

Bylaws of Traverse Area Association of REALTORS® DBA

Aspire North REALTORS®

Latest Revision 02.23.2022 - NAR/KP

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ARTICLE I - NAME

Section 1 - The name of this organization shall be Traverse Area Association of REALTORS®, Incorporated DBA Aspire North REALTORS®, hereinafter referred to as Aspire North.

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

ARTICLE II - OBJECTIVES

The objectives of Aspire North 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 $^{\circ}$

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 MICHIGAN 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, those individuals within its jurisdiction 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 Aspire North as a member of the NATIONAL ASSOCIATION OF REALTORS® shall include the counties of Antrim, Benzie, Charlevoix, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford, State of Michigan.

Section 2 - Territorial jurisdiction is defined to mean:

The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in which Aspie North 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 Michigan or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in an association of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.In the case of a real estate firm, partnership, or a corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless





otherwise qualified for Institute Affiliate membership, as described in Section 1(b) of Article IV.

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, 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) franchises 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 use of the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in local association and National Association.
- 4. Primary and secondary REALTOR® Members. An individual is a primary Member if Aspire North 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 Aspire North in order for licensees affiliated with the firm to select Aspire North as their "primary" association.
- 5. Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Aspire North dues established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s), and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.





- (b) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society, or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hole 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 Aspire North. 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 Aspire North, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.
- (d) **Public Service Members.** Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental, or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.
- (e) **Honorary Members**. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for Aspire North, 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 instructions 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 of membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws and Rules and Regulations of Aspire North, the Michigan Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, and if elected a member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate or mediate 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 Aspire North, 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 Aspire North 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.

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 Aspire North. 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 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 regulation 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





committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, rules and regulations, and Code of Ethics.

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; see Article V, Section 2(a), NOTE 2), provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (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 application) and will abide by the decision of the hearing panel.

*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 Aspire North establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Aspire North 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 proceeding, 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 in intended to mean that Aspire North may only consider:

- (a) judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.
- (b) criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.





- (c) The association will also consider the following in determining an applicant's qualifications for REALTOR® membership:
 - o 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.
 - o Pending ethics complaints (or hearings)
 - o Unsatisfied discipline pending
 - o Pending arbitration requests (or hearings)
 - Unpaid arbitration awards or unpaid financial obligations to this or any other REALTOR® association or REALTOR® association LMS
 - Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm

Section 3 - Election.

The procedure for election to membership shall be as follows.

- (a) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within fifteen business (15) days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated.
- (b) Dues shall be computed from the date of application and shall be non-refundable unless the association's Board of Directors terminates the individual's membership in accordance with Subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee.
- (c) The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements, as he/she deems relevant. The Board of Directors may also have counsel





present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the chief 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 shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) year or less.

Failure to satisfy this requirement within 15 days of the date of application 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 - REALTOR® Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021_and for successive three-year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another <u>REALTOR®</u> association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®which meets the learning objectives and minimum criteria established by the NATIONAL





ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three-year cycle shall not be required to complete additional ethics training until a new three-year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three- year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

Discipline of REALTOR® Members.

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

Enforcement of the Code.

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

Section 6 - Status Changes.

(a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to Aspire North within 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 will be





required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® 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 60 days of the date they advised Aspire North of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 10 days of the date Aspire North 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 specified in this Article.

Section 2 - Any member of Aspire North may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Policies consistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of Aspire North. Although members other than REALTORS® are not subject to the Code of Ethics nor





its enforcement by Aspire North, such members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, members other than REALTORS® may, upon recommendation of the membership committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS® and on the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of Aspire North, the Michigan Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®.

Section 3 - Any REALTOR® member of Aspire North 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 Aspire North, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.

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

Section 5 - If a member resigns from Aspire North or otherwise causes membership to terminate with an ethics complaint or arbitration request pending, the Board of Directors may condition the right of the resigning member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics or arbitration 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®.





Section 6 - REALTOR® Members.

REALTOR® members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in Aspire North; and may use the term REALTOR®. For purposes of this section the term "good standing" means the member satisfies the "Obligations of REALTOR® Members", is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR's trademark rules.

If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined member 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® and affiliate with another REALTOR® member in good standing in Aspire North, 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® and REALTORS® by the firm, partnership or corporation shall be affected.

(a) 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® and 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.

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





NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate members except that no Institute Affiliate member may be granted the right to use the term REALTOR®, or the REALTOR® logo; to serve as president of the local association; or to be a participant in the local association's multiple listing service.

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 such obligations prescribed by the Board of Directors.

Section 10 - Honorary Members

Honorary membership shall confer only the right to attend meetings and participate is discussions.

