

Approved by Board of Directors 10/20/11  
Amended by Election on 11/10/11

# BYLAWS



**CENTRE COUNTY ASSOCIATION OF REALTORS,<sup>®</sup> INC.**  
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**BYLAWS**  
of the  
Centre County Association of REALTORS<sup>®</sup>, Inc.

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# BYLAWS

Centre County Association of REALTORS®, Inc.

## ARTICLE I - NAME

**Section 1. Name.** The name of this organization shall be the **Centre County Association of REALTORS®, Incorporated**, hereafter referred to as the "Association".

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

## ARTICLE II - OBJECTIVES

The objectives of the Association are:

**Section 1.** To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

**Section 2.** To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 3.** To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

**Section 4.** To further the interest of home and other real property ownership.

**Section 5.** To unite those engaged in the real estate profession in this community with the Pennsylvania 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 terms REALTOR® and REALTORS®, as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

## ARTICLE III - JURISDICTION

**Section 1.** The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® shall include all of Centre County, Pennsylvania.

**Section 2.** Territorial jurisdiction is defined to mean: The right and duty to control the use of the terms REALTOR® and REALTORS® subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Association agrees to protect and safeguard the property rights of the National Association in the terms.

## ARTICLE IV - MEMBERSHIP

**Section 1.** There shall be six classes of Members, as follows:

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

- (1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located in the State of Pennsylvania 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/ Association of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate membership as described in Section 1(b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the 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.

*Note: REALTOR® Members may obtain membership in a "secondary" Board/Association in another state.*

- (2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications set out in Article V.
- (3) **Franchise REALTOR® Membership.** Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) **except:** obligations related to board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local board, State Association and National Association.
- (4) **Primary and Secondary REALTOR® Members.** An individual is a primary Member if the Association pays State and National dues based on such Member. An individual is a secondary Member if State and National dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® Member of the Association in order for licensees affiliated with the firm to select the Board as their "primary" Association.
- (5) **Designated REALTOR® Members.** Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of 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.

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

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

engaged exclusively in a specialty of the real estate business other than brokerage of real property. Affiliate and Affiliate-Plus Members are elected to membership by the Board of Directors. (Additional information: Policy 2-3)

**(d) Public Service Members.** Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

**(e) Honorary Members.** Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.

**(f) Student Members.** Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major or minor in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office. (Amended 11/11/10)

**(g) J. Alvin Hawbaker Members.** J. Alvin Hawbaker Members shall be REALTOR® Members who retire from the real estate business after 15 or more years of continuous membership with the Association, and are in good standing at retirement. (Amended 11/10/11) (Additional Information: Policy 4-7)

**(h) PAR President.** The President of the Pennsylvania Association of REALTORS®, during his/her term of office, shall be a full REALTOR® member of the Centre County Association of REALTORS® without payment of dues, with the right to act on behalf of, and serve as a Full Voting Delegate of this Association at meetings of the NATIONAL ASSOCIATION OF REALTORS®.

## ARTICLE V - QUALIFICATION AND ELECTION

### **Section 1. Application.**

**(a)** An application for membership shall be made in such a manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant:

- (1)** that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws and Rules and Regulations of the Association, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the local Association, State and National Associations, and if a REALTOR® Member will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code and Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and
- (2)** that applicant consents that the Association, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application have access to a copy of the Bylaws, Constitutions, Rules and Regulations, and Code of Ethics referred to above.

### **Section 2. Qualification.**

**(a)** An applicant for REALTOR® Membership who is a principal, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that he/she, is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the State of Pennsylvania, or a state contiguous thereto, (unless a secondary member),

approved by the Real Estate Commission, has no record of recent or pending bankruptcy, has no record of official sanctions involving unprofessional conduct. An applicant shall complete two (2) half-day courses of instruction and shall pass such reasonable and non-discriminatory written examinations as may be required by the Orientation Committee. One of the courses, REALTOR® Orientation, covers the Bylaws of the Association, the Bylaws of the State Association, and the Constitution, Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®. The second of the two courses, MLS Orientation (attendance required only if applicant is to be a Participant of MLS), covers the Rules and Regulations of the Association's MLS. Applicant shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, Code of Ethics. Orientation courses to be completed within 120 days of the date of the application for Membership.

