

North Shore - Barrington Association of REALTORS® Bylaws

ARTICLE I - NAME

Section 1.

Name

The name of this organization shall be the North Shore Barrington Association of REALTORS® Incorporated, hereinafter referred to as the "Board," a not for profit corporation of the State of Illinois."

Section 2.

REALTORS®

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

ARTICLE II - OBJECTIVES

(Requires verbatim adoption by member boards - Selected Uniform Provision)

The objectives of the Board are:

Section 1.

To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

Section 2.

To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

Section 3.

To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

Section 4.

To further the interests of home and other real property ownership.

Section 5.

To unite those engaged in the real estate profession in this community with the ILLINOIS ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

Section 6.

To designate, for the benefit of the public, individuals authorized to use the term "REALTOR®" and REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE III - JURISDICTION

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

The territorial jurisdiction of the Board as a Member of the NATIONAL ASSOCIATION OF REALTORS® IS: shall start at the southern boundary of Evanston at Lake Michigan, west along the north line of the city limits of Chicago (Howard Street) to McCormick Boulevard, south on McCormick to Devon, west on Devon to Lehigh Road, northwest on Lehigh Road to Oakton Street, west on Oakton Street to Harlem Avenue, north on Harlem Avenue to Dempster Street, west on Dempster Street to Milwaukee Avenue, northwest on Milwaukee Avenue to Central Road, West on Central Road to the Des Plaines River, North along the Des Plaines River to the Lake County/Cook County line, east along county line to the western limits of Deerfield, north along the west city limits of Deerfield, Highland Park and Lake Forest, to the north city limits of Lake Forest, east to Lake Michigan, plus that part of lake and Cook Counties, Illinois described as follows: all of Cuba and Barrington Townships and that part of Ela, Palatine and Schaumburg Townships lying West of the easterly boundary line of Barrington Consolidated High School District #220 as it existed on the charter date of May 15, 1969 as allocated by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

Section 2.

Territorial jurisdiction is defined to mean:

(a) The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Board agrees to protect and safeguard the property right of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

Section 1.

There shall be six classes of members as follows: REALTOR[®], Affiliate, Institute Affiliate, Life, Franchiser, and Civic.

REALTOR[®] Members, whether primary or secondary shall be:

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 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 1/05)

NOTE: REALTOR[®] Members may obtain membership in a "secondary" Board in another state.

(a) 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.

(b) Primary and Secondary REALTOR[®] Members. An individual is a primary member if the Board pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR[®] member of the Board in order for licensees affiliated with the firm to select the Board as their "primary" Board.

(c) 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 Board dues as established in Article X of the Bylaws. The "Designated REALTOR[®]" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR[®] Membership established in Article V, Section 2, of the Bylaws. Designated REALTOR[®] is the only

membership classification allowed to vote for election of officers, amendments to the Bylaws or dissolution of the corporation. Electronic transmission is acceptable. Each Designated REALTOR® will have one vote for each REALTOR® member in good standing within the firm. The Designated REALTOR® will cast all of the votes on behalf of licensees affiliated with their firm (either in total or proportionate), but may not vote contrary to the votes cast by individual licensees who are members in their own right.

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. (Adopted 1/96)

Institute Affiliate Members.

Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership. (Amended 1/02)

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 Board. 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 board, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property. If the specialty is in a business that Illinois requires a license then a proof of license must be provided before membership is granted. To maintain membership, that license must be kept active.

Life Members.

Life Members shall be any persons proposed unanimously by the Board of Directors, and approved by the Membership Committee. Except for the right to vote, Life Members shall have the privileges and rights of REALTOR® Members.

Civic Members.

Civic Members shall consist of any persons holding the position of mayor, village president, city manager or any municipal official deemed eligible by the Board of Directors within the jurisdiction of this Board. Civic Members shall not be entitled to vote on amendments to the Bylaws, or on any questions coming before the Board, nor shall they be required to pay dues. This Membership shall be granted only for the period of

said Civic Member's tenure of office and said Membership may be revoked at any time by the Board of Directors.

Section 2.

Transfer of Membership Classification.

Transfer of Classification of Membership in the Board, except for REALTOR® Members, may be made upon written request to the Membership Committee, subject to its recommendation, fees and the approval of the Board of Directors.

Section 3.

Leave of Absence and Termination of Membership.

(a) Leave of absence for any Member may be granted by the Board of Directors to Members in any classification only for service in the armed forces in the United States. Payment of dues by Members during a leave of absence shall not be required.

