



CORPORATE BYLAWS

Revised and approved June 2017 by Minneapolis Area REALTORS® Board of Directors

Table of Contents

<u>Page</u>	<u>Article</u>	<u>Description</u>
2	I	Name
2	II	Objectives
2	III	Jurisdiction
3 - 5	IV	Membership
5 – 10	V	Qualification and Election
10 – 13	VI	Privileges and Obligations
13	VII	Professional Standards and Arbitration
13 -14	VIII	Use of the terms Realtor® and Realtors®
14	IX	State and National Memberships
15 – 18	X	Dues and Assessments
18 – 20	XI	Officers and Directors
20	XII	Election Procedure
20-21	XIII	Committees
21	XIV	Meetings
21	XV	Rules of Order
22	XVI	Amendments
22	XVII	Indemnification
22	XVIII	Dissolution
22 – 24	XIX	Residential Multiple Listing Service

ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the Minneapolis Area 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 Minnesota Association of REALTORS® and 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 Hennepin, Scott, Carver, Sibley and McLeod Counties, Minnesota.

Section 2. Territorial jurisdiction is defined to mean: The right and duty to control the use of the term REALTOR®, 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 eight classes of Members as follows:

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

(1) Individuals who, as sole proprietors, partners, or 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 Minnesota 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 this Article. [Amended August 2018]

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 ~~residential~~ 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.

NOTE: REALTOR® Members may obtain membership in a Secondary Association in another state.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, or 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. [Amended August 2018]

(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. [Amended August 2018]

(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 membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property pursuant to Article X, Section 2(a).

(d) Senior Members. Senior Members shall be individuals who have held membership in the Association for a period of twenty-five (25) years or more, no longer maintain a real estate license, and are retired from active participation in the real estate profession.

(e) Unlicensed Assistants. Unlicensed Assistants shall be individuals who are personal assistants or other employed staff, do not hold a current broker or salesperson license in Minnesota or a state contiguous thereto, but have interests requiring information concerning real estate, and are affiliated with a member of the Association.

(f) 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.

(g) 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.

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

ARTICLE V – QUALIFICATION AND ELECTION

Section 1. Application.

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

- (1)** that applicant agrees, as a condition to membership, to thoroughly familiarize him/herself with the Code of Ethics of the National Association of REALTORS®, the Constitution, Bylaws, and Rules and Regulations of the Association, Minnesota and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, Minnesota and National Associations of REALTORS®, 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 Executive Committee or staff person designated, may invite and receive information and comment about the 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. Qualifications.

- (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 that he or she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license under Minnesota Statutes Chapter 82, or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and has a place of business within the state or a state contiguous thereto (unless a secondary member, see NOTE in Article IV, Section 1(a)), has no record of recent or pending bankruptcy*, no record of official sanctions involving unprofessional conduct**, agrees to complete an orientation covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the National Association of REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Board of Directors, and shall

agree that if elected to membership, he or she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

* “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 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 the Association may only consider:

(1) Judgments within the past three years three (3) years of the violations of

- (i) civil rights laws,
- (ii) real estate license laws, or
- (iii) other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

(2) Criminal convictions if

- (i) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and
- (ii) no more than ten years have elapsed since the date of conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

NOTE: Article IV, Section 2, of the NAR Bylaws prohibits Member Associations from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending imposed by another Board or Association of Ethics.

(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, meet each of the following requirements:

- (1)** must be associated with (as an employee or independent contractor of) either a Designated REALTOR® Member of the Association, or a Designated REALTOR® Member of another Association (if a secondary member), and

(2) must maintain a current, valid real estate broker's or salesperson's license under Minnesota Statutes Chapter 82, or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property,

(3) must have no record of official sanctions involving unprofessional conduct,

(4) must complete an orientation covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the National Association of REALTORS® and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Association, and

(5) must agree in writing that if elected to membership, he or she will abide by the Code of Ethics of the National Association of REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the Local Association, State Association, and the National Association.