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

- (b) Individuals who are actively engaged in the real estate profession other than as principals, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association, or a Designated REALTOR® Member of another Board/Association (if a secondary member), and must maintain a current valid real estate Broker's or sales person's license or be licensed or certified by an appropriate State regulatory agency to engage in the appraisal of real property.

Applicant shall complete two (2) half-day courses of instruction and shall pass such reasonable and non-discriminatory written examinations as may be required by the Orientation Committee. One of the courses, REALTOR® Orientation, covers the Bylaws of the local Association, the Bylaws of the State Association, and the Constitution, Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®. The second of the two courses, MLS Orientation, (attendance required only if applicant is to be affiliated with a Participant of MLS), covers the Rules and Regulations of the Association's MLS. Applicant shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, Code of Ethics. Orientation courses to be completed within 120 days of the date of the application for Membership.

At the completion of six months membership, applicant shall complete the "Real Estate After Six Months" course. The course will include information about designations and continuing education, committee membership and service to the organization, and issues and concerns of new members. The course is to be completed within one year of the date that provisional membership is granted.

- (c) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:
1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years;
  2. Pending ethics complaints (or hearings);
  3. Unsatisfied discipline pending;
  4. Pending arbitration requests (or hearings);
  5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS;
  6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm. (05/17/07)

"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 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.

- (d) The qualifications for all other classes of members, except for Institute Affiliate Members, shall be determined by the Board of Directors.

**Section 3(A). Election of REALTOR® Members.** The procedure for election to membership will 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 Membership Committee with final approval of the Board of Directors. (Amended 11/11/10)
- (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 (d) below. 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. Any application fee shall be retained at the discretion of the Board of Directors.
- (c) The Executive Officer will provide all Designated REALTORS® a list of Applicants as applications are received and invite written comment if there is an objection to any of the applicants being elected into membership.
- (d) 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 120 days from the Association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated.
- (e) The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- (f) If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the Secretary or Secretary/Treasurer. 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 if a final judgment declaring that the termination violates no rights of the individual. (Amended 11/11/10)

**Section 3(B). Election of Affiliate Members.** The procedure for election to Affiliate membership shall be as follows:

- (a) Each applicant shall complete an application for Affiliate membership. This application shall be reviewed by the Membership Committee. The Membership Committee shall provide all Designated REALTORS® a list of applicants as applications are received, and invite written comment if there is an objection to any of the applicants being elected into membership.
- (b) If one or more of the REALTOR® members object to the approval of the application, that REALTOR® member shall make their objection in writing and return it to the Membership Committee. Objections which are not substantiated shall be totally disregarded.
- (c) The Membership Committee shall inform the applicant, in writing, of any objections and identify the objecting member(s). Upon notification of an objection, the applicant shall have the opportunity to respond to the objection in writing, which shall be received by the Membership Committee.

- (d) The Membership Committee shall meet and consider each complete application file, make a recommendation regarding each applicant, and forward each complete application file and recommendation to the Board of Directors for review and decision.
- (e) If the Board of Directors determines that the individual does not meet all of the qualifications for Affiliate membership as established in the Association's Bylaws including but not limited to incorrect or false information provided within the subject application for membership, the Board of Directors shall deny Affiliate membership to that applicant. The Board of Directors shall have the authority to hear any appeal of their decision, and establish appeal procedures, including hearings, at their discretion.
- (f) If the Board of Directors determines that the Affiliate application should be rejected, it shall record the reasons with the Secretary or Secretary/Treasurer. If the Board of Directors believes that denial of membership to the Affiliate applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Board for a declaratory judgment by a court of competent jurisdiction if a final judgment declaring that the rejection violates no rights of the applicant. (Amended 11/11/10)

**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 120 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®.*

**Section 5.** 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 the 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.

**Section 6. Status Changes.** A REALTOR® who changes office affiliation or the conditions under which he/she holds membership shall be required to provide written notification to the Association office within 30 days.

## ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

**Section 2.** Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of the Association. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Association, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, Members other than REALTORS®, upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee will , be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

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

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

**Section 5.** If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

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

**Section 6. REALTOR® Members.** REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS® which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

If a REALTOR® Member is a principal in a firm, partnership, or 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 re-admission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until re-admission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of

REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until re-admission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, 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 Association, whichever may apply. If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected. In any action taken against a REALTOR® Member for suspension or expulsion under Section 6 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 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®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local Association or to be a participant in the local Association's Multiple Listing Service.*

**Section 8. Affiliate Members.** Affiliate Members and Affiliate-Plus Members shall have such privileges and rights as prescribed by the Board of Directors, and be subject to such obligations as may be prescribed by the Board of Directors.