(b) Designated REALTOR® Members, accordance with Article X, Section 2, shall be responsible to report to the Board within three (3) days of any transfer, termination or change of membership classification of any Board Member employed by or associated with said designated REALTOR® Member, his firm, partnership, trust or corporation.

Section 4.

Transfer, and Reinstatement of Membership.

(a) Members and approved applicants may transfer from one office to another provided notification is promptly reported to the Board office. Said notification shall be in writing by the former office, the new office, or the agent who is transferring. A transfer fee shall accompany said notification. The fee applies to all transfers, whether to a new company or to a different office in the same company. All fees, dues and assessments continue until notice has been received via fax, mail or email.

(b) Any former Member, or former applicant previously approved may be reinstated in the same classification of membership provided said former Member, or applicant, was in good standing at the time of the termination of membership. Reinstatement applications must also be accompanied by a reinstatement fee and payment of all back dues, fees and assessments.

(c) If a Member resigns from the Board with an ethics complaint or arbitration request pending, the Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he will submit to the pending ethics or arbitration proceeding and will abide by the decision of the hearing panel; or if the Member resigns without having complied with an award in arbitration, the Board of Directors may condition any reapplication of the former Member upon the former Member promise to pay the award, plus any costs that have previously been established as due and payable by the former Member, provided that the award has not, in the meanwhile, been otherwise satisfied.

Section 5.

Education Program.

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The Board shall furnish and/or conduct an Education Program for new applicants for REALTOR® Membership. Applicants must complete an objective and non-discriminatory indoctrination course.

(b) If applicant for REALTOR® Membership is or has been a REALTOR® Member in good standing of a member board of the NATIONAL ASSOCIATION OF REALTORS®, applicant will not be required to meet the educational requirements of this Board.

ARTICLE V - QUALIFICATION AND ELECTION

Application form shall contain among the statements to be signed by the applicant:

(1) That applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Board, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Board, State and National Associations, and if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and

(2) That applicant consents that the Board, 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 Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

(3) Failure to satisfy this requirement within ninety (90) days of the date of application (or, alternatively, the date that provisional membership was granted), without making a reservation for an orientation program at a date and time deemed acceptable, will result in denial of the membership application or termination of provisional membership.

Section 2.

Qualification

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that he is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member) , has no record of recent or pending bankruptcy *, has no record of official sanctions involving unprofessional conduct **, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, 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, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Board and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

** No record of official sanctions involving unprofessional conduct is intended to mean that the Board may only consider:

- A. judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.
- B. criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date. (Amended 6/07)

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 Board or a Designated REALTOR® Member of another Board (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, **has no record of official sanctions involving unprofessional conduct***, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF 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 such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics. (Amended 6/07)

(c) The Board/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®

"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 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 6/06)

Section 3.

Election.

The procedure for election to membership shall be as follows:

(a) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the association's bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within one hundred eighty (180) days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated.

(b) Dues shall be computed from the date of application and shall be non-refundable unless the association's Board of Directors terminates the individual's membership in accordance with subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee.

(c) The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

(d) If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the Secretary. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the Board for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual. (Adopted 1/98, Amended 1/05)

Section 4.

New Member Code of Ethics Orientation.

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

Failure to satisfy this requirement within ninety (90) 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.

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)

Section 5.

Continuing Member Code of Ethics Training.

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the Association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another Association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

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

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

Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. 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 5/05)

Section 6.

Status Changes.

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within three (3) days. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in

these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within thirty (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. (Amended 1/98)

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

Section 7.

Withdrawal, Rejection, Re-Application

(a) An applicant who fails to receive the approval of the Board of Directors for election to membership shall not again be considered for membership until the expiration of three months from the date of such failure, and then only upon a new application being made for membership. All of the dues collected at the time of the application will be returned along with half of the initial fee.

(b) An applicant may withdraw the application before final action is taken by the Committee or the Board of Directors. In all cases where the petition of an applicant has been withdrawn, rejected, or fails to be elected, all deposits by the applicant shall be promptly returned less a service charge in amount of half the initial fee.

(c) An applicant for membership who fails to be elected shall be refunded one-half of the initial fee and all of the prorated dues.

(d) Each application shall be accompanied by the Initial Application Fee and prorated dues. A REALTOR® applicant must be associated with, and licensed under or through a REALTOR®, or if an Appraiser, must be certified by the state of Illinois or a state contiguous thereto and said fact must be acknowledged in writing by a REALTOR® Member who is a principal in the corporation, a partner in the partnership, or the proprietor under whom the applicant is or will be licensed or certified.

Section 8.

Loss of Certification of Registration.