(c) The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

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

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other Associations or where the applicant for membership has unsatisfied discipline pending in another Association, except for violations of the Code of Ethics. See Article V, Section 2(a) Note.

The Association may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership.

If a member resigns from another Association with an ethics complaint or arbitration request pending, the Association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the Association to which the applicant has made applications) and will abide by the decision of the hearing panel.

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. Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional Members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors.

(b) If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the association's bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of the mandatory new member orientation program) within 90 days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. In such an instance, dues shall be computed from the date of application and shall be non-refundable unless the Association's Board of Directors terminates the individual's membership in accordance with subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days the individual received association services and any application fee.

(c) The Board of Directors may not reject an application for 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 have counsel present. The Board of Directors shall require written minutes be made of any hearing before it or may electronically or mechanically record the proceeding.

(d) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Staff Executive. 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 Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

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 90 days of the date of application (or alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership. [Amended August 2018]

NOTE: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS®.

Section 5. Continuing Member Code of Ethics Training. Effective January 1, 2017 through December 31, 2018, and for successive two-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 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 two-year cycle shall not be required to complete additional ethics training until a new two-year cycle commences.

Failure to satisfy the required periodic ethic training shall be considered a violation of a membership duty. [Amended August 2018] Failure to meet the requirement in a two (2) year cycle will result in suspension of the membership for the first two months (January and February) of the year following the end of any two (2) 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 subject to the terms of Article V, Section 4.

Section 6. Status Change.

(a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which he/she has been licensed, or alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals, may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which he/she has transferred within thirty (30) days of the date he/she advised the Association of his/her change in status, his/her 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.

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

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

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

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by either the Board of Directors of the Association or a tribunal of the Minnesota Association of REALTORS® for a violation of these Bylaws and Association Rules and Regulations consistent with these Bylaws, after a hearing as provided for in the Code of Ethics and Arbitration Manual of the National Association. Although Members other than REALTORS® are not subject to the Code of Ethics or 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 Executive Committee and the Board of Directors of the Association, or upon recommendation by a hearing panel of the Minnesota Association of REALTORS® 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 a tribunal of the Minnesota Association of REALTORS® for violations of the Code of Ethics. Any REALTOR® Member of the Association may be disciplined by the Board of Directors for violations of other duties of membership, after a hearing described in the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, 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 at the Association office, provided that if any Member submitting a 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 Boards 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 ethic respondent's resignation or membership termination, any

discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

- (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 Section 3, and Article IX, and have the primary responsibility to safeguard and promote the standards, interest, and welfare of the Association and the real estate profession. [Amended August 2018]

(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 his or her 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.

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

Section 9. Senior Members. Senior Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except they shall not have the right to vote or hold elective office. Senior Members may use the term REALTOR® REALTOR®-ASSOCIATE, or the REALTOR® logo, if state and national dues are paid.

Section 10. Unlicensed Assistant Members. Unlicensed Assistant Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except that no Unlicensed Assistant Member may be granted the right to use the term REALTOR®, REALTOR®-ASSOCIATE, or the REALTOR® logo, nor the right to vote and hold elective office.

Section 11. Honorary Members. Honorary membership shall confer only the right to attend meetings and participate in discussions.

Section 12. Public Service Members. Public Service members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except that no Public Service Member may be granted the right to use the term REALTOR®, REALTOR®-ASSOCIATE, or the REALTOR® logo, nor the right to vote and hold elective office.

Section 13. Student Members. Student members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except that no Student Member may be granted the right to use the term REALTOR®, REALTOR®-ASSOCIATE, or the REALTOR® logo, nor the right to vote and hold elective office.

Section 14. Member Certification by Designated REALTOR®. Such certifications shall be used for the purpose of calculating dues under Article X, Section 2(a).