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

**Section 10. Honorary Members.** Honorary Membership shall confer no rights except the right to attend meetings and participate in discussions, and shall impose no obligations.

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

**Section 12. J. Alvin Hawbaker Members.** J. Alvin Hawbaker Members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Board of Directors. (Amended 11/10/11) (Additional Information: Policy 4-7)

**Section 13. Certification by REALTOR®.** Designated REALTOR® Members of the Association shall certify to the Association during the month of September, on a form provided by the Association, a complete listing of all individuals licensed or certified with the REALTORS®' firm(s) and shall designate a primary Board/Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTORS®' office(s) and if Designated REALTOR® Dues have been paid to another Board/Association based on said non-member licensees, the Designated REALTOR® shall identify the Board/Association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. Designated REALTOR® Members shall also notify the Association office of any additional individuals licensed or certified with the firm(s) within five (5) days of the date of affiliation or severance of the individual.

**Section 14. Harassment.** Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the Association. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be

taken shall be made by the investigatory team comprised of the President, 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. If the complaint names the President, President elect or Vice-President, they may not participate in the proceedings and shall be replaced by the immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. (Amended 09/18/09)

*NOTE: Suggested procedures for processing complaints of harassment are available online through <http://www.REALTOR.org>, or from the Member Policy Department. (Amended 05/08)*

## **ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION**

**Section 1.** The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the *Code of Ethics and Arbitration Manual* of the Association, which shall be the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, and the amendments of the Pennsylvania Association of REALTORS® to the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS® for use in Pennsylvania, which is by this reference incorporated into these Bylaws.

**Section 2.** It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article (17) of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the *Code of Ethics and Arbitration Manual* of this Association as from time to time amended.

**Section 3.** The responsibility of the Board and of 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®**

**Section 1.** Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the Association's Code of Ethics and Arbitration Manual. (05/17/07)

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

**Section 3.** A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state of Pennsylvania, 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.

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

#### ARTICLE IX - STATE AND NATIONAL MEMBERSHIP

**Section 1.** The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the PENNSYLVANIA ASSOCIATION OF REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the PENNSYLVANIA ASSOCIATION OF REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations, unless by a majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

**Section 2.** The Association recognizes the exclusive property rights of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. The Association shall discontinue use of the terms in any form in its name, upon ceasing to be a Member of the National Association, or upon a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

**Section 3.** The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the Pennsylvania Association of REALTORS®.

#### ARTICLE X - DUES, FEES AND FINANCES

**Section 1. Application Fee.** The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership, and which shall become the property of the Association upon final approval of the application.

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

(a) **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/Association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Board/Association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the Board/Association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or

corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board.

- (1) For the purpose of this Section, a REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the State or a State contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An Individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (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 REALTORS® for consideration on a substantially exclusive basis shall annually file with the Association on a form approved by the Association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the Designated REALTOR®.

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® or membership during the preceding calendar year. The annual dues of all remaining classes of membership, except for Institute Affiliate Membership, shall be determined by the Board of Directors.

**(b) 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 the 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.*

**Section 3. Dues Payable.** Dues for all Members shall be payable annually in advance on the first day of January. Dues 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 REALTORS®' 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. (Additional information: Policy 2-1)

**Section 4. Assessments.** The Board of Directors shall have the power, in its sole discretion, from time to time, to impose assessments upon any or all of the Members as it deems necessary in the interest of the Corporation, and the Board of Directors shall have the power to fix the dates when such assessments shall be due and payable.

**Section 5. Non-Payment of Financial Obligations.** If dues, fees, fines, or other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within one (1) month after the due date, the non-paying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the non-paying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the non-paying Member shall automatically terminate, unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for non-payment 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 non-payment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of accounts due as of the date of termination. A former participant or member who has voluntarily terminated his/her membership may apply for reinstatement in a manner prescribed for a new applicant. (Amended 11/11/10) (Additional information: Policy 2-4 & 2-6)

**Section 6. Deposit.** All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution selected by resolution of the Board of Directors. (Additional information: Policy 2-2 & 2-6)

**Section 7. Expenditures.** The Board of Directors shall administer the finances of the Association, but shall not incur any single obligation in excess of Ten Thousand Dollars (\$10,000.00) without the approval of the majority vote of the members present and qualified to vote at any meeting at which a quorum (20% of REALTOR® Members) is present.