The Board of Directors shall drop from membership any REALTOR® Member whose Certificate of Registration as a real estate broker, or salesman, has been denied, recalled or

revoked by the Department of Professional Regulations of the State of Illinois. The Board of Directors shall also have the power to reinstate any former Member dropped from membership because of loss of Certificate of Registration, in case such Certificate of Registration has been restored by the State or a new Certificate granted.

ARTICLE VI – PRIVILEGES AND OBLIGATIONS

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

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

(a) When application for REALTOR® Membership has been approved by the Membership Committee and Board of Directors, the applicant shall have three months from date of application to complete the educational and other requirements for membership. Upon completion of said requirements, membership shall be granted. Failure to complete the said requirements within the three-month period shall automatically deny the application unless the time for completion is extended by the Board of Directors.

(b) REALTOR® Members as sole proprietors, partners, trust or corporate officers must maintain an office within the State of Illinois or a state contiguous thereto.

(c) REALTOR® Members votes will be cast by the Designated REALTOR® for the firm. Electronic transmission is acceptable

Section 2.

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

Section 3.

Any REALTOR® of the Board may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of

Ethics and Arbitration Manual as adapted by the Board, 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, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

Section 5.

If a Member resigns from the Board or otherwise causes membership to terminate with an ethics complaint or pending, the Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

(a) If a member resigns or otherwise causes membership to terminate with an arbitration request pending, the obligation to arbitrate shall remain in effect and the Board may, at its discretion, process the arbitration request in accordance with its established procedures provided the dispute arose while the parties were REALTORS®.

Section 6.

REALTOR® Members.

REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Board are paid in full shall be entitled to vote and to hold elective office in the Board; 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 Board 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 Board 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® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Board, whichever may apply. If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected. *

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

Section 7.

Institute Affiliate Members.

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

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR® 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.

Life Members.

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

Section 10.

Franchiser Members.

Franchiser Membership shall confer only the right to attend meetings and participate in discussions.

Section 11.

Civic Members.

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

Section 12.

Certification by REALTOR®.

"Designated" REALTOR®. If the Illinois Association of REALTORS® does not provide a list of licensees then the "Designated" REALTOR® Members of the Board shall certify to the Board during the month of June on a form provided by the Board, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Board based on said non-member licensees, the Designated REALTOR® shall identify the Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Board of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual. If the Illinois Association of REALTORS® provides a list of all licensees within a firm, as noted by the State of Illinois, the list will be used in lieu of the certification.

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 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 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 in Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Secretary-Treasurer, 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. NOTE: Suggested procedures for processing complaints of harassment are available on line at realtor.org, or from the Member Policy Department. (amended 5.08)

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

The responsibility of the Board and of Board members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS® as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Section 2.

It shall be the duty and responsibility of every REALTOR® Member of this 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.

The responsibility of the Board and Board 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 Board, which by this reference is made a part of these Bylaws.

ARTICLE VIII - USE OF THE TERMS REALTOR[®] AND REALTORS[®]

(Requires verbatim adoption by member boards - Selected Uniform Provision)

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 Board 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 Code of Ethics and Arbitration Manual.

Section 2.

REALTOR[®] Members of the Board shall have the privilege of using the terms REALTOR[®] and REALTORS[®] in connection with their places of business within the State or a state contiguous thereto so long as they remain REALTOR[®] Members in good standing. No other class of members shall have this privilege.

Section 3.

A REALTOR[®] Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR[®] or 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 as described in Section 1 (b) of Article IV.

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

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

The Board shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the ILLINOIS ASSOCIATION OF REALTORS®. By reason of the Board's Membership, each REALTOR® Member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the ILLINOIS ASSOCIATION OF REALTORS® without further payment of Dues. The Board shall continue as a member of the State and National Associations, unless by a majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2.

The Board recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The Board shall discontinue use of the terms in any form in its name, upon ceasing to be a Member of the National Association, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

Section 3.

The Board adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Board and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the ILLINOIS ASSOCIATION OF REALTORS®.

ARTICLE X - DUES AND ASSESSMENTS

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

Application Fee.

The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership and which shall become the property of the Board upon final approval of the application. (Amended 1/02)

Section 2.

Dues.

The annual dues of Members shall be as follows:

(a) REALTOR[®] Members. 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 Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board by a Designated REALTOR[®] Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR[®] has paid dues based on said non-member licensees in another Board in the state or a state contiguous thereto, provided the Designated REALTOR[®] notifies the Board in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR[®] Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR[®] (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR[®] holds membership, and any other offices of the firm located within the jurisdiction of this board. (Amended 1/05)

(1) For the purpose of this Section, a REALTOR[®] Member of a Member Board shall be held to be any Member who has a place or places of business within the State or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 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 broker who is licensed with the REALTOR[®], or by any entity in which the REALTOR[®] has a direct or indirect ownership interest and *engaged in soliciting and/or referring clients or customers to the REALTOR[®] or his firm on a substantially exclusive basis or 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, corporate officer, or branch office manager of the entity.*

A REALTOR[®] with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR[®] for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, 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[®].

