

BYLAWS
OF
THE FORT DODGE BOARD OF REALTORS
(Revised February 26, 2025)

Article I - Name

Section 1. Name. The name of the corporation is The Fort Dodge Board of Realtors (the "Corporation").

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

Article II – Objectives of the Corporation

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 Iowa Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objective 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 REALTORS® and REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

Article III – Jurisdiction

Section 1. The territorial jurisdiction of the Corporation as a Member of the NATIONAL ASSOCIATION OF REALTORS® is Webster County, Iowa.

Section 2. Territorial jurisdiction shall mean the geographical area within which the Corporation is granted the right and duty to control the use of the term REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Corporation agrees to protect and safeguard the property rights of the National Association in such term.

Article IV – Membership Classes

The Corporation shall have six (6) classes of members, namely:

□ **REALTOR® Members.**

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

- a. Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Iowa 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.

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.

- b. Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications.

□ **Franchise REALTOR® Membership.**

c. 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.

□ **Primary and Secondary REALTOR® Members.**

d. 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.

□ **Designated REALTOR® Members.**

e. 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. 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.

□ **Institute Affiliate Members.**

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

□ **Privileges of REALTOR® Members.**

g. REALTOR® members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the association, and may use the term REALTOR®. For purposes of this section, the term “good standing” means the member satisfies the “Obligations of REALTOR® Members”, is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR’s trademark rules.

□ **Obligations of REALTOR® Members.**

h. It shall be the duty and responsibility of every REALTOR® member of this association to safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by the governing documents and policies of the association, the State Association, and the *NATIONAL ASSOCIATION OF REALTORS®*, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration manual.

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

Affiliate Members.

i. Affiliate members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession, have interests requiring information concerning real estate and are in sympathy with the objectives of the Corporation.

Public Service Members.

j. 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.

Honorary Members

k. Honorary members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Corporation or for the public.

Student Members.

l. Student members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at an institution 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 of Members

Section 1. Application. 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 (i) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Corporation, 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 if required by the Corporation) 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 (ii) that applicant consents that the Corporation, 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 Corporation 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 or 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.

1. 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 Corporation, through its membership committee or otherwise, that: (i) he or she 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 regulator agency to engage in the appraisal of real property, (ii) has a place of business within the state or a state contiguous thereto (unless a secondary member), (iii) has no record of recent or pending bankruptcy, (iv) has no record of official sanctions involving unprofessional conduct, (v) agree to complete a course of instruction covering the Bylaws and rules and regulation of the association, the Bylaws of the State Association, and the Constitution, Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and (vi) pass such reasonable and nondiscriminatory written examination thereon, as may be required by the committee, and shall agree that if elected to membership, he or she will abide by such Constitution, Bylaws, rules and regulations, and Code of Ethics.
2. 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 (i) be associated, either as an employee or as an independent contractor, with a designated REALTOR® member of the Corporation or a designated REALTOR® member of another association (if a secondary member), (ii) 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 (iii) have no record of official sanctions involving unprofessional conduct, (iv) complete a course of instruction covering the Bylaws and rules and regulation of the association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the National Association of Realtors®, (v) pass such reasonable and nondiscriminatory written examinations thereon as may be required by the membership committee, (vi) agree in writing that if elected to membership he or she will abide by such Constitution, Bylaws, rules and regulations, and the Code of Ethics.
3. For purposes of this Section 2, 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, and 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 Corporation establishes that its interests and those of its members and the public could not adequately protected by requiring that the bankrupt applicant pay cash in advance for Corporation 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.

4. For purposes of this Section 2, no record of official sanctions involving unprofessional conduct is intended to mean that the association may only consider:
 - i. Judgments against the applicant within the past three (3) years of violations of (a) civil rights laws, (b) real estate license laws, and (c) other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities; and
 - ii. Criminal convictions if (a1) the crime was punishable by imprisonment in excess of one year under the law under which the applicant was convicted, and (b) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

5. The Corporation will also consider the following in determining an applicant's qualifications for REALTOR® membership.
 - i. All final findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® association within the past three (3) years.
 - ii. Pending ethics complaints (or hearings).
 - iii. Unsatisfied discipline pending.
 - iv. Pending arbitration requests (or hearing).
 - v. Unpaid arbitration awards or unpaid financial obligations to this or any other REALTOR® association or REALTORS® association MLS.
 - vi. Any misuse of the term REALTOR® in the name of the applicant's firm.

