

**BYLAWS**  
**of the**  
**LAWRENCE COUNTY BOARD OF REALTORS®, INC.**  
**(Adopted June 17, 2009)**  
**Approved by NAR July 27, 2009)**

**ARTICLE I - NAME**

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

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

**ARTICLE II - OBJECTIVES**

The objectives of the Board are:

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

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

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

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

**Section 5.** To unite those engaged in the real estate profession in this community with the Pennsylvania Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

**Section 6.** To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® or REALTORS® as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

**ARTICLE III - JURISDICTION**

**Section 1.** The territorial jurisdiction of the Board as a member of the NATIONAL ASSOCIATION OF REALTORS® is: **LAWRENCE COUNTY**

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

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

**ARTICLE IV - MEMBERSHIP**

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

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

- (1) Individuals who as sole proprietors, partners, corporate officers, or branch office managers are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing

or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Pennsylvania or a contiguous state thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV. In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV.

NOTE: REALTOR® Members may obtain membership in a "secondary" Board in another state. 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 REALTOR® member and meet the qualifications set out in Article V.

(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 REALTOR® members and meet the qualifications set out in Article V.

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

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

(5) Designated REALTOR® Members. Each firm or offices in the case of firms with multiple office locations, shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch 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<sup>®</sup> or REALTOR ASSOCIATE<sup>®</sup> 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 paragraph (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Board.
- (d) **PUBLIC SERVICE MEMBERS.** Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with the 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 Board 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 an institution of higher learning and who have completed at least two years of college and at least one college level course in real estate, but are not associated with an established real estate office.

## **ARTICLE V - QUALIFICATION AND ELECTION**

### **Section 1. APPLICATION.**

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

### **Section 2. QUALIFICATION.**

(a) An applicant for REALTOR<sup>®</sup> Membership who is a sole proprietor, partner, or corporate officer of branch office manager of a real estate firm shall supply evidence satisfactory to the board, through its Membership Committee or otherwise 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 Board, the Bylaws of the State Association, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he will abide by such *Constitution*, Bylaws, Rules and Regulations, and Code of Ethics. (Amended 1/05)

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

(\*\*) No record of official sanctions involving unprofessional conduct is intended to mean that the Board may only consider 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.

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

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Board, or a Designated REALTOR® member of another board (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license, or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct\*, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership, he will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by such *Constitution*, Bylaws, Rules and Regulations and Code of Ethics. (Amended 5/07)

\*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 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 (Adopted 5/07)

### **Section 3. ELECTION.**

The procedure for election to membership shall be as follows:

(a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. It shall then give written notice to the REALTOR<sup>®</sup> Members of such application and invite written comment. If one or more REALTOR<sup>®</sup> members object to the approval of the application, basing such objection on lack of qualification as set forth in these Bylaws, the Committee shall invite any objecting Member to appear and substantiate his objections. Objections which are not substantiated shall be totally disregarded. The Committee may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting Member, and (2) giving the applicant a full opportunity to appear before the Committee and establish his qualifications. The Committee shall thereafter make a written report of its findings. The Membership Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws of the Board.

(b) Thereafter, within 60 days, the Membership Committee shall report its recommendation to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reasons shall be specifically stated. If any Member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the Board of Directors.

(c) The Board of Directors shall review the qualifications of the applicant and the recommendations of the Committee and then vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he shall be declared elected to membership and shall be advised by written notice.

(d) The Board of Directors may not reject an application without providing the applicant with advance notice of the findings and recommendations of the Membership Committee; and opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he deems relevant. The Board of Directors 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 be rejected, it shall record its reasons with the Secretary. If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Board 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 ORIENTATION:**

Applicants for REALTOR<sup>®</sup> membership and provisional REALTOR<sup>®</sup> 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<sup>®</sup> membership or provisional members who have completed comparable orientation in another association, provided that REALTOR<sup>®</sup> membership has been continuous, or that any break in membership is for one year or less. Failure to satisfy this requirement within 365 days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®

**Section 5. CONTINUING MEMBER CODE OF ETHICS TRAINING:**

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

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

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

Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

**Section 6. STATUS CHANGES**

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Board of Their change in status, their new membership application will terminate automatically unless otherwise so directed by the board of Directors. A REALTOR® (or REALTOR-ASSOCIATE®, where applicable) who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors, (The Board of Directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with the Board's Bylaws.)

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 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 as specified in this Article.

**Section 2.** Any Member of the Board may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Board Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of the Board. Although Members other than REALTOR<sup>®</sup> are not subject to the Code of Ethics nor its enforcement by the Board, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> and conduct their business and professional practices accordingly. Further, Members other than REALTOR<sup>®</sup> 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<sup>®</sup> or REALTORS<sup>®</sup> and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, the State Association, and the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>.