NOTE: The individuals disclosed on the form must actually be licensed to an entity that is engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis in order not to be calculated in the annual dues. These individuals cannot be licensed to an entity that engages in the listing and sale of real estate

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.

(b) REALTOR® Members. The annual dues of REALTOR® Members other than the Designated REALTOR® shall be as established annually by the Board of Directors.

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

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

(d) Affiliate Members. The annual dues of each Affiliate Member shall be 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. (Amended 1/05)

(f) Life 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. (Amended 1/05)

Section 3.

Dues Payable.

Dues for all members shall be payable annually in advance on the first day of January or as established by the Board of Directors. Dues for new members shall be computed from the date of application and granting of provisional membership.

(a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Board 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 termination.

Section 4.

Nonpayment of Financial Obligations.

If dues, fees, fines, or other assessments including amounts owed to the Board or the Board's Multiple Listing Service are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. Any payments not received within thirty (30) days after due date shall be subject to a monthly late payment as the Directors may assess. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of 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 Board 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.

Bankruptcy.

A member or returning member who has filed bankruptcy and obligations to NSBAR or any payment must be received before the end of the month the invoice was charged. This obligation will be for three years from the time the bankruptcy was filed or if a returning member from the time they are reinstated.

Section 6.

Deposits and Expenditures.

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

Section 7.

Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members.

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

Section 8.

The dues of REALTOR[®] Members who are REALTOR[®] Emeriti (as recognized by the National Association of REALTORS[®]), 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 Board's dues obligation to the National Association is reduced by an amount equal to the amount which the Board is assessed for a REALTOR[®] Member, times the number of REALTOR[®] Emeriti (as recognized by the National Association of REALTORS[®]), Past Presidents of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR[®] Members of the Board. The dues obligation of such individuals to the local Board should be reduced to reflect the reduction in the Board's dues obligation to the National Association. The Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Board's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the Board 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 Board with respect to those licensees employed by or affiliated with the "designated" REALTOR[®] who are not Members of the local Board.

ARTICLE XI - OFFICERS - BOARD OF DIRECTORS - MANAGEMENT

Section 1.

Classification of Officers.

The Officers of the Board shall consist of President, a President-Elect, and a Secretary-Treasurer, who stands for election at the annual meeting of the Board.

Section 2.

Term of Office.

The term of office of the elected Officers shall begin on the date of their installation in office and shall continue for one (1) year, or until their successors are elected and installed in office. No Officer shall be eligible for election for two (2) consecutive terms except the Secretary-Treasurer.

Section 3.

Board of Directors.

- (a) **The Government of the Board** shall be vested in a Board of ten (10) Directors, consisting of the Officers of the Board and seven (7) other REALTOR[®] Members. However, not more than four (4) members of the Board of Directors shall have previously served as President of the Board. Directors shall be elected each year to serve a two-year term to fill vacancies created by retiring Directors whose terms are expiring. No director shall be elected for two (2) consecutive terms, however, a Director filling a vacancy of an unexpired term of one year or less shall be eligible for election to a consecutive term. The CEO ex-officio of the Board of Directors.
- (b) **Any director** who shall be absent from two regular meetings of the Board of Directors in any elective year shall automatically forfeit his office, unless the Board of Directors, upon receipt of a written explanation of such absence satisfactory to it, shall waive this provision. Said forfeited office shall be filled by election by the Board of Directors until the election at the next annual meeting of the Board of REALTORS[®] at which time this office shall be up for election along with the others.

Section 4.

Election of Officers and Board of Directors.

- (a) **Nominations.** Election of officers and directors shall take place by the Annual Meeting of the Board Membership. Not later than March 31 of each year, a Nominating Committee of five (5) REALTOR[®]/designated REALTOR[®] Members, at least two of whom shall be Past Elected Presidents of the North Shore Barrington Association of REALTORS[®], shall be appointed by the President with the approval of the Board of Directors. The President shall name one member of the Nominating Committee as the Chairman. Members of the Nominating Committee shall not be eligible for election as members of the Board of Directors. The President shall appoint replacements to fill any vacancies occurring on the Nominating Committee. The Nominating Committee shall select one (1) candidate for each vacant position on the Board of Directors. The nominating committee shall select all qualified candidates that meet the criteria for election to the Board of Directors and with qualifications for Board Leadership. The applicants for Secretary Treasurer and President Elect will also be recommended by the nominating committee for election.