6. "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 an unsatisfied discipline pending in another association (except for violations of the Code of Ethics), provided all other qualifications for membership have been satisfied. The Corporation may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTOR® and shall be subject to all the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the Corporation may condition membership on the applicant's certification that he or she will submit to the pending ethics or arbitration proceeding (in accordance with established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

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

1. The chief staff executive shall determine whether the applicant is applying for the appropriate class of membership. Applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the board of directors.

2. If the board of directors determines that the individual does not meet all the qualifications for membership as established in these Bylaws, or if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 90 days from the Corporation'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 services from the Corporation 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 or she shall be declared elected to membership and shall be so notified in writing.
3. 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 or his behalf, to be represented by counsel, and to make such statements as he or she deems relevant. The board of directors may also have counsel present. The board of directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
4. If the board of directors determines that the application should be rejected, it shall record its reasons with the chief staff executive. 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 judgement by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

Section 4 Code of Ethics: Professional Standards and Training

□ 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 (2) hours and thirty (30) 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 (1) year or less.

Failure to satisfy this requirement within 60 days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

□ Continuing REALTOR® Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021 and for successive three 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 REALTOR® association, the State Association of REALTORS® or the NATIONAL ASSOCIATION OF REALTORS®, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three year cycle shall not be required to complete additional ethics training until a new three year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any

three year 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.

□ **New Member Fair Housing Orientation.**

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to gain or maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to 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 (1) year or less.

Failure to satisfy this requirement within **60** days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

□ **Continuing Fair Housing Training.**

Effective January 1, 2025, through December 31, 2027 and for successive three 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 Fair Housing training of not less than two (2) hours 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 REALTOR® association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed Fair Housing training as a requirement of membership in another association shall not be required to complete additional Fair Housing training until a new three year cycle commences.

Failure to satisfy the required periodic Fair Housing training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three year 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 5 REALTOR® Trademark.

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.

Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the *Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®* and to the Rules and Regulations prescribed by its board of directors. The association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the board of directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. REALTOR® members of the association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

A REALTOR® principal member may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members.

In the case of a REALTOR® principal member whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

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

Section 6. Status Changes

1. A REALTOR® who changes the conditions under which he or she holds membership shall notify the Corporation within 30 days. A REALTOR® who becomes a principal in the firm with which he or she 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 he or she has transferred within 30 days of the date they advised the Corporation of their change in status, their new membership application will terminate automatically unless otherwise directed by the board of directors.
2. A REALTOR® who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the Corporation is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise directed by the board of directors.
3. The board of directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with the Bylaws.

4. 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.
- 5.. 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.

Article VI – Privileges and Obligations

Section 1. Any member of the Corporation may be reprimanded, fined, placed on probation, suspended, or expelled by the board of directors for a violation of these Bylaws and rules and regulations adopted under with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of enforcement by the Corporation. Further, members other than REALTOR® members 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 term REALTOR® or the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the Corporation, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 2. Any REALTOR® member may be disciplined by the board of directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the National Association, 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.

Section 3. 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 Corporation for dues, fees, fines, or other assessments, the Corporation may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed.

Section 4. If a member resigns from the Corporation or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Corporation with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to a member'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®.

Section 5. If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration or mediation continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a member.

Section 6. Realtor® members in good standing, whether primary or secondary, are entitled to vote and to hold elective office in the Corporation and may use the term REALTOR®. For purposes of this section, the term "good standing" means the member satisfies all obligations of Realtor® Members, is current with all financial and disciplinary obligations to the Corporation, has completed any new member requirements, and complies with all trademark rules.