**Section 8. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members.** All dues, fees, fines, assessments, or other financial obligations to the Association or Association Multiple Listing Service shall be noticed to the owing Member in writing by email with return receipt or letter setting forth the amount owed and the due date. (Amended 11/11/10)

**Section 9. Amendment of Fee Schedules.** The Board of Directors shall have the power to make, adopt and from time to time amend such fee schedule(s), not inconsistent with law or the Association's Articles of Incorporation or Bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Association. (Adopted 11/10/11)

## ARTICLE XI - OFFICERS and DIRECTORS

**Section 1. Officers.** The Officers of the Association shall be a President, a President-Elect, a Vice-President, and a Secretary/Treasurer or a Secretary and a Treasurer, if so determined by the Board of Directors. All Officers shall be elected annually by the Board of Directors in November, and they shall serve terms of one (1) year and until their successors are elected and qualified.

**Section 2. Duties of Officers.** The duties of the Officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. (Additional Information, Board Policy 5-4 and REALTOR® Handbook)

(a) The President shall be the chief executive officer of the Association and shall preside at all meetings of the membership and of the Board of Directors.

(b) The President-Elect shall perform the duties of the President in the absence of the President. The President-Elect shall succeed to President the following year.

- (c) The Vice-President shall perform the duties of the President-Elect should the President-Elect be called upon to assume the duties of the President on a permanent basis.
- (d) The Treasurer or Secretary/Treasurer shall have served on the Finance Committee for a minimum of one (1) of the last five (5) years. (Amended 11/11/10)

**Section 3. Board of Directors.** The governing body of the Association shall be a Board of Directors consisting of the elected Officers, the immediate past President of the Board, and six (6) elected REALTOR® Members of the Association. Directors shall be elected to serve for terms of three years, except that at organization, one-third of the elected Directors shall be elected for terms of one, two, and three years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many Directors shall be elected each year as are required to fill vacancies.

**(a) Term Limits.** No director shall serve for more than two consecutive three year terms.

**Section 4. Duties of Board of Directors.** The Board of Directors shall have the authority to make Rules and Regulations not inconsistent with these Bylaws relating to any of the business and affairs of the Association. (Additional information: Policy 1-3)

**Section 5. The Executive Officer.** The Association Executive will be employed by and perform the association duties and responsibilities as prescribed by the Board of Directors.

**Section 6. Election of Officers and Directors.**

(a) At least three (3) months before the annual election, a Nominating Committee of seven (7) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors in the following manner:

Chairman - The immediate Past-President, if available, or the most recent Past-President. The President-Elect plus one (1) other member of the Board of Directors. Four (4) Members-at-large, not Officers or Directors.

(b) This Nominating Committee shall select at least three (3) candidates for the Board of Directors. The qualifications of persons nominated shall be that they have been active as REALTORS® for a minimum of three (3) years and have actively participated in Association affairs by serving on committees of the Association and being involved in other services of the Association. The report of the Nominating Committee shall be sent to each REALTOR® Member at least three (3) weeks preceding the election. Additional candidates who meet the qualifications may be placed in nomination by petition signed by at least twenty-five (25) REALTOR® Members. The petition shall be filed with the Executive Officer at least two (2) weeks before the election. The Executive Officer shall send notice of such nominations to all REALTOR® Members before the election.

(c) This Nominating Committee shall also select Officers for the ensuing year. The Nominating Committee shall submit their report to the Governing Body at the October meeting of the Board of Directors.

(d) The election of Directors shall take place at the annual election in November or where permitted by state law, electronically. The time and place of the election shall be determined by the Board of Directors. The election shall be by secret numbered ballots and all votes shall be cast in person. However, a Member eligible to vote and unable to attend the voting meeting may secure an absentee ballot from the Executive Officer. Each absentee ballot must be enclosed in a securely sealed envelope, which shall be numbered by the Association and shall be mailed or delivered to the Executive Officer in a separate transmittal envelope. Only such ballots as are received at the Association Office not later than 10:00 a.m. on the day of the election shall be deemed by the Election Committee to be qualified for counting. The ballots shall be opened and counted under the supervision of the Election Committee. The ballot shall contain the names of the candidates. Members shall vote for and elect two (2) REALTOR® Members to the Board of Directors.