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

Section 15. 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 verbal or physical conduct including: threatening or obscene language, slander, libel, 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, President-Elect 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 or President-Elect, they may not participate in the proceedings and shall be replaced by the Immediate Past President

or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

Section 16. It shall be the duty and responsibility of every REALTOR® member of this association and members other than REALTORS® to abide by the published Forms Use Policy of the Minnesota REALTORS®. Violators may be subject to discipline as described in Article VI, Section 2. [Amended August 2018]

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 carried out by the Minnesota Association of REALTORS® and shall be governed by the Code of Ethics and Arbitration Manual of the National Association, 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. [Amended August 2018]

Section 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the 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 the National Association as from time to time amended.

Section 3. The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Association, which by this reference is made a part of these Bylaws.

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

Section 1. 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. [Amended August 2018]

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 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® principal member may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real state profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members. [Amended August 2018]

(a) In the case of a REALTOR® principal member whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal holds REALTOR® membership. If a firm, partnership or corporation operates additional places of business in which no principal, holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business. [Amended August 2018]

Section 4. Institute Affiliates, Affiliate, Unlicensed Assistants, Honorary, Public Service and Student Members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the National Association of REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

Section 1. The Association shall be a Member of the National Association of REALTORS® and the Minnesota Association of REALTORS®. By reason of the Association's membership, each REALTOR® Member of the Association shall be entitled to membership in the National Association of REALTORS® and the Minnesota 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. [Amended August 2018]

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 of REALTORS® and the Minnesota Association of REALTORS®.

Section 4. The Association assigned the collective trademark REALTOR® to the National Association of REALTORS® effective as of May 1, 1916, reserving nonetheless to the Association and its successors a perpetual and absolute right to use said collective trademark. Nothing in the Bylaws of the Association should be construed to waive such rights as the Association and its Members may have to the REALTOR® collective trademark.

ARTICLE X - DUES AND ASSESSMENTS

Section 1. New Member Application Fee. The Board of Directors may adopt an application fee for REALTOR® Membership in a 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.

(a) Applicants will be given 90 days from the date of application or alternatively, the date that provisional membership was granted, to attend the Association sponsored New Member Orientation. If orientation is not completed in this time, provisional membership may be terminated at the discretion of the Board of Directors in accordance with Article V, Section 3(a). Dues shall be returned to the individual less a prorated amount to cover the number of days the individual received association services, and the Designated REALTOR® dues formula is implemented to the Designated REALTOR®, consistent with Article X, Section 4. The application fee will be retained by the Association. The Board of Directors may adopt a new member application fee for other classes of membership, except for Institute Affiliate Membership, not to exceed the amount of the new member application fee for REALTOR® Members.

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

(a) Designated REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be the amount 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 Article 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) above) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.

A REALTOR® Member of an 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, 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 that individual is held by the REALTOR®, or by any Broker who is licensed with the REALTOR® or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal, of the entity.

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

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

(b) The annual dues of REALTOR® Member other than the Designated REALTOR® shall be 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. The National Association shall credit 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 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 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.

(d) Affiliate Members. The annual dues of each Affiliate Member shall be established by the Board of Directors.

(e) Unlicensed Assistants. The annual dues of each Unlicensed Assistant Member shall be established by the Board of Directors.

(f) Senior Members. There are to be no annual dues to the Association for Senior Members. If continued affiliation is desired in the Minnesota Association of REALTORS® and/or National Association of REALTORS®, that portion of dues as established by each, if any, must be paid by the Senior Member.

(g) Honorary Members. There are to be no annual dues to the association for Honorary Members. Honorary Members are not eligible for affiliation with the Minnesota Association of REALTORS® or the National Association of REALTORS®.

(h) Public Service Members. The annual dues of each Public Service Member shall be established by the Board of Directors.

(i) Student Members. The annual dues of each Student Member shall be established by the Board of Directors.

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

Section 3. Other Fees. The Board of Directors has the discretion to establish other membership fees and charges, such as for late payment of dues, reinstatement, transfer between offices, etc.

