of the Nominating Committee will be sent to each Realtor Member at least 30 days preceding the elections. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least twenty percent (20%) of the REALTOR<sup>®</sup> Members providing the candidates petitioning to run as an Officer and/or Director meet the necessary requirements for qualifications per Sections 2 and 5 of this Article before being placed on the official ballot.

The petition will be filed with the Executive Officer or his/her designee at least two weeks before the election. The Executive Officer or his/her designee will send notice of such additional nominations to all REALTOR® Members before the election.

**Section 12. Election of Officers and Directors.** The election of Officers and Directors will take place at the Annual Meeting. Election will be by ballot containing the names of all candidates and the offices for which they are nominated. All votes may be cast in person or electronically. Any resulting tie vote will be determined by Executive Leadership.

**Section 13. Vacancies.** Vacancies among the Officers will be filled by appointment of the Board of Directors until the next Annual Meeting. Vacancies created in the Director positions from the election process, will be filled by the next candidate in line with the highest votes for the unexpired term. Any vacancies created at other times throughout the year, shall will be appointed by the Board of Directors for the unexpired terms.

**Section 14. 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 will be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and will 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 will be held, and the sole business of the meeting will be to consider the charge against the Officer or Director, and to render a decision on such petition.

C. The special meeting will be noticed to all voting Members at least ten (10) days prior to the meeting, and will 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 will be required for removal from office.

**Section 15. Executive Officer.** There will be an Executive Officer, appointed by the Board of Directors, who will be the chief administrative officer of the Board. The Executive Officer will have the authority to hire, supervise, evaluate and terminate other staff, if any, and will perform such other duties as prescribed by the Board of Directors. (Adopted 01/05)

**ARTICLE XII - MEETINGS**

**Section 1. Annual Meeting.** The Annual Meeting of the Association shall be held during September of each year, the date, place, and hour to be determined 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 two consecutive regular meetings or a total of three during the elective year without an excuse deemed valid by the Board of Directors shall be construed as resignation there from. A quorum shall consist of a simple majority of the Board of Directors.

**Section 3. Other Meetings.** Meetings of the Members may be held at such other times as the President of the Board of Directors may determine, or upon the written request of at least ten percent of the REALTOR® Members eligible to vote. Absence from two consecutive regular meetings or a total of three during the elective year without an excuse deemed valid by the Committee shall be construed as resignation there from. A quorum shall consist of a simple majority of the Committee members.

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

**Section 5. Quorum.** A quorum for the transaction of business shall consist of twenty percent of the REALTOR® Members eligible to vote, except in meetings of the Board of Directors.

**ARTICLE XIII - COMMITTEES**

**Section 1: Standing Committees.** The President shall appoint, from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

Bylaws	Broker/Lawyer Relations
Education	Grievance
Finance	Membership
Personnel & Policy	Public Relations/Equal Opportunity in Housing
RPAC/Government Affairs	YPN

**Section 2: Special Committees.** The President shall appoint, subject to confirmation by the Board of Directors, such special committees as he/she may deem necessary.

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

**Section 4: President.** The President shall be an ex-officio member of all standing committees except the Professional Standards and Grievance Committees, and shall be notified of their meetings.

#### **ARTICLE XIV - FISCAL AND ELECTIVE YEAR**

**Section 1:** The fiscal year of the Association shall be October 1 to September 30. (Rev.10/1/2009).

**Section 2:** The Directors and Officers shall be elected at the Annual Meeting in September of each year. Committee Chairmen shall be appointed after the Annual Meeting, but no later than October of the Elective year. The Elective year shall be from October 1 through September 30.

#### **ARTICLE XV - RULES OF ORDER**

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

#### **ARTICLE XVI - AMENDMENTS**

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

**Section 2:** Written notice of all meetings, at which such amendments are to be considered, shall be provided to every REALTOR® Member at least one week prior to the time of meeting.

**Section 3:** Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Association 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 the dissolution of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Illinois REALTORS<sup>®</sup>, or within its discretion to any other non-profit, tax-exempt organization. (Amended 1/05)

## **ARTICLE XVIII - MULTIPLE LISTING**

**Section 1. Authority:** The Association of REALTORS<sup>®</sup> shall maintain, via service contract with a third-party or otherwise, for the use of its members a Multiple Listing Service.

**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 procuring cause of the sale (or lease). (Amended 1/05)

**Section 3. Participation:** Any REALTOR<sup>®</sup> Member 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 managing 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. (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 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 on 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 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 participant. (Adopted 11/08)

**Section 4: Supervision:** The activity of the Multiple Listing Service shall be operated subject to this Association's MLS service contract vendor.

**Section 5: Appointment of Committee:** The President shall appoint, subject to confirmation by the Board of Directors, a Multiple Listing Committee of nine REALTOR® Members including Chairman and Vice-Chairman. The Committee Members so named shall serve until the Multiple Listing Committee dissolves in accordance with Article XVIII – Section 10. If the Chairman of the MLS Committee is not an elected member of the Board of Directors, the Chairman shall serve as an ex-officio, non-voting member of the Board of Directors during his/her term as Chairman.

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

**Section 7: Attendance:** Any Committee Member who fails to attend two (2) consecutive regular or special meetings of the committee, or a total of three (3) during the year 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 8: Lock Box System:** This system shall meet or exceed the NATIONAL ASSOCIATION OF REALTORS® Minimum Security Measures and shall be administered within the lock box procedures set forth in the MLS Rules and Regulations of the Bloomington-Normal Association of REALTORS®.