Section 7. 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 term REALTOR® in connection with its business during the period of suspension or until readmission to REALTOR® membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined members shall

suspend or terminate during the period of suspension of the disciplined member or until readmission of the disciplined member or until connection of the disciplined member with the firm, partnership, or corporation is severed.

Section 8. If a REALTOR® member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the term REALTOR® by the firm, partnership, or corporation shall not be affected.

Section 9. In any action taken against a REALTOR® member for suspension or expulsion hereunder, 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 of this Article VI shall apply.

Section 10. 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®. 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 Corporation, or to be a participant in the Corporation multiple listing service.

Section 11. Affiliate members shall have rights and privileges and be subject to obligations prescribed by the board of directors.

Section 12. Public Service members shall have rights and privileges and be subject to obligations prescribed by the board of directors.

Section 13. Honorary membership shall confer only the right to attend meetings and participate in discussions.

Section 11. Student members shall have rights and privileges and be subject to obligations prescribed by the board of directors.

Section 12. REALTOR® members shall certify to the Corporation during the month of November on a form provided by the Corporation a complete listing of all individuals licensed or certified in the REALTOR® office and shall designate a primary association for each individual who holds membership. REALTOR® members shall also identify any non-member licensees in the office and if REALTOR® dues have been paid to another association based on said non-member licensees, the REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues hereunder. REALTOR® members shall also notify the Corporation of any additional individuals licensed or certified with the firm within 30 days of the date of affiliation or severance of the individual.

Section 13. Any member may be reprimanded, placed on probation, suspended or expelled for harassment of an employee, officer or director of the Corporation after an investigation in accordance with the procedures of the Corporation. 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 appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the president, 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 Corporation. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the president 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.

Section 1. The responsibility of the Corporation and 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 Corporation as from time to time amended, which by this reference is made a part of these bylaws.

Section 2. It shall be the duty and responsibility of every REALTOR® member of the Corporation to safeguard and promote the standards, interests, and welfare of the Corporation and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession. REALTOR members must also abide by the governing documents and policies of the Corporation, the State Association, and the NATIONAL ASSOCIATION OF REALTORS® as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

Section 3. Every REALTOR® member shall maintain a high level of integrity and adhere to the Corporation's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership.

Article VIII – Use of the Term REALTOR® and REALTORS®

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 Corporation 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 Corporation's Code of Ethics and Arbitration Manual.

Section 2. REALTOR® members 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 term REALTOR® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members, as described above.

Section 4. In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

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

Article IX – State and National Memberships

The association shall be a member of the NATIONAL ASSOCIATION OF REALTORS® and the IOWA REALTORS 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 IOWA REALTORS 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.

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.

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.

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

Article X – Dues and Assessments

□ 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.

□ Designated REALTOR® Members Dues.

The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the board of directors, plus an additional amount to be established annually by the board of directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any 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.

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, renting, managing, counseling, or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the designated REALTOR®. 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.

REALTOR® Members Dues.

The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the board of directors.

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®.

Section 1. 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. The annual dues of members shall be as follows.

1. The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the board of directors, plus an additional amount to be established annually by the board of directors times the number of real estate salesperson 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 designated REALTOR® has paid dues on said non-member licensees in another association in Iowa 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 with the jurisdiction of this association.

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

2. The annual dues of REALTOR® members (other than Designated REALTOR® members), Institute Affiliate Members, Affiliate Members, and Public Service Members shall be established annually by the board of directors.
3. Dues payable, if any, by Honorary Members, Student Members, and REALTOR® Emeriti shall be at the discretion of the board of directors.

Section 3. Dues for all members shall be payable annually in advance on the first day of January. Dues for new members shall be computed from the first day of the month in which a member is notified of election and shall be prorated for the remainder of the year. In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of association dues, and the individual remains with the Designated REALTOR® firm, the dues obligation of the Designated REALTOR® as set forth above will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days of the notice of termination.