Section 4. Dues Payable. Dues for all Members shall be payable annually in advance for the following year by the first day of October with 60 days thereafter to pay. Dues for new Members shall be computed from the date of application and granting of provisional membership. [*Amended August 2018*]

(a) In the event a licensee or licensed or certified appraiser who holds REALTOR® membership is terminated for nonpayment of Association dues, and the licensee remains with the Designated REALTOR®'s firm, the dues obligation of the Designated REALTOR® (as set forth in Article X, Section 2a) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current calendar year and are payable within thirty (30) days of the notice of termination.

Section 5. Nonpayment of Financial Obligations. If dues, fees, charges, fines, or other assessments including any amount owed to the Association or its Regional Multiple Listing Service are not paid within thirty (30) days after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three 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 terminate a Member for nonpayment or disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due, as of the date of termination..

Section 6. Deposit. All monies received by the Association for any purpose shall be initially deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors and may thereafter be used in a manner consistent with the objectives of the Association.

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 or the Regional Multiple Listing Service shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. Officers. The officers of the Association shall be: a President, a President-Elect, a Secretary, and a Treasurer. The President-Elect would normally be elected President of the Association the following year. However, the Board of Directors is not absolutely bound by this policy. Officers shall be elected for terms of one year.

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Association Executive to keep the records of the Association and to carry on all necessary correspondence with the National Association of REALTORS® and the Minnesota Association of REALTORS®.

Section 3. Board of Directors. The governing body of the Association shall be a Board of Directors, consisting of the Officers, the immediate Past President, two (2) REALTOR® Members who are Past Presidents, fourteen (14) REALTOR® Members and one (1) Affiliate member. Nine directors shall be elected to serve for a three (3) year term of office. One-third, or as many required to fill any vacancy, shall be elected each year in accordance with this Article. Six directors shall be appointed by the President to serve a three-year term of office. One-third, or as many required to fill any vacancy, shall be appointed each year after the Board of Directors election and prior to the Organizational Meeting, in accordance with this Article. For the term beginning January 1, 2017, and every third year thereafter, one Presidential appointee shall be an Affiliate member. Other members of the Board of Directors shall be for a one (1) year term of office. The term of all offices begins on January 1 of each calendar year.

Section 4. Executive Committee. The Executive Committee consists of the Officers of the Association and the Immediate Past President. All Executive Committee members shall hold their seats for a term of one (1) year. The Executive Committee shall have the authority to make necessary, time sensitive decisions on behalf of the Board of Directors when a Directors' meeting is not scheduled, or to assume other responsibilities as assigned by the Board of Directors. The Executive Committee shall oversee the Association Executive Officer, and lead the performance and contract evaluations for that position.

Section 5. Nominating Committee. The President shall appoint a Nominating Committee each year for the purpose of nominating REALTOR® Members as Director Candidates to be voted on by the REALTOR® Members. The Nominating Committee shall consist of the five (5) Directors whose terms expire at the end of the calendar year in which they are appointed, plus six (6) REALTOR® Members, including at least three (3) Past Presidents, appointed by the President and confirmed by the Board of Directors. Two-thirds (2/3) of Nominating Committee Members present shall constitute a quorum.

The Nominating Committee shall also select two (2) Past Presidents, who are active REALTOR® Members of the Association, to serve a one-year term on the Board of Directors.

The Nominating Committee shall also submit to the Board of Directors nominations for positions as Directors of the Minnesota Association of REALTORS® and Directors of the National Association of REALTORS® as designated or requested.

The Nominating Committee shall appoint REALTOR® Members as Directors to the Regional Multiple Listing Service, with approval by the Board of Directors.

(a) Director Nominating Procedure. The Nominating Committee shall nominate at least two (2) candidates for each elected Director position that will be completed at the end of the calendar year or otherwise replaced.

Association Members shall be provided the report of the Nominating Committee by July 15 through the Association's member publication, web site, or other means. Additional nominations may be made by petition of not less than twenty (20) REALTOR® Members. Petitions must be received at the Association office no later than August 1. Any nominations so made shall be added to the list of nominees published in alphabetical order to be voted upon by REALTOR® Members in accordance with Article XII pertaining to Election Procedures.