Section 11 - Student Members.

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

Section 12 - Certification by REALTOR®.

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

Section 13 - Legal Liability Training.

Within two (2) years of the date of election to membership, and every two (2) years thereafter, each REALTOR® member of the association shall be required to demonstrate that they have completed a course of instruction on antitrust laws,





agency laws, civil rights laws or the REALTORS® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement.

This requirement will be considered satisfied upon presentation of evidence that the member has completed an educational program conducted by another Member Board, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS® or any of its affiliated Institutes, Societies or Councils, or any other recognized educational institution which, in the opinion of the Board of Directors, is an adequate substitute for the training programs conducted by the association. Failure to satisfy this requirement biennially will result in membership being suspended from the date it otherwise would be renewed until such time that the member provides evidence of completion of the aforementioned educational requirements.

NOTE: Any education requirement must comply with Interpretation No. 37 of Article I, Section 2, *Bylaws*, and NATIONAL ASSOCIATION OF REALTORS®.

Section 14 - Harassment

Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or association officer or director after an investigation in accordance with the procedures of the association. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the president, president-elect and/or vice president and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the president, president-elect/vice president, they may not participate in the proceedings and shall be replaced by the immediate past president or, alternatively, by another member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

NOTE: Suggested procedures for processing complaints of harassment are available online at http://www.REALTOR.org, or from the Member Policy Department.





ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

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

Section 2 - It shall be the duty and responsibility of every REALTOR® member of this association to safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by the governing documents and policies of the association, the State Association, and the *NATIONAL ASSOCIATION OF REALTORS®*, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

Every REALTOR® member shall maintain a high level of integrity and adhere to the association's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership.

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





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

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.

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

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

Section 3 - A REALTOR® 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 estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members.

In the case of a REALTOR® 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, 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 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®, and not the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.





ARTICLE IX – STATE AND NATIONAL MEMBERSHIPS

Section 1 - Aspire North REALTORS® shall be a member of the NATIONAL ASSOCIATION OF REALTORS®, and the MICHIGAN REALTORS®. By reason of the Association's membership, each REALTOR® member of Aspire North shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the MICHIGAN REALTORS® without further payment of dues. Aspire North 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 - Use of the term REALTOR®.

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

Section 3 - Responsibilities.

Aspire North adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agree to enforce the Code among its REALTOR® members. Aspire North and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and Michigan Association of REALTORS®.

ARTICLE X - DUES AND ASSESSMENTS

Section 1 - Application Fee.

The Board of Directors of Aspire North may adopt an application fee for REALTOR® membership, not to exceed 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 Aspire North upon final approval of the application and is not refundable.

Section 2 - Dues.

The annual dues of members shall be as follows:





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

A REALTOR® 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 REALTOR®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business 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 Aspire North on a form approved by Aspire North 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 shall not be included in calculating the annual dues of the designated REALTOR®. Designated REALTORS® shall notify Aspire North REALTORS® within three (3) days of any change of status of licensees in a referral firm.

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

Membership dues shall be prorated for any licensee included on a certification form submitted to Aspire North who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® membership during the preceding year.

- (b) **REALTOR® Members' Dues**. The annual dues of REALTOR® members other than the Designated REALTOR® shall be as established annually by the Board of Directors.
- (c) Institute Affiliate Members. The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: The Institutes, Societies, and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate members (\$105). The National Association shall credit \$35 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35 amount will be credited to the COB, unless the Institute Affiliate member directs that the dues be distributed to the





other association. The National Association shall also credit \$35 to the account of state associations for each Institute Affiliate member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate members, but may provide service packages to which Institute Affiliate members may voluntarily subscribe.

- (d) **Affiliate Members.** The annual dues of each Affiliate member shall be as established annually by the Board of Directors.
- (e) **Public Service Members.** Dues payable, if any, shall be at the discretion of 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.
- (h) **REALTOR®** Emeritus. 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 - Dues Payable

Dues for all REALTOR® members shall be payable annually in advance on the first day of July. Dues for new members shall be computed from the date of application and granting of provisional membership.

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

Section 4 - Nonpayment of Financial Obligations.

If dues, fees, fines or other assessments including amounts owed to Aspire North or Aspire North's multiple listing service are not paid within one month after the





due date, the non-paying Member is subject to suspension at the discretion of the Board of Directors. Within the next thirty days after suspension, a non-paying member shall be reinstated by payment of dues and a \$100 reinstatement fee. Two months after due date, membership of the non-paying members shall be terminated at the discretion of 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.

