



# Bylaws of The Northeast Association of REALTORS®, Inc.

*Amended 10/2020*

## Article I - Name

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

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

## Article II - Objectives

The objectives of the association are:

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

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

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

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

**Section 5.** To unite those engaged in the real estate profession in this community with the Massachusetts 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® is: Andover, Billerica, Boxford, Carlisle, Chelmsford, Dracut, Dunstable, Lawrence, Littleton, Lowell, Methuen, North Andover, Tewksbury, Tyngsboro, and Westford.

**Section 2.** Territorial jurisdiction is defined to mean:

(a) The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return

for which the association agrees to protect and safeguard the property rights of the National Association in the terms.

## Article IV - Membership

**Section I.** There shall be seven classes of members as follows:

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

(1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Massachusetts or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® membership only, and each is required to hold REALTOR® membership (except as provided in the following paragraph) in an association of REALTORS® within the state or a state contiguous thereto, unless otherwise qualified for Institute Affiliate membership, as described in Section 1(b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate membership, as described in Section 1(b) of Article IV.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications set out in Article V.

(3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges, and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to association-mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local association, state association, and National Association.

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

(5) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all

duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the association) pursuant to Article 17 of the Code of Ethics and the payment of association dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s), and must meet all other qualifications for REALTOR® membership established in Article V, Section 2 of the Bylaws.

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

**(c) Affiliates Members.** Affiliates 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. Affiliates shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

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

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

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

**(g) Life Members.** Life Members shall be individuals designated by the Board of Directors who have not less than forty (40) years REALTOR® membership, and who have performed notable service for the association, the profession, and the public. After being designated as such, Life Members shall not be assessed the local portion of REALTOR® dues.

## Article V - Qualification and Election

### Section I. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available upon request. The application form shall contain among the statements to be signed by the applicant (I) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the association, the State and

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

## **Section 2. Qualification**

(a) An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the association through its Membership Coordinator or duly authorized designee 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 or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy\*, has no record of official sanctions involving unprofessional conduct\*\*, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree that if elected to membership, he will abide by such *Constitution*, Bylaws, Rules and Regulations, and Code of Ethics.

\* No record of official sanctions involving unprofessional conduct is intended to mean that the Association may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

\*No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for association and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

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

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 (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date (Amended 5/07)

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct\* shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree in writing that if elected to membership he will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

Any applicant under Sections 2 (a) or (b) above, shall be required to complete the Association Orientation Course within two offerings. In the event that an applicant has not completed the Orientation Course within two offerings, the applicant's provisional membership will be terminated consistent with the provisions of Article V – Section 3 (a), and 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, consistent with the provisions of Article V – Section 3 (b), Election. At the conclusion of this two-offerings period, if the applicant remains affiliated as a licensee (or licensed or certified appraiser) with the Designated-REALTOR® Member's firm, the provisions of Article X, Section 3(a), Dues Payable shall apply.

(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 REALTOR® 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 REALTOR® association or REALTOR® association MLS
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

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

(a) The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any 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 final review of the application by the board of directors.

(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.

(c) If the Membership Coordinator (or duly authorized designee) 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 sixty (60) days from the association's receipt of their application, membership may be terminated. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

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

(e) If the board of directors determines that the application should be rejected or terminated, it shall record its reasons with the chief staff executive. If the board of directors believes that denial or termination of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

**Section 4. New Member Code of Ethics Training.** Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete a New Member Code of Ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

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

**Section 5. REALTOR® Code of Ethics Training.** Effective January 1, 2019, through December 31, 2021 and for successive three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three-year cycle shall not be required to complete additional ethics training until a new three-year cycle commences.

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



until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

**Section 6. Status Changes.** (a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the association within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals shall be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these bylaws for the category of membership to which they have transferred within 30 days of the date they advised the association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the association 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 association's bylaws.

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

(c) Dues shall be prorated from the first day of the quarter in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year.

## **Article VI - Privileges and Obligations**

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

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

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

**Section 5.** If a member resigns from the association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Associations to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

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

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

(a) If a REALTOR® member is a sole proprietor in a firm, a partner in a 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, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined member or until connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® member (non-principal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the association, whichever may apply.

If a REALTOR® member 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. \*



(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.

A member may apply for reinstatement within one year from the date of his resignation provided he/she is in compliance with Article VI, Sections 3 and 4 of these Bylaws and except for the application fee and the necessity to complete the Association Orientation Course being waived, the member must qualify for membership in accordance with Article V of these Bylaws. Provided, however, that upon reinstatement under no circumstances will dues be apportioned or prorated.