(b) Officer Nominating Procedure. Annually before the following year's Board of Directors organizational meeting is held, the Nominating Committee shall meet to recommend to the Board of Directors a body of REALTOR® Members to serve as President, President-Elect, Secretary and Treasurer. The President-Elect would normally be elected President of the Association the following year. However, the Board of Directors is not absolutely bound by this policy. Prior to the organizational meeting, the complete list of applicants shall be made available to the Board of Directors. The Nominating Committee Chair will meet with the Directors at their organizational meeting to present the Committee's recommended body of officer nominees.

Section 6. Organizational Meeting. An Organizational Meeting for the following year, consisting of the Board of Directors as it will be constituted the following year, as well as the Directors whose terms expire at the end of the calendar year, will be held in conjunction with the September or October meeting of the Board of Directors. If there is no regular meeting scheduled, a special meeting of the Board of Directors will be held in September or October. At this meeting, the Directors shall elect a President, President-Elect, Secretary and Treasurer from among REALTOR® members who have applied for officer positions. The Officers elected shall serve for one (1) year commencing January 1 of the following year. The Board of Directors shall have the power to define the duties and responsibilities of these Officers.

Section 7. Vacancies. Vacancies among the Officers shall be filled by a simple majority vote of the Board of Directors for the remainder of the term of office. Vacancies among the Board of Directors shall be filled by a simple vote of the Board of Directors for the remainder of the term.

Section 8. 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 signed by not less than one-third of the voting membership or two-thirds of all Directors shall be filed with the Nominating Committee 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. A quorum for such a business meeting shall consist of ten (10) percent of the Members eligible to vote. A three-fourths vote of Members present and voting shall be required for removal from office.

Section 9. Fiscal and Elective Year. The fiscal, elective and program year of the Association shall be January 1 to December 31.

ARTICLE XII - ELECTION PROCEDURE

Section 1. Board of Directors Election Procedure. Ballots bearing the names of the candidates so nominated shall be provided to all REALTOR® Members in good standing on or before September 1. Ballots may be mailed, sent electronically, or otherwise provided. Members must return completed ballots within the time limit indicated on the ballot. A ballot shall not be counted if it is received later than the time indicated on the ballot or indicates a vote for more than the number of vacancies to be filled as explained on the ballot. Members receiving the highest number of votes as explained on the ballot, shall be duly elected to the Board of Directors beginning on January 1 of the following year for a three year term and until their successors are elected. No Director who has served his/her full term shall be eligible to succeed him/herself for election.

ARTICLE XIII – COMMITTEES

Section 1. Appointment of Committees. The President-Elect shall appoint all standing committee Chairs and Vice-Chairs for the following year. Such appointments shall occur after the annual Organizational Meeting, and shall be confirmed by the Board of Directors no later than the date of its last meeting of the calendar year. Committee membership shall be granted by application, per each Committee's Charter as approved by the Board of Directors. The Board of Directors shall prescribe the powers, duties, and length of appointment of each committee, and may do so by approving a charter for each committee. Absence from two (2) consecutive meetings of a committee without excuse shall be construed as a resignation.

Section 2. Charters. All standing committees shall have membership, procedures, duties and objectives prescribed by a Charter that has been approved by the Board of Directors.

Section 3. Appointment of Task Forces. The President shall appoint any task forces, and chairpersons thereof, as deemed necessary to carry out a specific task for the Association. If a task force will convene solely in the following year and/or Presidential term, that task force shall be appointed by the President-Elect. The President and Board of Directors shall prescribe all powers, duties, and specific length of service for each task force.

Section 4. Ex-Officio Members. The President and President-Elect shall be ex-officio members of all standing committees, special committees and task forces of the Association.

ARTICLE XIV – MEETINGS

Section 1. Board of Directors Meetings. The Board of Directors of the Association shall designate a regular time and place of meetings. The Board of Directors may also hold electronic meetings when time is of the essence. Absence from two (2) consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation. Fifty-one percent of the members of the Board of Directors shall constitute a quorum.