The Nominating Committee shall report in writing to the Secretary-Treasurer at least forty-nine (49) days prior to the Annual Meeting of the Board Membership the names of the nominees. At least forty- two (42) days prior to the Annual Meeting, the Secretary-Treasurer will deliver the report of the Nominating Committee as notice to the Membership, by notice on the web page or other appropriate electronic means as approved by the Board of Directors.

- (b) **Elections.** Elections will conducted by electronic balloting by Designated REALTORS[®] who have a weighted vote by the number of licensees who are members of this Board. Elections will take place by the annual meeting.

1. Only candidates properly nominated are eligible for election. The names of all eligible candidates will appear on the electronic ballot.
2. All elections shall be by electronic ballot and shall be administered by the CEO and the company hired to conduct the electronic voting. Only Designated REALTOR[®] Members in good standing and not in arrears for any dues or charges shall be entitled to vote. Officers and Directors remain in office until their successors are elected, qualified and installed.

(c) IAR and NAR Directors: The Board of Directors shall select the additional director or directors representing the North Shore - Barrington Association of REALTORS[®] on the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS[®] in accordance with the current director entitlement formula of the NATIONAL ASSOCIATION OF REALTORS[®] and for such term of office designated in the Bylaws of the NATIONAL ASSOCIATION OF REALTORS[®] as from time to time amended.

Section 5.

Indemnification of Directors and Officers.

Each present or future Director and Officer of the Board, whether or not then in office, shall be held harmless and indemnified by the Board against all claims and liabilities, and all expenses actually and reasonably incurred or imposed upon him in connection with or resulting from any action, suit, or proceeding, or any settlement or compromise thereof approved by the Board of Directors, to which he may be made a party by reason of any action or alleged action, either of omission or commission, performed by him while acting as such officer or director in good faith, except in relation to matters as to which recovery shall be had against him, by reason of his being finally adjudged in such action, suit or proceeding, derelict in the performance of his duties as such director or officer; and the foregoing right of indemnification shall not be exclusive of other rights to which he may be entitled as a matter of law. Each such director or officer shall be likewise indemnified against any judgment, decree or fine which may be imposed upon him in any such proceeding, suit, action or prosecution.

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:

A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

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 Board 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.

The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Board unless the President continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

ARTICLE XII - DUTIES OF OFFICERS - BOARD OF DIRECTORS

Section 1.

Duties of President:

The President shall preside at all meetings of the Board of Directors and shall perform all duties usually pertaining to that office, including the signing of checks, and shall be a member ex-officio of all Committees except the Nominating, Professional Standards, Grievance, Membership and Past Elected President's Advisory Committees and shall appoint members to act for Committee Members unable, unwilling or disqualified to serve in specific instances; serves as chief elected officer, representing the entire membership and the best interests of the Board of Directors. Serves as the chief voluntary executive and shall be responsible to the Board of Directors in contact with the administrative office to make certain that policies established by the Board, are put into effect and carried out as may deem appropriate to the Board of Directors.

Section 2.

Duties of the President -Elect:

The President-Elect shall perform the duties of the President in the event of the President absence or disability and shall have such other powers and duties as may be prescribed by the Board of Directors, the Executive Committee or the President. The President -Elect shall succeed to the office of President without the need to stand for election as President.

If the President elect resigns from the Board of Directors during his term a new President Elect may:

1. Be slated through the nominating committee based on the election process or
2. The President may ask the Secretary Treasurer if he would stand for election for the present year President Elect. The Secretary Treasurer would then have duties of both positions for the remainder of the year.
3. Nominating Committee shall hold a special meeting to reevaluate the immediate past applicants to fill any vacant board seat.

Section 3.

Duties of Secretary-Treasurer:

The Secretary-Treasurer shall make a record of the proceedings of the Board and of the Meetings of the Board of Directors, which record shall at all reasonable times be open for inspection by the Members of the Board. The Secretary-Treasurer shall make sure of the following: roll of members; notices of all meetings of the Board five (5) days in advance, with a brief mention of the business to be transacted, if known; be the keeper of the Seal of the Board; and perform all other such duties as may be prescribed by these Bylaws, by the Board Membership or Board of Directors from time to time. Secretary Treasurer duties to include review of all financial reports and audits, recommended financial experience or educational requirements for the position to assist the nominating committee in the selection process for the Secretary Treasurer position, Chair of the Finance committee, Evaluation and review of all contracts for services NSBAR may enter into and that this position may be 2 consecutive 1 year terms, which is mentioned in Article XI Section 2 and in Policies and Procedures.