Section 4. If dues, fees, fines, or other assessments including amounts owed to the Corporation or the multiple listing service are not paid within one (1) month after the due date, the nonpaying member is subject to suspension and a \$25.00 late fee charge at the discretion of the board of directors. Two (2) months after the due date, membership of the nonpaying member may be terminated at the discretion of the board of directors and a \$25.00 late fee will be charged. Three (3) months after the due date membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the board of directors. A former member who has had his or 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 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 and expenditures of funds shall be in accordance with policies established by the board of directors.

Section 6. All dues, fees, fines, assessments, or other financial obligations to the Corporation or multiple listing service shall be noticed to the delinquent member in writing setting forth the amount owed and due date.

Article XI – Officers and Directors

Section 1. Officers. The officers of the association shall be a president, a vice president, a secretary, and a treasurer. The secretary and treasurer may be the same person. All officers shall be elected for terms of one year.

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the board of directors. It shall be the particular duty of the president to keep the records of the association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Iowa Association of REALTORS®.

Section 3. Board of Directors. The governing body of the association shall be a board of directors consisting of the elected officers, the immediate past president of the association, and three (3) elected REALTOR® members of the association. Directors shall be elected to serve for terms of three years, except that at initial composition of the board, one-third of the elected directors shall be elected for terms of one (1), two (2) and three (3) years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many directors shall be elected each year as are required to fill vacancies. No more than two (2) Realtors from the same real estate firm may simultaneously serve on the Board of Directors

Section 4. Election of Officers and Directors.

1. At least two (2) months before the annual election, a nominating committee of three (3) REALTOR members shall be appointed by the president with the approval of the board of directors. The nominating committee shall select one candidate for each office and one candidate for each place to be filled on the board of directors. The report of the nominating committee shall be emailed to each member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by a petition signed by at least twenty 20% of the REALTOR members eligible to vote. The petition shall be filed with the president at least two (2) weeks before the election. The president shall send notice of such additional nominations to all members eligible to vote before the election.
2. The election of officers and directors shall take place at the annual meeting. Election shall be by ballot and all votes shall be cast in person or by proxy. The ballot shall contain the names of all candidates and the offices for which they are nominated.
3. The president, with the approval of the board of directors, shall appoint an election committee of three (3) REALTOR® members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

Section 5. Vacancies. Vacancies among the officers and the board of directors shall be filled by a simple majority vote of the board of directors until the next annual election.

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

1. 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 vice president, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
2. 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 Corporation 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.
3. All voting members shall be given written notice of the special meeting at least ten (10) days prior to the meeting. The meeting shall be conducted by the president, unless the president's continued service in office is being considered at the meeting, in which case, the vice president will conduct the meeting. Provided a quorum is present, a three-fourths vote of members present and voting shall be required for removal from office.

Article XII – Meetings

Section 1. Annual Meeting of Members. The annual meeting of the members of the Corporation shall be held during October/November of each year on such the date and at such place and time as designated by the board of directors.

Section 2. Meeting of Directors. The board of directors shall designate a regular time and place of meetings. Absence from three (3) regular meetings without an excuse deemed valid by the board of directors shall be construed as resignation. A quorum for the transaction of business shall be a majority of the board of directors, except as may otherwise be required by state law.

Section 3. Special Meetings. Special Meetings of the members may be held at other times as the president or the board of directors may determine, or upon the written request of at least ten (10%) percent of the members eligible to vote.

Section 4. Notice of Meetings. Written notice shall be given to every Member entitled to participate in a meeting at least ten (10) days 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 for Membership Meetings. A quorum for the transaction of business at general and/or special meetings of the membership shall consist of members present eligible to vote, except as may otherwise be required by state law.

Section 6. Electronic Transaction of Business. To the fullest extent permitted by law, the board of directors or membership may conduct business by electronic means.

Section 7. Action without Meeting. Any action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if a written consent setting forth the action so taken shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the president to be filed in the corporate records. The action

taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.