Section 2. Membership Meetings. A membership meeting may be called by the President, the Board of Directors, or as otherwise permitted by law. Written notice shall be given to every Member entitled to participate in the meeting at least one (1) week preceding the meeting. Notification of a membership meeting shall be accompanied by a statement of the purpose of the meeting. Whenever the purpose of a membership meeting is to take up amendment(s) to the Association Bylaws or Articles of Incorporation, a quorum shall consist of those Members who attend the meeting pursuant to notification requirements found in Article XVI. Whenever the purpose of a membership meeting is, business other than amendment(s) to the Association Bylaws, except as stipulated in Article XI, Section 8[c], and a quorum for the transaction of business shall consist of one (1) percent of the Members eligible to vote.

Section 3. Committee Meetings. Committee meetings shall be held in accordance with each committee's charter, as approved by the Board of Directors. Absence from two (2) consecutive regular meetings without an excuse deemed valid by the Chair shall be construed as resignation from the committee.

Section 4. Notice of Meetings. Written notice shall be given to every Member entitled to participate in a meeting at least one (1) week preceding the meeting.

Section 5. Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors, Committees, Taskforces or membership may conduct business by electronic means.

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 Members present and qualified to vote at a membership 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, notice of which has been given pursuant to Article XIV Section 4, 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 the National Association of REALTORS®.

ARTICLE XVII - INDEMNIFICATION

Section 1. Any person, including any past, present or future director, officer, committee member, employee, or agent of the Association (or the heirs or legal representatives of any such director, officer, committee member, employee or agent) made, or threatened to be made, a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she, his or her testator, or intestate, is or was a director, officer, committee member, employee, or agent of the Association or performed any service at the request of the Association shall be indemnified by the Association, and the Association may advance his or her related expenses in the manner and the full extent as provided by the law of the State of Minnesota.

ARTICLE XVIII - 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 the Minnesota Association of REALTORS®, or within its discretion, to any other non-profit tax exempt organization.

ARTICLE XIX - REGIONAL MULTIPLE LISTING SERVICE

Section 1. Authority. The Association of REALTORS® shall maintain for the use by its members a Multiple Listing Service which shall be a lawful corporation of the state of Minnesota, all stock of which shall be owned by the Association of REALTORS®.

Section 2. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation 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. Governing Documents. The Board of Directors shall cause any Multiple Listing Service established pursuant to this Article to conform its Corporate Charter, Constitution, Bylaws, Rules,

regulations, and policies, practices and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the National Association of REALTORS®.

Section 4. Participation. Any REALTOR® member of this or any other Member Association who is a principal, partner, or corporate officer, or branch manager acting on behalf of the principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in the Residential Multiple Listing Service upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the charges incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Residential Multiple Listing Service “Membership” or “Participation” unless they hold a current, valid real estate broker’s license in Minnesota or Wisconsin, and offers or accepts compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey Participation, or Membership, or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law.

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 ongoing basis during the operation of the Participant’s real estate business. The “actively” requirement is not intended to preclude MLS participation by a Participant or potential Participant that operated 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 the Participant or potential Participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all Participants and potential Participants.

Section 5. Supervision. The activity shall be operated under the supervision of the Board of Directors in accordance with established Regional MLS Rules and Regulations.

Section 6. Access to Comparable and Statistical Information. Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in the Residential MLS, are nonetheless entitled to receive, by

purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association members who receive such information, either as an Association service or through the Association’s Residential MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

Section 7. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant’s licensed designee.

Section 8. Fees. All individuals licensed to or affiliated with an MLS Participant will be charged a monthly MLS fee. Exceptions to the charge will be considered if the MLS Participant certifies that the licensee is not engaged in any appraising, soliciting, listing or selling of residential real estate. The MLS Participant is responsible for any unpaid agent fees.

Section 9. Government Access. The Minneapolis Area Association of REALTORS® may make listing information available to government agencies at the discretion of the Board of Directors.

Revised and Approved: June 15, 2017