Section 4.

Board of Directors:

The Board of Directors shall be the governing body of the Board and shall have immediate charge and control of the affairs of the Board, including voting of any stock held by the Board in any separate corporation, and shall fill vacancies in office both for Officers and Directors for the remainder of the term by appointment, and shall authorize all expenditures of funds of the Board. At the first meeting of the Board of Directors after they elect Officers, the Board of Directors shall pass the necessary resolutions to enable the Officers and President to conduct all necessary banking operations and entry to the deposit boxes of the Board in such banks or banking institutions as the Board of Directors may designate.

Section 5.

CEO (Chief Executive Officer):

The Board of Directors shall employ and direct a CEO and maintain a Board Office for benefit of all Board Members. The CEO serves as the Chief paid Executive and operating officer of the organization and is the only staff member selected by the Board of Directors. The CEO serves as a non-voting member of the Board of Directors and a voting member of the Executive Committee, responsible to the Board of Directors for the effective conduct of the affairs of the Board. The CEO recommends and participates in formulation of the Board mission, goals, objectives and related policies. Within that framework, the CEO plans, organizes, coordinates and directs the staff, programs and activities of the Board.

ARTICLE XIII - MEETINGS

Section 1.

Regular and Special Meetings of the Membership.

Meetings of the Board Membership shall be held at such time and place as the Board of Directors may designate or deem necessary.

Special Meetings of the Board Membership to consider special questions may be called at any time by the President or by any five percent of REALTOR[®]/Designated REALTOR[®] Members by delivering, at least five days (5) before the meeting, electronic notice of the place, day and time of the meeting, and the purpose or purposes for which the meeting is called, by newsletter, computer, personal delivery, confirmed telecopy transmission, electronic or other electronic means as approved by the Board of Directors, to each REALTOR[®] Member. At such meeting no subject shall be considered other than the subject for which the meeting is called except as otherwise provided in the Bylaws.

Section 2.

Annual Meeting.

The Annual Meeting of the Board Membership shall be held prior to October 1 of each year at which time the Officers and Board of Directors shall be installed for the ensuing year.

Section 3.

Installation

Officers and Members of the Board of Directors shall be installed no later than October 15 of the year elected.

Section 4.

Quorums.

Five (5) Officers and Directors shall constitute a quorum of the Board of Directors.

Ten (10) REALTOR[®] Members shall constitute a quorum for the transaction of all business of the Board Membership meetings, other than voting on amendments to the Bylaws.

For the purpose of voting on amendments to the Bylaws, a quorum shall consist of Fifteen (15) REALTOR[®] Members present or represented by proxy as described in Article XV, Section 4. If more than one Member from any single proprietorship, partnership, corporation or trust is

present or represented by proxy as described in Article XV, Section 4, only one such Member shall be counted for the purpose of determining whether a quorum is present for the transaction of business but nothing herein contained shall restrict the right of any Member otherwise eligible to vote on any business at any such meeting.

Section 5.

Electronic Transaction of Business.

To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

Section 6.

Action without Meeting.

Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the CEO 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 XIV - COMMITTEES

Section 1.

Committees.

There will be a Professional Standards and Grievance Committee. The President with approval of the Board of Directors each year will determine the name and number of additional committees.

The President shall appoint all Committee Chairmen. Committee Chairmen shall be approved by the Board of Directors.

Appointments to the Professional Standards Committee and Grievance Committee shall be consistent with the cooperative professional standards enforcement agreement of the Board.

Section 2.

Past Elected Presidents' President Advisory Committee.

The Past Elected Presidents' President Advisory Committee is composed of those past elected presidents and President who are still active in the real estate profession and are Members of the Board.

Section 3.

Organization.

All committees shall be of such size and shall have duties, functions, and powers as assigned by the CEO or the Board of Directors except as otherwise provided in these Bylaws.

Section 4.

President.

The President shall be an ex-officio member of all standing committees and shall be notified of their meetings. (See exceptions section 1)

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 communications equipment, internet or other electronics 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 XV - METHOD OF CONDUCTING BOARD MEETINGS

Section 1.

Roll Call.

A roll call shall be allowed by the President or any presiding officer on any question coming before the Board Membership, upon the request of five (5) Members present who are entitled to vote on the question. Electronic transmission is acceptable.

Section 2.

Rules of Order.

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

Section 3.

Voting by Proxy.