**Section 9: Users:** Users of the MLS include non-principal brokers, managing brokers and licensed and certified appraisers affiliated with Participants. Users also include affiliated unlicensed administrative and clerical staff and personal assistants who are under the direct supervision of an MLS Participant and/or the Participant's licensed designee.

**Section 10: Sunset of Committee:** The Multiple Listing Service Committee shall automatically dissolve on April 1, 2019. The Board of Directors may extend the term of Multiple Listing Service Committee for an additional period of time subject to approval by the Board of Directors. Upon dissolution of the Multiple Listing Service Committee, the Board of Directors may create an ad-hoc committee or task force, as the Board of Directors deem necessary or appropriate.

## **ARTICLE XIX - INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS**

**Section 1:** The corporation does hereby indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful.

**Section 2:** The Corporation does hereby indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), actually and reasonably incurred by him or

her in connection with the defense or settlement of such action or suit, if he or she acted in good faith and in a manner in which he or she reasonably believe to be in, or not opposed to the best interest of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

**Section 3.** To the extent that a director, officer, employee or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in paragraphs one and two, above, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him or her in connection therewith.

**Section 4.** Any indemnification under Paragraphs one and two, above (unless ordered by court) shall be made by the Corporation only as authorized in each specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conducts set forth in Paragraphs one and two. Such determination shall be made (a) by the Board of Directors, by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, a quorum or disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the members.

**Section 5.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in each specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this action.

**Section 6.** The indemnification provided herein shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of members or disinterested directors or otherwise, both as to action in his or her official capacity, and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

**Section 7.** The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her, and incurred by him or her in any such capacity,

or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this section.

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**Membership Policy Statements Approved by the Board of Directors of the  
NATIONAL ASSOCIATION OF REALTORS®**

**Statements of Membership Policy Related to  
Implementation of Board of Choice**

The primary board of affiliation elected by a REALTOR® must be in the state where the REALTOR® is licensed and maintains his/her principal place of business. Licensees affiliated with a REALTOR® firm may choose as their "primary" board any board in the state where the firm maintains a "Designated" REALTOR®.

Membership shall be available in a secondary board on terms and conditions no more stringent than the requirements established in the board's Bylaws for REALTOR® membership. The privileges of membership shall be the same including the right to vote and hold office.

Membership will be granted to individuals who hold REALTOR® membership in their primary board without any requirement that the Designated REALTOR® they are licensed or affiliated with hold membership in the secondary board. However, MLS services will only be available if the Designated REALTOR® participates in the MLS. Association dues shall not include a national allocation since NAR dues have been paid through the member's primary association. A state allocation may only be included if the member's primary board is located in a different state.

REALTORS® shall be entitled to purchase services from boards other than their primary board without the necessity of holding membership in those boards. Service fees will be determined by the individual boards. However, the board may require that a REALTOR® (principal) be licensed in the state as a condition of MLS participation. (Adopted 2/94; amended 11/96)

**Concerning Board of Choice Across State Lines**

That the membership choices currently provided under Board of Choice be expanded across state lines as follows:

Members may join a primary board across contiguous state lines. State association membership would be in the state where primary board membership is held. To become effective July 1, 1996, with optional local board adoption sooner. (Adopted 11/95)

### **Portability of Membership Records (Files)**

In order to facilitate timely processing of applications for membership and to assist associations in determining an applicant's qualification for REALTOR® membership, associations shall, based on a request from another association, share information about current or former members.

Minimum "core" member information shall include:

1. Previous applications for membership
2. All final findings of Code of Ethics violations and violations of other membership duties within the past three (3) years (when available)
3. Pending complaints alleging violations of the Code of Ethics or alleging violations of other membership duties
4. Incomplete or (pending) disciplinary measures
5. Pending arbitration requests (or hearings)
6. Unpaid arbitration awards or unpaid financial obligations to the association or its MLS
7. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

An association may, at its discretion, consider information received from other associations when determining whether an applicant satisfies the association's membership requirements as established in the association's bylaws (not to exceed NAR'S Membership Qualification Criteria). (Adopted 2/96, Amended 06/2006)

### **Clarification of the Term "Principal"**

The term "principal" as used in the NAR Constitution and Bylaws and in other relevant policies, includes licensed or certified individuals who are sole proprietors, partners in a partnership, officers or majority shareholders of a corporation, or office managers (including branch office managers) acting on behalf of principals of a real estate firm. (Adopted 11/96)

### **Secondary Membership in a Board/Association**

When a member has joined a primary association, and paid local, state, and national dues, secondary membership may be held in a local association in another state

(provided the applicant meets all of the qualifications for membership) without holding membership in that state association, or alternatively, secondary membership may be held directly in the state association without holding membership in a local association in that state. (Adopted 11/96)

### **Membership Requirements Related to Multiple Office Locations**

When considering an applicant for REALTOR® membership who is a principal in a real estate firm, associations have an obligation to determine that all the principals of the real estate firm who are actively engaged in the real estate business in the state are either applying for or already hold REALTOR® membership (or Institute Affiliate membership, if applicable) in a board or association. (Adopted 11/96)

If an association (local, state, national) is notified by another association that a REALTOR® member has an office location elsewhere in the state that is not functioning as a "REALTOR®- office" (i.e., licensees affiliated with the office are not members or are not accounted for under the DR dues formula) the association where the REALTOR® holds primary membership shall be responsible, in cooperation with the state and national associations, for ensuring compliance with applicable membership policies (i.e., that said licensees hold membership in the REALTOR® primary association - or some other association in the state where the firm maintains a designated REALTOR® presence - or that dues have been paid to an association based on non- member licensees affiliated with the office. (Adopted 11/96)