Where permitted by state law, and in accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors.

- (e) The President, with the approval of the Board of Directors, shall appoint an Election Committee composed of a Judge and at least two (2) Tellers. The Judge and two (2) Tellers shall be from three (3) separate real estate firms. No Officer, member of the Board of Directors, or candidate shall be eligible to serve on the Election Committee.
- (f) The election of Officers to be by the Board of Directors at their November meeting. The President-Elect, having qualified, shall automatically succeed to the office of President on January 1.
- (g) Each Officer shall hold office for one (1) year or until the Officer's successor shall have been duly elected. All Officers must be qualified REALTOR® Members in good standing.

**Section 7. Vacancies.** Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election. Appointee shall conform to requirements established in Section 6 (b).

**Section 8. Removal of Officers and Directors.** If an Officer or Director is deemed to be incapable of fulfilling the duties for which elected as prescribed herein, 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 Executive Officer specifically setting forth the reasons the individual is deemed to be disqualified from further service.

- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a Special Meeting of the voting membership of the Association shall be held. The sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.
- (c) Notice of the Special Meeting shall be sent to all voting Members at least ten (10) days prior to the meeting. The meeting shall be conducted by the President of the Association unless the President's continued service in office is the subject of the meeting, in which case, the next-ranking Officer will conduct the meeting. Provided a quorum, consisting of twenty percent (20%) of REALTOR® Members is present, a three-fourths vote of Members present and voting shall be required for removal from office.

**Section 9. Indemnification of Officers and Directors.**

**(a) General Rule.** A Director, Officer or representative of the Corporation shall not be personally liable for monetary damages for any action taken or failure to take any action, except to the extent that exemption from liability from monetary damages is not permitted under the laws of the Commonwealth of Pennsylvania as now or hereafter in effect. The provisions of this Article are intended to exempt the Directors, Officers and representatives of the Association from liability for monetary damages to the maximum extent permitted under the Nonprofit Corporation law of 1988 (15 Pa. C.S.A. 5741 et seq.) or under any other law now or hereafter in effect.

**(b) Modification or Repeal.** The provisions of this Article may be modified or repealed in accordance with the procedures for amending these Bylaws; provided, however, that any such modification or repeal shall not have any effect upon the liability of a Director, Officer or representative relating to any action taken, any failure to take any action, or events which occurred prior to the effective date of such modification or repeal.

**(c) General Rule.** Subject to the provisions of Subsection (d) below, the Corporation shall, to the fullest extent permitted under the laws of the Commonwealth of Pennsylvania as now or hereafter in effect, indemnify any person (and his/her heirs, executors and administrators) who was or is a party, witness or other participant, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including without limitation, actions by or in the right of the Corporation), by reason of the fact that he/she is or was a Director, Officer or representative of the Association, or is or was serving at the request of the Corporation as a Director, Officer or representative of another corporation, partnership, joint venture, trust or other enterprise, and may, to the fullest extent permitted under the law of the Commonwealth of Pennsylvania as now or hereafter in effect, indemnify any person (and his/her heirs, executors and administrators) who was or is a party, witness or other participant, or is threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including without limitation, actions by or in the name of the

Corporation), by reason of the fact that he/she is or was an employee or agent of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against all expenses (including attorneys' fees, court costs, transcript costs, fees of experts and witnesses, travel expenses and all other similar expenses), judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding.

**(d) Standard of Conduct.** Indemnification shall be provided under this Section only if it is determined that: (a) the person seeking indemnification acted in good faith in a manner he/she reasonably believed to be in or not opposed to the best interests of the Association, and (b) the act or failure to act giving rise to the claim for indemnification does not constitute willful misconduct or recklessness and, with respect to any criminal proceeding, he/she had no reasonable cause to believe his/her conduct was unlawful.

**(e) Procedure.** Indemnification (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because the person seeking indemnification has met the applicable standard of conduct set forth in this Article. All such determinations shall be made by the Board of Directors.