A former member, who has had his/her membership terminated, may apply for reinstatement in the manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination. In cases of hardship, the non-paying member may petition the Board of Directors for reinstatement without penalty provided that the petition is received by the Chief Executive Officer prior to the date of termination.

Section 5 - Deposits.

All money received by Aspire North for any purpose shall be deposited to the credit of Aspire North in a financial institution or institutions selected by resolution of the Board of Directors. Aspire North shall cause all monies received to it to be entered into the official records of the Association in standard bookkeeping form.

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

Section 6 - Notice of Dues, Fees, Fines, Assessments and other Financial Obligations of Members.

All dues, fees, fines, assessments, or other obligations to Aspire North or the MLS shall be noticed to the delinquent member in writing setting forth the amount owed and due date.





ARTICLE XI - OFFICERS AND DIRECTORS

Section 1 - Officers.

The elected officers of Aspire North shall be a president, a president-elect, and a secretary-treasurer. The president-elect shall automatically succeed to the office of president in the following year. Officers shall be elected for a term of one year. All officers shall have been a member of the National Association of REALTORS® for not less than three years at the time of his/her assumption of office.

Section 2 - Duties of Officers.

The duties of the officers shall be such as their titles by general usage would indicate and further defined by the Aspire North Policy Manual. The Board of Directors may modify these duties from time to time. It shall be the particular duty of the Chief Executive Officer to keep records of Aspire North and carry on all necessary correspondence with the State and National Associations.

Section 3 - Board of Directors.

The governing body of Aspire North shall be the fifteen (15) person board of directors. The Board of Directors voting members shall consist of a president, immediate past president, the chairman of the MLS Committee, and nine (9) directors (one of whom shall be the president-elect and one of whom shall be the secretary-treasurer). Any vacancies shall be filled by the appointment by the president, subject to the approval of the Board of Directors.

- (a) **President.** The president shall vote on matters before the Board only in the event of a tie vote of the Board. If the president's term is within the term for which elected by the members, a vacancy shall exist for a member-elected Board member.
- (b) **President-Elect**. Annually the Board of Directors shall elect a president-elect from the nine (9) member-elected board members. The person elected must be within the term for which elected by the members. However, when serving as president and immediate past president, that person need not be within the member-elected term.
- (c) **Secretary-Treasurer.** The secretary-treasurer shall be elected from the nine (9) member-elected board members and shall be within the term for which elected by the members.





(d) MLS Committee Chair. The chairperson of the MLS Committee shall be appointed by the president subject to the approval of the Board. That Chairperson shall be a voting member of the Board of Directors. If that Chairperson currently serves on the Board by being elected by the members, a vacancy shall exist for a member-elected Board Member. The MLS chairperson is not authorized to vote for president-elect or secretary-treasurer unless the MLS chairperson was appointed from the current membership-elected directorate.

Section 4 - Non-voting Board Members.

In addition to the 12 voting members, the Board shall also include non-voting members as follows:

- (a) Affiliate Committee Chairperson
- (b) Business Community Representative
- (c) Reverse Mentor

These persons shall be selected as outlined in the Policy Manual. They shall not be counted for purposes of a quorum. Otherwise, they shall be entitled to all of the privileges and duties of Board Members.

Section 5 - Maximum from Same Firm.

No more than forty percent (40%) of the voting Board of Directors shall be from the same real estate firm. However, this provision may be waived by the affirmative three/fifths vote of the Board of Directors. The three/fifths vote required by this section shall be from those qualified and sitting voting Board Members. The president shall vote on a waiver decision. Such voting on a waiver shall occur prior to appointment or election of a Board Member that would violate this section. If a nominating petition is filed and verified by the election committee for a candidate who if elected would cause a violation of this section, the vote on the waiver shall occur after verification and before the election by the members.

Section 6 - Chief Executive Officer.

There shall be a Chief Executive Officer (CEO), appointed by the Board of Directors, who shall be the chief administrative officer of the association. The





Chief Executive Officer shall have the authority to hire, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. He or she shall attend all Board meetings and membership meetings, but shall not be entitled to vote.

Section 7 - Election of Directors.

- (a) A member wishing to become one of the nine (9) voting Directors should, at least two months before the annual election, submit a statement of intent and qualification to the Directors. A nominating petition signed by at least 25 REALTOR® members shall accompany this statement. The statement and petition shall place in nomination the names of those wishing to serve on the Board of Directors. An election committee appointed by the president shall verify these nominations and the report shall be sent to each active member at least three weeks preceding the election. In the event that no nominations are received, the election committee shall propose at least one name for each available directorship. In the event of an excess of nominees (more than two per vacancy) the directors shall determine whether a primary election should be held.
- (b) The election of the directors shall take place at a date in October that shall be set by the Board of Directors and published with the announcement of the nominations. Election shall be by ballot and all votes cast in person, electronically, if available or by absentee ballot. The ballots shall contain the names of all candidates. The nominees receiving the highest number of votes shall be elected to the vacant directorship(s). In the event that one or more of the vacancies is for less than three years, the newly elected Director(s) receiving the fewest number of votes shall assume that position.
- (c) Directors shall be elected for three-year terms.
- (d) Term Limits. No Board members shall be elected for more than two (2) consecutive three (3) year terms.