**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®.

**Section 8.** Affiliates Members. Affiliates Membership shall have rights and privileges and be subject to obligations prescribed by the Board of Directors. Affiliates membership shall not include the right to vote at member meetings.

**Section 9.** Public Service Members. Public Service members shall have rights and privileges and be subject to obligations prescribed by the board of directors. Public Service membership shall not include the right to vote at member meetings.

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

**Section 11.** Student Members. Student members shall have rights and privileges and be subject to obligations prescribed by the board of directors. Student membership shall not include the right to vote at member meetings.

**Section 12.** Certification by REALTOR®. "Designated" REALTOR® members of the association shall certify to the association on or before December 1<sup>st</sup> on a form provided by the association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary association for each individual who holds membership.

- a) Designated REALTORS® shall also identify any non-member license in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the Association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within 30days of the date of affiliation or severance of the individual. Such notification shall be submitted on the form(s) provided by the Association.
- b) There shall be imposed upon the "Designated" REALTOR® Member a fine of \$1,000 for each failure to comply with any of the requirements of Section 10 (a) or Section 10 (b) of this Article. Said fine shall be paid on or within ten (10) days upon written notification by the Association to the "Designated" REALTOR® Member identifying the basis for the imposition of the aforesaid fine.

**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 individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the president, and president-elect and/or vice president and one member of the board of directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the president, president-elect or vice president, they may not participate in the proceedings and shall be replaced by the immediate past president or, alternatively, by another member of the board of directors selected by the highest ranking officer not named in the complaint.

## Article VII - Professional Standards and Arbitration

**Section 1.** The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

**Section 2.** It shall be the duty and responsibility of every REALTOR® member of this association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, 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 association and association members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the association, which by this reference is made a part of these bylaws.

## Article VIII - Use of the Terms REALTOR® and REALTORS®

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

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

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

**Section 3.** A REALTOR® member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members 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® or REALTORS®, nor the logo of the NATIONAL ASSOCIATION OF REALTORS®.

## **Article IX - State and National Memberships**

**Section 1.** The association shall be a member of the NATIONAL ASSOCIATION OF REALTORS® and the Massachusetts 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 Massachusetts 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 Massachusetts Association of REALTORS®.

## **Article X - Dues and Assessments**

**Section 1. Application Fee.** The Board of Directors may establish application fees for Designated REALTOR® and REALTOR® Memberships 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 Designated REALTOR® and REALTOR® Memberships and which shall become the property

of the Association upon final approval of the application.

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

(a) Designated REALTOR® Members Dues. The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any association in the state or a state contiguous thereto or Institute Affiliate members of the association. In calculating the dues payable to the association by a designated REALTOR® member, non-member licensees as defined in Section 2(a) (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the association in writing of the identity of the association to which dues have been remitted. In the case of a Designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this association.

(1) A REALTOR® member of a member association shall be held to be any member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section I, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any 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, or corporate officer of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®. *Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm.*

The exemption for any licensee included on the certification form shall automatically be revoked upon the individual being engaged in real estate licensed activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® membership in the association. However, membership dues shall not be prorated if the licensee

held REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year.

(b) REALTOR® Members. The annual dues of REALTOR® members other than the Designated REALTOR® shall be in such amount 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 (\$105.00). The National Association shall credit \$35.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other association. The National Association shall also credit \$35.00 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe. (Amended 1/02 and 11/13)

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

(e) Public Service Members. The annual dues of each Public Service member shall be as established annually by the board of directors.

(f) Honorary Members. Dues payable, if any, shall be in such amount as established annually by the Board of Directors.

(g) Student Members. Dues payable, if any, shall be at the discretion of the board of directors.

(h) Life Members. Dues payable, if any, shall be in such amount as established annually by the Board of Directors.

**Section 3. Dues Payable.** Dues for all members shall be payable annually in advance on the first day of January and are not refundable, except in the case where written notice is received by the Association prior to January 1. 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 Association dues, and the individual remains with the designated REALTOR®'s firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2 [a]) will be increased to reflect the addition of a non-member licensee. Dues for new members 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 Association are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension. 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. 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,

finances, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

**Section 5. Deposit.** All monies received by the association for any purpose shall be deposited to the credit of the association in a financial institution or institutions selected by resolution of the Board of Directors.