Members may vote by proxy, in which case Electronic transmission is acceptable, on all matters concerning the Board on which they are eligible to vote. Said proxies must be in writing and filed with the Secretary-Treasurer not later than three business days (excluding day of balloting) prior to all balloting. Form of said proxy shall be:

(a) Voting by proxy for the election of Officers and Directors

I hereby delegate _____ with full power of substitution to vote as my proxy at the Annual Meeting of the members of the North Shore Barrington Association of REALTORS® to be held at _____, Illinois, on the ____ day of _____, 20____, granting him/her full power and authority to act for me and cast my vote at an election or on any question which may come up to be voted on at such Membership meeting. And I further authorize the holder thereof to vote at any adjourned session of such meeting, or at any other meeting held subsequent thereto, at which questions involving the action of such original meeting shall be voted upon.

I direct the above designated proxy holder to cast my vote (please indicate):

1. _____ In favor of the following named individuals for the office indicated:

(Use blank area at the bottom of page for additional names, if necessary.)

Or

2. _____ To be voted as deemed advisable by proxy holder.

=====

If any of the above named individuals are no longer eligible for election then I direct the above designated proxy holder to:

1. _____ Vote as deemed advisable by proxy holder.

or

2. _____ Not to vote this proxy.

GIVEN THIS _____ DAY OF _____, 20_____

Signature _____

Print name: _____

Witness: _____

(b) Voting by proxy pertaining to bylaw changes or other matters.

I hereby delegate _____ with full power of substitution to vote as my proxy at the meeting of the members of the North Shore Barrington Association of REALTORS® to be held at _____, Illinois, on the ____

day of _____, 20____, granting him/her full power and authority to act for me and cast my vote on any question which may come up to be voted on at such Membership meeting. And I further authorize the holder hereof to vote at any adjourned session of such meeting, or at any other meeting held subsequent thereto, at which questions involving the action of such original meeting shall be voted upon.

I direct the above designated proxy holder to cast my vote (please indicate):

1. _____ (In favor of proposed amendment(s))
2. _____ (Not in favor of proposed amendment(s))
3. _____ (To be voted as deemed advisable)

by proxy holder)

GIVEN THIS _____ DAY OF _____, 20_____

Signature _____

Print name: _____

Witness: _____

(c) Only Designated REALTORS® may vote by proxy in which Electronic transmission acceptable. Members voting by proxy may give their proxy only to Designated REALTOR® or to an elected Officer or Director of the Board.

ARTICLE XVI - FISCAL AND ELECTIVE YEAR

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

The elective term of the Board shall be from Annual Installation to next Annual Installation except those directors who are elected for two-year terms.

Section 2.

The fiscal year of the Board shall commence on the first day of July of each year

ARTICLE XVII - AMENDMENTS TO BYLAWS

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

These Bylaws may be amended by the majority vote of the Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting.

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

Section 2.

Notice of all meetings at which amendments are to be considered shall be electronically transmitted and posted on the association web site to every member eligible to vote at least one (1) week prior to the meeting.

Section 3.

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

ARTICLE XVII - DISSOLUTION

(Requires verbatim adoption by member boards - Selected Uniform Provision)

Section 1.

Upon the dissolution of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Illinois Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

ARTICLE XVIII - MULTIPLE LISTING (ALTERNATE)

Section 1.

Authority.

The North Shore – Barrington Association of REALTORS® shall maintain for the use of its Members a Multiple Listing Service which shall be a lawful corporation of the state of Illinois, all the stock of which shall be owned by the Boards of REALTORS®.

Section 2.

Purpose.

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

other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease). (Amended 11/04)

Section 3.

Governing Documents.

The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Constitution, Bylaws, Rules, Regulations and Policies, Practices and policies, practices, and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4.

Participation.

Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, enti

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 a

licensure(s) or certification and unauthorized uses are prohibited. Further, none of the

information developed by or published by a Board 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

on a continual and ongoing basis during the operation of the participant's real estate business.

potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny

(VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Section 5.

Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee

ARTICLE XIX – LOCKBOXES

Ensuring Security of lockboxes.

No Member responsible for a real estate listing shall provide any third-party access to the listed real estate without the seller's consent and pursuant to the terms and conditions that the seller may reasonably request. No Member shall provide lockbox codes or similar access devices or information to unauthorized third-parties. No Member who holds, possesses, or is responsible for an electronic keycard shall allow that electronic keycard to be used by any person other than the person specifically authorized to use the keycard. No Member shall give an electronic code or combo code to any person not specifically authorized to use or possess the code. In addition to the provisions of this Section, Members shall comply with all rules and regulations that the association may from time-to-time adopt and promulgate regarding the security of listed and other real estate. Subject to notice and an opportunity to be heard on and appeal any fine imposed pursuant to this Section, any Member that violates the provisions of this Section or any of the rules and regulations that the association adopts and promulgates regarding the security of listed and other real estate shall be subject to a fine in an amount established by the Board of Directors.