**(f) Advance Payment of Expenses.** Subject to such terms, conditions and limitations, if any, as the Board of Directors may in its discretion determine to be appropriate, the Corporation shall (in the case of a Director or Officer) and may (in the case of a representative, employee or agent) advance all reasonable expenses (including attorneys' fees, court costs, transcript costs, fees of experts and witnesses, travel expenses and all other similar expenses) reasonably incurred in connection with the defense of or other response to any action, suit or proceeding referred to in this Article upon receipt of an undertaking by or on behalf of the person seeking the advance to repay all amounts advanced if it shall ultimately be determined upon final disposition of such action, suit or proceeding that he/she is not entitled to be indemnified by the Association under the provisions of this Article. Notwithstanding the provisions of the preceding sentence, the Association shall not be required to make any advance payment of expenses (or to make any further advance if one or more advances shall have been previously made) in the event that a determination is made by the Board of Directors that the making of an advance or further advance would be inappropriate in the circumstances because there is reason to believe that the person seeking the advance did not meet the applicable standard of conduct set forth in Subsection (d) above.

**(g) Successor Rights of Indemnification.** The indemnification and advancement of expenses provided by or granted pursuant to this Article shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Director, Officer, representative, employee or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person for acts committed during term of office, representation or employment.

**(h) Insurance.** The Corporation shall have the authority to create a fund or purchase insurance of any nature, which may, but need not be, under the control of an independent trustee, or otherwise secure or insure in any manner any indemnification obligations undertaken by the Association. The authority granted by this Article shall be exercised by the Board of Directors of the Corporation.

**(i) Effective Date.** The indemnification provisions of this Article shall apply to any actual or alleged breach of performance of duty, failure or performance of duty, action, or inaction of any person who is indemnified hereunder occurring on or after January 1, 2004.

## ARTICLE XII - MEETINGS

**Section 1. Election Meeting.** The annual election meeting of the Association shall be held during November of each year, the date, place and hour to be designated by the Board of Directors.

**Section 2. REALTOR® Membership.** Meetings of the Members may be held at such other times as the President of the Board of Directors may determine, or upon the written request of at least twenty-five (25) REALTOR® Members.

**Section 3. Meetings of Directors.** The Board of Directors shall designate a regular time and place of meeting. Absence from three (3) consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation there from.

**Section 4. Notice of Meetings.** Written notice of general Membership meetings shall be given to each Designated REALTOR® Member whose responsibility it shall be to disseminate this information to all other REALTOR® Members in his/her office entitled to participate in the meeting at least one (1) week preceding all meetings. If a Special Meeting is called it shall be accompanied by a statement of the purpose of the meeting.

**Section 5. Quorum.** A quorum for the transaction of business at:

- (a) A Membership Meeting shall consist of twenty percent (20%) of the REALTOR® Members.
- (b) A Board of Directors Meeting shall consist of seven (7) members of the Board of Directors.
- (c) One more than half of a Committee's members shall be present at any meeting to constitute a quorum for conducting business of the committee.

### ARTICLE XIII - COMMITTEES

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

Education Committee	Finance Committee	Grievance Committee
Membership Committee	Multiple Listing Service Committee	Orientation Committee
Professional Standards Committee	(Amended 11/11/10)	

**Section 2. Attendance.** Any Committee Member who fails to attend three (3) consecutive regular or special meetings of the Committee shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees. The Chairman or Executive Officer shall be notified prior to the meeting, in order for the absence to be recorded as excused. Three (3) unexcused absences constitute removal from the Committee.

**Section 3. Task Forces.** The President shall appoint, subject to confirmation by the Board of Directors, such special task forces as deemed necessary.

**Section 4. Organization.** All committees shall be of such size and shall have such duties, function and powers as may be assigned to them by the President and the Board of Directors, except as otherwise provided in these Bylaws.

**Section 5. President.** The President shall appoint all committee chairpersons subject to confirmation by the Board of Directors and be an ex-officio member of all standing committees and shall be notified of their meetings.