**Section 6. Expenditures.** The Board of Directors shall administer the day to day finances of the association, but may not incur any obligation in excess of \$500 over the available cash on hand without authorization by a vote of a majority of all association members eligible to vote.

**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 Association shall be noticed to the delinquent association member in writing setting forth the amount owed and due date. In areas where it becomes the duty of the Board of Directors to establish annual dues, fees, fines, assessments, or other financial obligations of members, such dues, fees, fines, and assessments or other financial obligations for members shall be voted on by the Board of Directors at a regular or special meeting convened for that purpose, or in any event no later than the regular October meeting of the Board of Directors.

**Section 8.** The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the NAR Distinguished Service Award shall be as determined by the Board of Directors.

## **Article XIa - Misconduct**

**Section 1. Conduct for which members may be disciplined.** Members of the association may be disciplined by the Board of Directors for misconduct or conduct detrimental to the association that shall include, but is not limited to the following: Engaging in a course of conduct or repeatedly committing acts that is/are critically disruptive of the legitimate Association business activity as conducted by the association Executive Officer, the association staff, and/or the association Officers. As used in this Article, "course of conduct" shall mean a pattern of actions composed of more than one act over a period of time, however short, evidencing a continuity of conduct. The term includes lewd, lascivious, threatening or obscene words, language, drawings, caricatures or actions that include strikes, shoves, kicks, or other similar physical contact, or attempts to threaten to do the same, and that serve no legitimate purpose.

**Section 2. Disciplinary procedures.** Any complaint alleging conduct of the nature described in the preceding section shall be heard by the Board of Directors at a special meeting called by the President where an evidentiary hearing shall take place. The procedures for notice, time of notice, and conduct of hearing prescribed for matters before an Ethics Hearing Panel as set forth in the National Association of REALTORS® *Code of Ethics and Arbitration Manual* shall apply. The questions of fact for the Directors to decide will be whether the person whose conduct is complained of has engaged in such conduct and if so, whether the conduct was engaged in with a lack of legitimate reason and whether the acts or course of conduct critically interfered with the conduct of the legitimate business purposes of the Association. Such must be established by clear and convincing evidence. The Board of Directors shall determine the appropriate sanction to impose from those authorized in the *Code of Ethics and Arbitration Manual*. The sanction of termination of membership may only be imposed if approved by a two thirds vote of those



directors present at the special meeting.

**Section 3. Other causes.** Nothing in this section is intended to preclude discipline of members for other reasons as may be provided for in the other sections of the bylaws of the association.

## **Article XIb - Officers and Directors**

**Section 1. Officers.** The elected officers of the association shall be: a President, a President-elect, a First Vice President, a Secretary, and a Treasurer. The Secretary and Treasurer may be the same person. The officers shall be elected for terms of one year. With the exception of the Secretary and/or Treasurer, no officer may succeed himself/herself. The only exception will be when an officer is appointed to complete the unexpired term of an elected officer or attains the office in accordance with the provision as established in Roberts Rules of Order, latest edition, which are part of these Bylaws per Article XV, Section 1.

**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.

**Section 3. Board of Directors.** The governing body of the association shall be a Board of Directors consisting of the elected officers and six (6) REALTOR® members of the association who are elected according to the provisions of these bylaws. The President shall be chairperson. The two most immediate past presidents willing and able to serve shall also be members during their term of office. The Directors of the Massachusetts Association of REALTORS® (as provided in the Massachusetts Association of REALTORS® Bylaws) shall also be members during their terms of office. The Directors of the National Association of REALTORS® (as provided for in the National Association of REALTORS® Bylaws) shall also be members during their terms of office. The election of an elected Director to an office shall create a vacancy which shall be filled by appointment of the President until the next annual election as provided for in Article XIb, Section 4, of these Bylaws. The elected members of the Board of Directors shall be elected to serve for terms of three years unless elected to fill a vacancy, in which case the election shall be for the unexpired term of the Directorship. As many Directors shall be elected each year as are required to fill vacancies.

### **Section 4. Election of Officers and Directors.**

(a) At least two (2) months before the annual election, a Nominating Committee of five REALTOR® members shall be appointed by the President with the approval of the Board of Directors. The report of the Nominating Committee shall be mailed, electronically transmitted, or sent by facsimile to each REALTOR® member eligible to vote at least four (4) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least 20% of the REALTOR® members eligible to vote or 100 REALTOR® members, whichever is less. The petition shall be filed with the elected Secretary at least two (2) weeks before the election. The Secretary shall send notice of such additional nominations to all REALTOR® members eligible to vote before the election, provided that any provisions of these nominations from the floor shall be prohibited. (b) The election of Officers and Directors shall take place at the annual meeting. Election for any contested position shall be by ballot and all votes shall be cast in person or by electronic vote. The ballot shall contain the names of all candidates and the offices for which they are nominated and the length of term. The election of officers and directors shall take place at the annual meeting.