**450 SKOKIE BOULEVARD, BUILDING 1200
NORTHBROOK, ILLINOIS 60062**

BYLAWS

As Adopted May 4, 1948;

Including Amendments to June 6, 1988
and amendments to March 11, 1991
and amendments to January 21, 1992
and amendments to August 25, 1994
and amendments to April 20, 1995
and amendments to December 11, 1997
and amendments to April 29, 1998
and amendments to July 30, 1998 (Barrington merger)
and amendments to January 27,
and amendments to October 27, 1999
and amendments to August, 2001
and amendments to January, 2002
and amendments to December 4, 2003
and amendments to August 18,
and amendments to May 6, 2005
and amendments to January 31, 2007
and August, 2007
and May 30, 2012
and June 20, 2013

"Suspension of Membership" definition revisions - dated 5/04

-provided
membership rights, privileges and services, (including those provided by the State and National Association) not available to nonmembers for a period not less than thirty (30) days and not longer than one year, on terms and conditions expressly stated for an established period of time, including use of the terms REALTOR[®] with automatic reinstatement of all withdrawn membership rights privileges and services at the end of the period of suspension. The thirty (30) day minimum and one year maximum do not apply where suspension is imposed for a remediable violation of a membership duty (e.g. failure to pay dues or fees or failure to complete educational requirements). Although membership rights, privileges, and services are withdrawn as specified in the notice of suspension, membership, per se, including the duty to abide by the Code of Ethics and the obligation to pay membership dues continues during the period of suspension. Suspended members shall not be obligated for payment of other fees or charges except for continued optional services of the Board. Any failure to abide by the terms and conditions of the suspension, or the finding of a violation of the Code of Ethics after a hearing as provided by the professional standards procedures of the Board bylaws, shall be grounds for consideration as to possible extension of the suspension or expulsion from membership in the Board.

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

(The following policy statements are informational, and not part of the Bylaws.)

Statements of Membership Policy Related to Implementation of Board of Choice

That, effective upon approval by the Board of Directors, the following statements of membership policy and amendments to the Model Board Bylaws to implement the board of choice proposal be adopted.

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. Board dues shall not include a national allocation since NAR dues have been paid through the member's primary board. 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[®]

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)

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 of 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[®]'s 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)

12/31/2006

The term "Participant" in a Board Multiple Listing Service is defined, as follows:

Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of

ion 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 a Board Multiple Listing Service is strictly limited to

licensure(s) or certification and unauthorized uses are prohibited. Further, none of the

information developed by or published by a Board 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 ma

on a continual and ongoing basis during the operation of the participant's real estate business.

potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny

(VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Where the terms 'subscriber' or 'user' are used in connection with a Multiple Listing Service owned or operated by a Board of REALTOR®, they refer to non-principal brokers, sales licensees, and licensed and certified real estate appraisers affiliated with an MLS Participant

administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers provided that any such individual is under the direct

available to unlicensed or uncertified individuals, their access is subject to the rules and

regulations, the payment of applicable fees and charges (if any), and the limitations and restrictions of state law. None of the foregoing shall diminish the Particip responsibility for ensuring compliance with the rules and regulations of the MLS by all individuals affiliated with the Participant. (Adopted 4/92)

Under the 'Board of Choice' policy, MLS participatory rights shall be available to any REALTOR® (principal) or any firm comprised of REALTORS® (principals) irrespective of where they hold primary membership subject only to their agreement to abide by any MLS rules or regulations; agreement to arbitrate disputes with other Participants; and payment of any MLS

voting privileges or eligibility for office as an MLS committee member, officer, or director, except as granted at the discretion of the local Board and/or MLS. (Amended 5/97)

The universal access to services component of Board of Choice is to be interpreted as requiring that MLS Participatory rights be available to REALTOR® principals, or to firms comprised of REALTOR® principals, irrespective of where primary or secondary membership is held. This does not preclude an MLS from assessing REALTORS® not holding primary or secondary membership locally fees, dues, or charges that exceed those or, alternatively, that are less than those charged Participants holding such memberships locally or additional fees to offset actual expenses incurred in providing MLS services such as courier charges, long distance phone charges, etc., or for charging any Participant specific fees for optional additional services. (Amended 11/96)

None of the foregoing shall be construed as requiring a Board to grant MLS participatory rights, under Board of Choice, where such rights have been previously terminated by action of