**Section 3.** Any REALTOR<sup>®</sup> Member of the Board may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the *Code of Ethics and Arbitration Manual* of the Board, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> 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 Board of Directors, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

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

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

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

(a) If a REALTOR<sup>®</sup> Member is a principal in a firm, partnership, or corporation and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR<sup>®</sup> or REALTORS<sup>®</sup> in connection with its business during the period of suspension, or until re-admission to REALTOR<sup>®</sup> membership, or unless connection with the firm, partnership, or corporation is severed, whichever may

apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until re-admission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS<sup>®</sup> other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until re-admission of the disciplined Member, or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR<sup>®</sup> Member (non-principal) elects to sever his connection with the REALTOR<sup>®</sup> and affiliate with another REALTOR<sup>®</sup> Member in good standing in the Board, whichever may apply. If a REALTOR<sup>®</sup> Member who is other than a principal in a firm, partnership or corporation is suspended or expelled, the use of the terms REALTOR<sup>®</sup> or REALTOR<sup>®</sup> by the firm, partnership, or corporation shall not be affected.

(b) In any action taken against a REALTOR<sup>®</sup> Member for suspension or expulsion under Section 6(a) hereof, notice of such action shall be given to all REALTOR<sup>®</sup> employed by or affiliated as independent contractors with such REALTOR<sup>®</sup> 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<sup>®</sup>.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that not Institute Affiliate Member may be granted the right to use the term REALTOR<sup>®</sup>, REALTOR-ASSOCIATE<sup>®</sup>, or the REALTOR<sup>®</sup> 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. PUBLIC SERVICE MEMBERS.** Public Service Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors.

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

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

**Section 12. CERTIFICATION BY REALTOR<sup>®</sup>.** "Designated" REALTOR<sup>®</sup> Members of the Board shall certify to the Board during the month of January on a form provided by the Board, a complete listing of all individuals licensed or certified with the REALTOR<sup>®</sup>'s office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTOR<sup>®</sup> shall also identify any non-member licensees in the REALTOR<sup>®</sup>'s office(s) and if Designated REALTOR<sup>®</sup> Dues have been paid to another Board base on said non-member licensees, the Designated REALTOR<sup>®</sup> shall identify the Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR<sup>®</sup> Members shall also notify the Board of any additional individuals(s) licensed or certified with the firm(s) within 7 days of the date of affiliation or severance of the individual.

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

**Section 1.** The responsibility of the Board and of the Board Members relating to the enforcement the Code of Ethics, the disciplining of members, the arbitration of disputes and the organization and

procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the Board, which shall be the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, and the Pennsylvania Association of REALTORS® amendments, as amended from time to time.

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

**Section 3.** The Board and Board members are also responsible for the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, consistent with the cooperative professional standards enforcement agreement entered into by the Board which by this reference is made a part of these Bylaws.

#### **ARTICLE VIII - USE OF THE TERMS REALTOR® and REALTORS®**

**Section 1.** Use of the terms REALTOR® and REALTORS® by Members shall at all times be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 06/2006)

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

**Section 3.** A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® 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 of the Board 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 imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

## **ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS**

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

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

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

## **ARTICLE X - DUES AND ASSESSMENTS**

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

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

(a) REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be amount as established annually by the Board of Directors plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board. \* (Amended 1/01)

(1) For the purpose of this Section, a REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the

Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR has a direct or indirect ownership interest which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.

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

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® 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 an amount determined-annually by the Board of Directors.

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

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

**(d) Affiliate Members.** The annual dues of each Affiliate Member shall be an amount determined annually by the Board of Directors.

**(e) Public Service Members.** The annual dues of each Public Service Member shall be an amount determined annually by the Board of Directors.

**(f) Honorary Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

**(g) Student Members.** Dues payable, if any, shall be at the discretion of the Board of Directors.

**Section 3. DUES PAYABLE.** Dues for all Members shall be payable annually in, advance on the first day of January. Dues shall be computed from the first day of the quarter in which a Member is notified of election and shall be prorated for the remainder of the year.

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

**Section 4. NONPAYMENT OF FINANCIAL OBLIGATIONS.** If dues, fees, fines, or other assessments owed to the Board or the Board's Multiple Listing Service are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after 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 had his membership terminated for nonpayment of dues, fees, fines or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Board or any of its services, departments, divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of the termination.

**Section 5. DEPOSIT.** All money received by the Board for any purpose shall be deposited to the credit of the Board 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 Board. Capital expenditures in excess of \$50.00 over approved budget may not be made unless authorized by the Board of Directors.

**Section 7. NOTICE OF DUES, FEES, FINES, ASSESSMENTS AND OTHER FINANCIAL OBLIGATIONS OF MEMBERS.** All dues, fees, fines, assessments, or other financial obligations to the Board or Board's Multiple Listing Service shall be noticed to the delinquent Board Member in writing setting forth the amount owed and due date.