**Section 5. Vacancies.** Vacancies among the Officers and the Board of Directors shall be filled by appointment of the President subject to Board of Directors' approval until the next annual election as provided for in Article XIb, Section 4, of these Bylaws.

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

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

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

**Section 7. Executive Committee.** There shall be an Executive Committee of the Board of Directors consisting of the following: President, President-elect, First Vice President, Treasurer, and Secretary as well as the two most immediate Past Presidents willing and able to serve. The Executive Committee shall be empowered to act for the Board of Directors during the interim between the Directors meetings but all acts and minutes of the Executive Committee shall be reported at the next meeting of the Directors with the exception of the names of individuals considered for contributions from the REALTOR® Crisis Fund.

## **Article XII- Meetings**

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

**Section 2. Meetings of Directors.** The Board of Directors shall designate a regular time and place of meetings. Absence from two consecutive meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation therefrom. It is incumbent upon each Director to notify in writing, either the elected Secretary of the Board or the Executive Officer, whenever he/she will not be in attendance or fails to attend any scheduled Board of Directors meeting.

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

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

**Section 5. Quorum.** A quorum for the transaction of business shall consist of 50 REALTOR® members or 5% of the Members eligible to vote, whichever is less. A quorum for the transaction of business by the Board of Directors shall be a majority of the Officers and Directors. Electronic votes shall be counted toward the quorum, when applicable.

**Section 6. Meeting Attendance.** Meetings of the Association, at the discretion of the Chairperson, may be held in person or electronically, such as the internet or by telephone. Recommendations/actions may be made and voted on in person, or electronically, during the meeting.

## **Article XIII - Committees**

**Section 1. Standing Committees.** The President shall appoint from time to time and subject to confirmation by the Board of Directors, Chairpersons for standing committees. Unless otherwise directed by the President, the Chairperson shall appoint the members of his/her standing committee.

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

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

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

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

## **Article XIV - Fiscal and Elective Year**

**Section 1.** The fiscal and elective year of the association shall be January 1 to December 31.

## **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 the majority vote of the REALTOR® members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the bylaws which are mandated by NAR policy.

**Section 2.** Notice of all meetings at which amendments are to be considered shall be mailed, electronically transmitted, or sent by facsimile to every member eligible to vote at least five (5) business

days prior to the meeting.

**Section 3.** Amendments to these bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

## Article XVII - Dissolution

**Section I.** Upon the dissolution of this association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Massachusetts Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization. (Amended 1/05)

## Article XIX – Personal Liability

**Section 1.** The Board of Directors shall have no power to bind the members of the corporation personally or to call upon them for the payment of any sum of money or any assessment other than such sums as they may personally agree (in writing) to pay by way of donation to the corporation for the purpose of the corporation.

**Section 2.** All persons or corporations extending credit to, contracting with, or having any claim against the corporation or the Board of Directors, shall look only to the fund and property of the corporation for the payment of any such contract or claim or for the payment of any debt, damage, judgement, or decree or of any money the otherwise becomes due and payable to them from the corporation or the Board of Directors, so that neither members of the corporation, the Directors or Officers, present or future, shall be personally liable thereof.

## Article XX – Limitations Liability

No member of the association shall pursue or prosecute by action, suit or proceeding, civil or criminal, against the association or any person now or hereafter an Officer, Committee member or Director of the association any claim based upon any act of said association or said person relating to the business of the association, and particularly any act of said association or said person in advancing, suspending, expelling or otherwise disciplining a member.

Each person who is now or hereafter a Director, committee member, or Officer, or staff member of the association shall be indemnified by the association against all expenses and losses reasonably incurred or suffered by said person in connection with any action, suit or proceeding, civil or criminal, to which said person be made a party by reason of his/her being, or having been a Director, Committee member, Officer, or staff members of the association. The foregoing right of indemnification shall not be exclusive of other rights which he/she may be entitled as a matter of law.

No indemnification shall be provided for any person with respect to any matter as to which he/she shall have been adjudicated in any proceedings not to have acted in good faith in the reasonable belief that his/her action was in the best interest of the association.