**Section 6. Affiliate Advisory Committee.** Representatives of the Affiliate Advisory Committee shall serve as non-voting members of the Board of Directors and will not participate in hearing any professional standards matters. Representation shall consist of the Affiliate Advisory Committee Chair and Vice-Chair of a different discipline appointed by the President of the Association each year. All appointments shall be subject to confirmation by the Board of Directors. (Adopted 11/20/08) (Amended 11/11/10)

### ARTICLE XIV - FISCAL AND ELECTIVE YEAR

**Section 1.** The fiscal and elective year of the Association shall be the calendar year.

## ARTICLE XV - RULES OF ORDER

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

## ARTICLE XVI - AMENDMENTS

**Section 1.** These Bylaws may be amended by a majority vote of the REALTOR® Members present and qualified to vote at any meeting at which a quorum (20% of REALTOR® Members) is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by policy of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 2.** Notice by mail or email of all meetings at which such amendments are to be considered shall be given to every REALTOR® Member at least ten (10) days prior to the meeting. (Amended 11/11/10)

**Section 3.** Amendments to these Bylaws affecting the admission or qualifications of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Association shall become effective upon their approval by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

## ARTICLE XVII - DISSOLUTION

**Section 1.** Upon the dissolution or winding up of affairs of this Association, the Board of Directors, after providing for the payment of all obligations shall distribute any remaining assets to any real estate trade association or successor corporation or, within its discretion, to any other non-profit tax exempt organization.

## ARTICLE XVIII - MULTIPLE LISTING

### Multiple Listing Service Operated as a Committee of the Association.

**Section 1. Authority.** The Association of REALTORS® shall maintain for the use of its Members a Multiple Listing Service which shall be subject to the Bylaws of the Association of REALTORS® and such Rules and Regulations as may be hereinafter adopted.

**Section 2. Purpose.** A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting either as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

**Section 3. 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, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate brokers' license offer or accept compensation to and

from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\*\* Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participants licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “participation” or “membership” or any right of access to information developed by or published by a Board. Multiple Listing Service where access to such information is prohibited by law. (Adopted 01/15/09)

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

*The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website (“VOW”) (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant “actively endeavors during the operation of its real estate business” to “offer or accept cooperation and compensation” only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. (Adopted 01/15/09)*

**Section 3A. Temporary Inactive Status.** For good cause shown, and upon the written request of a Participant the Board of Directors shall have the right to grant temporary inactive status to a Participant. Temporary inactive status shall be granted only in cases of extreme hardship and solely at the discretion of the Board of Directors. During the period that the Participant is temporarily inactive, the Participant shall continue to be a member of the Centre County Association of REALTORS® and shall be reinstated in active status in the MLS upon the written request of the Participant and payment of the then current fees, assessments and charges. (Amended 11/11/10)

**Section 3B. MLS Associate.** MLS Associate Membership shall be limited to Association Members (REALTOR®, Affiliate) engaged in real estate through Mortgage Financing, Property Management or as Certified Appraisers, MLS Associate Members shall receive one complimentary copy of the Quarterly Comparable Books, but may purchase additional copies by submitting request in advance of publication.

**Section 4. Supervision.** The activity shall be operated under the supervision of the Multiple Listing Committee, in accordance with the Rules and Regulations, subject to approval of the Board of Directors.

**Section 5. Composition.** The MLS Committee will consist of thirteen (13) members. At least two (2) of the committee members shall be Participants in the Multiple Listing Service. The President-Elect and Vice President shall serve as two (2) of the thirteen (13) members of this committee for one (1) year terms.

**Section 6. Appointment of Committee.** Eleven (11) members (excluding the President-Elect and Vice-President) shall be appointed for three (3) year terms. The President shall appoint three (3) new members each year for three (3) year terms on the MLS Committee.

**Section 7. Vacancies.** Vacancies in unexpired terms shall be filled as in the case of original appointees.

**Section 8. Subscribers.** Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

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Revisions to the Bylaws were approved by the Board of Directors on October 20, 2011.  
Revisions adopted by membership of CCAR on November 10, 2011.

**This is the Official Copy of the BYLAWS for the Centre County Association of REALTORS®, Inc.**

**CERTIFIED BY:**

\_\_\_\_\_  
*/s/ Melissa Sieg*  
Melissa Sieg, President

\_\_\_\_\_  
*/s/ Shirley Hsi*  
Shirley Hsi, Secretary

\_\_\_\_\_  
*/s/ Lyn Gotwalt*  
Lyn Gotwalt, Executive Officer