Section 8 - Vacancies.

Upon recommendation by the president, the Board of Directors shall fill, by a simple majority vote, vacancies among the Officers and the Board of Directors until the next election. In the event that the president-elect is unable to succeed to the Presidency, the Directors shall elect a president from the Directorate.





Section 9 - Removal of Directors and Officers.

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 the office voluntarily, the Officer or Director may be removed from office under the following procedures:

- (a) A petition requiring the removal of an Officer or a Director and signed by not less than one-third of the voting membership or by 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 20 days or more than 45 days thereafter, a special meeting of the voting membership of Aspire North 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 of such petition.
- (c) The special meeting shall be noticed to all voting members at least 10 (ten) days prior to the meeting and shall be conducted by the president of Aspire North unless the president's continued service in office is being considered at this meeting. In such case, the next ranking officer will conduct the meeting of the hearing by members. Provided a quorum is present, a three-fourths (¾) vote of the members present and voting shall be required for removal from office.

ARTICLE XII - MEETINGS

Section 1 - Annual Meetings.

The annual meeting of the Aspire North membership shall be held no later than November of each year. The Board of Directors will designate the date, place and hour. The annual organizational meeting of the Board of Directors shall be held in December, at which time officers shall be elected.

Section 2 - Meetings of the Directors.

The Board of Directors shall designate a regular time and place of meetings. Absence from three (3) regular meetings in a calendar year without an excuse deemed valid by the Board of Directors shall be construed as resignation. A quorum for the transaction of business shall be a majority of the Board of Directors, except as may otherwise be required by state law. An excused absence





must be personally obtained from either the president or the Chief Executive Officer.

Section 3 - Other Meetings.

The Board of Directors shall make an annual business report to the general membership at an annual meeting to be held in the fourth quarter of each calendar year. Other meetings may be held at such times as the president of the Board of Directors may determine, or upon written request of at least 10% of the REALTOR® members.

Section 4 - Notice of Meetings.

Written or electronic notice shall be given to every member entitled to participate in meetings at least one (1) week prior to event. If a special meeting, a statement of purpose of the meeting shall accompany it. Member entitlement applies only to any dues paying member of the association currently held in good standing at the time of the meeting or event. Member attendees shall be allowed comments pertinent to the agenda during the open forum sessions at the beginning and end of the meeting but shall be restricted from comments during the regular meeting proceedings. Non-member visitors who are not members in good standing of the association shall be excluded from all meetings unless expressly approved by the acting president or president-elect. Invitations to attend any meeting may be granted by submitting a formal written request to the association and approved by the acting president or president-elect, at least one week before a specific meeting or event. Visitors and their purpose for attending any event or meeting shall be identified either on the agenda or at the start of the meeting proceedings.

Section 5 - Quorum.

A quorum for the transaction of business of the general membership shall consist of 25% of the REALTOR® members. A quorum of the Board shall be a majority of voting members qualified and then in office.

Section 6 - Electronic Transaction of Business.

If authorized by the Aspire North Policy Manual, the Board of Directors or membership may conduct business by electronic means.

Section 7 - Action without Meeting.

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the





action to be taken, shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Chief Executive Officer to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.

ARTICLE XIII - COMMITTEES

Section 1 - Standing Committees.

The president shall appoint from among eligible members, subject to confirmation of the Board of Directors, the following standing committees:

- Affiliate Ambassador Committee
- Budget & Finance Committee
- Education Committee
- Grievance Committee
- Membership Committee
- Multiple Listing Service Committee
- Professional Standards Committee

Section 2 - Other Committees.

Other committees may be established by the Board in the Aspire North Policy Manual. The president shall appoint, subject to confirmation by the Board of Directors, special committees or task teams 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 and Board of Directors except as otherwise provided in these Bylaws.

Section 4 - Ex-Officio Members.

The president, president-elect, and chief executive officer shall be ex-officio members of all standing committees and shall be notified of all meetings. The president and president-elect but not the CEO shall have voting authority.





ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1 - Fiscal Year.

The fiscal year of Aspire North shall be July 1 through June 30.