Article XIII – Committees

Section 1. Standing Committee. The president shall appoint from among the REALTOR® members, subject to confirmation by the board of directors, the following standing committees:

1. Advocacy/RPAC Committee
2. Consumer Outreach Committee
3. DEI / Fair Housing Committee
4. Grievance / Profession Standards Committee
5. Multiple Listing / Forms Committee
6. Nomination Committee
7. Social Committee
8. Technology Committee
9. Finance/Budget Committee
10. Unification Efforts and Supports
11. Education Committee
12. Newsletter Committee

Section 2. Special Committees. The president shall appoint, subject to confirmation by the board of directors, special committees as deemed necessary.

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

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

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

Section 6. Attendance by Telephone. Members of a committee may participate in any meeting through the use of a conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the president and shall constitute presence at the meeting.

Article XIV – Fiscal and Elective Year Section 1.

The fiscal year of the Corporation shall be January to December. **Section 2.** The elective year of the Corporation shall be January to December.

Article XV – Rules of Order

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meeting of the Corporation, its board of directors, and committees, in all instances wherein its provisions do not conflict with these Bylaws.

Article XVI – Amendments

Section 1. These Bylaws may be amended by a majority vote of the members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, provided, however, that when Bylaws amendments are mandated by NATIONAL ASSOCIATION OF REALTORS® policy, these Bylaws may be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by the NATIONAL ASSOCIATION OF REALTORS®, and the Corporation shall provide notice of that change in a regular or special membership communication.

Section 2. Notice of all meetings at which amendments are to be considered shall be mailed to every member eligible to vote at least ten (10) days prior to the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate members, the use of the term REALTOR®, or any alteration in the territorial jurisdiction of the Corporation shall become effective upon their approval as authorized by the board or directors of the NATIONAL ASSOCIATION OF REALTORS®.

Article XVII – Dissolution

Upon the dissolution of the Corporation, after providing for the payment of all obligations, any remaining assets shall be distributed to any one or more other non-profit tax exempt organization at the discretion of the board of directors.

Article XVIII – Multiple Listing Service

Section 1. Authority. The Corporation shall maintain for the use of its members a Multiple Listing Service which shall be subject to the Bylaws of the Corporation and such rules and regulations as may be hereinafter adopted.

Section 2. Purpose. A multiple listing service is a means by which: (a) authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer's agents, or in other agency or nonagency capacities defined by law), (b) cooperation among participants is enhanced, (c) information is accumulated and disseminated to enable for bona fide clients and customers, (d) participants engaging in real estate appraisal contribute to common databases, and (e) which facilitates the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensations is determined by the cooperating broker's performance as a procuring cause of the sale.

Section 3 Participation. Any REALTOR® member who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these Bylaws, shall be eligible to participate in the Corporation's multiple listing service 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 the multiple listing service is strictly limited to the activities authorized under a participant's licensure or certifications and unauthorized use is prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right to access to information developed by or published by an association multiple listing service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to entitle participation in the multiple listing service. 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 proved 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. This requirement does not permit the 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. The MLS committee 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 committee 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.

The MLS committee, at its discretion, may require participants and to complete a determined amount of training prior to participation in the multiple listing service.

Section 4. Supervision. The multiple listing service shall be operated under the supervision of the MLS committee, in accordance with the rules and regulations developed by the board of directors.

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

ARTICLE XIX - COMPLIANCE WITH 501(c)(3)

The corporation intends to comply with Section 501(c)(3) of the Internal Revenue Code which would establish this corporation as a non-profit corporation under said act, and said incorporator also intends to comply with Section 501(c)(2)(B) of the Internal Revenue Code establishing this corporation as one to which charitable contributions can be made as defined under said Code. No member of this corporation or any other individuals shall receive any of the earnings of the corporation. This corporation will not, directly or indirectly, intervene in any political campaign on behalf of or in opposition to any political candidate, nor will it contact or urge the public to contact legislators in order to support, propose or oppose legislation, nor will it advocate the adoption of or the rejection of any legislation.