## **ARTICLE XI - OFFICERS AND DIRECTORS**

**Section 1. OFFICERS.** The elected officers of the Board shall be a President, a Vice President/President Elect, a Secretary, and a Treasurer. The office of President shall be filled by the Vice President/President Elect from the previous year. The office of Vice President/President Elect shall be filled by the Secretary from the previous year. The office of Secretary shall be filled by the Treasurer from the previous year the office of Treasurer shall be filled by election by the voting Membership. The office of Past President shall be filled by the president from the previous year. All are for terms of one year. (revised 11/01)

**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 Secretary to keep the records of the board and to carry on all necessary

correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Pennsylvania Association of REALTORS®.

**Section 3. BOARD OF DIRECTORS.** The governing body of the Board shall be a Board of Directors consisting of the elected officials, including the Past President, and five (5) REALTOR® members. Directors shall be elected to serve for terms of three years, except that at organization one-third of the elected Directors shall be elected to serve one, two, and three years, respectively, or for lesser terms as may be necessary to complete the first fiscal year. Thereafter, as many Directors shall be elected each year as are required to fill vacancies. Before election to the Board of Directors, each Officer and Director must first serve for two years on a standing committee of the Board. No more than two (2) members who are affiliated with the same real estate firm may serve on the Board of Directors at any one time. (revised 11/01)

**Section 4. ELECTION OF OFFICERS AND DIRECTORS.**

(a) At least two (2) months before the annual election, a Nominating Committee of three (3) REALTOR® Members shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select a maximum of three (3) nominees for the office of Treasurer and a maximum of three (3) nominees for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least 20% of the REALTOR® Members eligible to vote. The petition shall be filed with the Secretary at least two (2) weeks before the election. The Secretary shall send notice of such additional nominations to all Members eligible to vote before the election. (revised 11/01)

(b) The election of Officers and Directors shall take place at the annual meeting. Election shall be by ballot and all votes shall be cast in person. The ballots shall contain the names of all candidates and the offices for which they are nominated.

(c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of three (3) REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

**Section 5. VACANCIES.** Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

**Section 6. REMOVAL OF OFFICERS AND DIRECTORS.** In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure.

(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 (45) days thereafter, a special meeting of the voting membership of the Board shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director and to render a decision on such petition.

(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 Board, 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.

## **ARTICLE XII - MEETINGS**

**Section 1. ANNUAL MEETING.** The annual meeting of the Board shall be held during November 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 three consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.

**Section 3. OTHER MEETINGS.** Meetings of 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 60% of the Members eligible to vote.

**Section 4. NOTICE OF MEETINGS.** Written notice shall be given to every Member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

**Section 5. QUORUM.** A quorum for the transaction of business shall consist of majority of the Members present and qualified to vote at any meeting.

## **ARTICLE XIII - COMMITTEES**

**Section 1. STANDING COMMITTEES.** The President shall appoint from among the REALTOR<sup>®</sup> Members, subject to confirmation by the Board of Directors, the following standing committees:

Professional Standards	Legislative	Public Relations
Membership	Program	REALTOR <sup>®</sup> Protection
Education	Finance	Grievance
Equal Opportunity		

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

**Section 2. SPECIAL COMMITTEES.** The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

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

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

## **ARTICLE XIV - FISCAL AND ELECTIVE YEAR**

**Section 1.** The fiscal year and elective year of the Board 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 Board, its Board of Directors, and committees, in all instances wherein its provisions do not conflict with these Bylaws.

## **ARTICLE XVI - AMENDMENTS**

**Section 1.** These Bylaws may be amended by a majority vote of the Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, 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 to every Member eligible to vote at least one (1) week prior to the meeting.

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

## **ARTICLE XVII – DISSOLUTION**

**Section 1.** Upon the dissolution or winding up of affairs of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Pennsylvania Association of REALTORS<sup>®</sup> Education Foundation or, within its discretion, to any other non-profit tax exempt organization.

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**SEPARATE POLICY**  
*REAL ESTATE FOR SALE MAGAZINE*  
**ADVERTISING**

**August, 2009**

**Lawrence County Board of REALTORS®** is under contract with **Young's Publishing** to produce a magazine, a minimum 8 issues per year or every 68 weeks.

Advertising is limited to those that are members in good standing of the Lawrence County Board of REALTORS® and their affiliate members. Any past and current dues must be current.

Advertising is limited to listings of the broker and their agents. Office advertising and agent **MUST** be members of **Lawrence County Board of REALTORS®**, either as a primary or secondary membership.

Violations will be assessed as to the following:

**First Offense:** A written reprimand will be given to the agent and the broker in regards to the violation.

**Second Offense:** If reprimanded violation continues within a twelve month period, the broker will be assessed a fine equal to the current cost of a page in the magazine.

**Third & Subsequent Offenses:** Fines will continue to increase if reprimanded violations continue multiplied at a rate signified in the second offense.

Final content of ads being submitted will be at the discretion of the Board of Directors.