Section 2 - Elective Year.

The elective year of Aspire North shall be January 1 through December 31.

ARTICLE XV - RULES OF ORDER

Section 1 - Roberts Rules of Order, latest edition, shall be recognized as the authority governing the membership meetings of Aspire North. The Board of Directors may adopt rules of order for the conduct of its meeting and committees' meetings, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XVI - AMENDMENTS

Section - 1 Bylaw Amendments.

- (a) 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.
- (b) These Bylaws may also be amended by electronic and/or paper voting by a majority vote of not less than a quorum of members. This voting and the procedures for such voting must be established by resolution of the Board of Directors.

Section 2 - Notice.

Notice of all meetings at which amendments are to be considered shall be communicated in a manner determined by the Board to every member eligible to vote at least one (1) week prior to the meeting.

Section 3 - NAR Approval.

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

Section 4 - Lack of Quorum.

If there is no quorum for the transaction of business of the general membership at a regular or special meeting of the membership, any business or action scheduled to be voted on by the membership may be acted upon by the Board of Directors unless such business or action may only be done by the general membership pursuant to the Bylaws.

ARTICLE XVII - DISSOLUTION

Section 1 - Dissolution.

Upon the dissolution of Aspire North, the Board of Directors, after providing for the payment of all obligations shall distribute any remaining assets to the MICHIGAN REALTORS® or, within its discretion, to any other non-profit, taxexempt organization.

ARTICLE XVIII - MULTIPLE LISTING

Section - 1 Authority.

Aspire North shall maintain for the use of its members a Multiple Listing Service, which shall be a lawful corporation of the state of Michigan, all the stock of which shall be owned by the partner associations of REALTORS®.

Section 2 - Purpose.

A Multiple Listing Service is a means by which the authorized participants make a blanket offer of compensation to other participants (acting as sub- agents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses and other valuations of real property; by which participants engaging in real estate appraisal contribute to common data bases; 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 by it 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 association who is a principal, partner, corporate officer, or branch manager acting on behalf of the principal, without further qualification shall be eligible to participate in multiple listing upon agreeing in writing to conform to the rules and regulations thereof, and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to multiple listing service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by 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.

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 operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted





by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant of 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 a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participant) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants.

Any applicant for MLS participation and any license (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided.

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely.

*Associations are not required to establish prerequisites for MLS participation beyond holding REALTOR® (principal) membership in an association. However, if the association wishes to establish these requirements for MLS participation or for access to MLS-generated information, the



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requirement of attendance at an orientation program is the most rigorous requirement that may be established

**Generally, associations of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS "participant". If each principal is defined as a "participant", then each shall have a separate vote on MLS matters. Brokers or salespersons other than principals are not considered "participants" in the service, but have access to and use of the service through the principal(s) with whom they are affiliated.

Section 5 - Supervision.

The activity shall be monitored by the Aspire North MLS Committee and operated in a regional partnership under the supervision of the Northern Great Lakes Multiple Listing Service LLC in accordance with the rules and regulations of the NGLRMLS and subject to the approval of the NGLRMLS LLC Board of Representatives.

Section 6 - Appointment of MLS Committee.

The president shall appoint, subject to confirmation by the Board of Directors, a Multiple Listing Service Committee. All members of the committee shall be participants in the Multiple Listing Service, or REALTORS® affiliated with participants. The committee members so named shall serve staggered two (2) year terms. The chairperson shall be designated by the president, subject to approval of the Board of Directors and shall serve as a voting member of the Board of Directors.

Section 7 - Vacancies

Vacancies in unexpired terms shall be filled as in the case of original appointments.

Section 8 - Attendance.

Any committee member who fails to attend two regular or special meetings of the committee, in a calendar year without excuse accepted by the chairperson of the committee prior to that meeting, shall be deemed to have resigned from the committee and the vacancy of the un-expired term shall be filled as herein provided for original appointments.

Section 9 - Access to Comparable and Statistical Information.

Board members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all





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 Board members and individuals affiliated with Aspire North 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 by the MLS Committee. Board members who receive such information either as an Aspire North service or through the MLS are subject to the applicable provisions of the MLS Rules and Regulations, whether they participate in the MLS or not.

Section 10 - Subscribers.

Subscribers (or users) of the MLS include brokers, non-principal brokers, sales associates, and those certified by the MLS Committee.

ARTICLE XIX - INTERPRETATION

<u>Section 1</u> These Bylaws shall be interpreted to expedite the business of Aspire North and not hinder it.

<u>Section 2</u> The title or headings of sections and articles and the annotations are not a part of the Bylaws.

END OF DOCUMENT

