

**BYLAWS OF
PRAIRIE LAND REALTORS®**

*Adopted May 2015
Amended May 2016
Amended March 2018
Amended June 2019
Amended February 2020*

ARTICLE I - NAME

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

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

ARTICLE II - OBJECTIVES

The objectives of the Association are:

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

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

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

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

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

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

ARTICLE III - JURISDICTION

Section 1 The territorial jurisdiction of the Association as a member of the NATIONAL ASSOCIATION OF REALTORS® is: All of Barber, Comanche, Edwards, Harper, Kingman, Kiowa, McPherson, Pratt, Reno, Rice, and Stafford Counties in Kansas.

Section 2 Territorial jurisdiction is defined to mean:

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

ARTICLE IV - MEMBERSHIP

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

- (a) **REALTOR® Members** REALTOR® Members, whether primary or secondary shall be:
- (1) Individuals who, as sole proprietors, partners, corporate officers, or branch managers are engaged actively in the real estate profession, including, buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located in the state of Kansas 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 the Institute Affiliate Membership as described in Section 1(b) of Article IV.

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

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) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NATIONAL ASSOCIATION OF REALTORS® *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 associated-mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local association, state association and National Association.
 - (4) Primary and Secondary REALTOR® Members. An individual is a primary member if the Association pays state and National dues based on such member. An individual is a secondary member if state and National dues are remitted through another association. One of the principals in a real estate firm must be a Designated REALTOR® Member of the Association in order for licensees affiliated with the firm to select the Association as their "primary" Association.
 - (5) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Association dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® membership established in Article V, Section 2 of the Bylaws.
- (b) **Institute Affiliate Members** Institute Affiliate members shall be individuals who hold professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership.

- (c) **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 Association.
- (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 who are not engaged in the real estate profession on their own account or in association with an established real estate business.
- (e) **Honorary Members** Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Association, or for the public.
- (f) **Student Members** Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two (2) years of college and at least one (1) 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

- (a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the Applicant:
 - (1) That Applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®. Upon approval of membership by the Board of Directors, the member will abide by the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the *Constitution and Bylaws* of the NATIONAL ASSOCIATION OF REALTORS®, and if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate (or to mediate if required by the Association) 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 ASSOCIATIONS OF REALTORS®, as from time to time amended, and
 - (2) That Applicant consents that the Association, through its membership committee or otherwise, may invite and receive information and comment about Applicant from any Member or other persons, and that the Applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The Applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2 Qualification

- (a) An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through its Membership 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 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 & non-discriminatory written examination thereon, as may be required by the Committee, and shall agree that upon approval of membership by the Board of Directors, he/she will abide by such *Constitution*,

Bylaws, Rules and Regulations, and Code of Ethics.

*If the applicant or the applicant's real estate firm is named as a debtor in such bankruptcy proceeding, membership may be denied 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 association dues and MLS fees for up to one (1) year from the date that membership is approved. 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.

**The association may only consider: civil judgements imposed within the past seven (7) years involving judgements 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. The association may only consider criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, the applicant must provide and the association must consider mitigating factors relating to that criminal history.

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

**The association may only consider: civil judgements imposed within the past seven (7) years involving judgements 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. The association may only consider criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, the applicant must provide and the association must consider mitigating factors relating to that criminal history.

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

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

Section 3 Election

The procedure for election to membership shall be as follows.

- (a) The Association Executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subjected to all of the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the Board of Directors.
- (b) 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 90 days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. The Board of Directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors he/she shall be declared elected to membership and shall be advised by written notice.
- (c) The Board of Directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- (d) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Association Executive (or duly authorized designee). 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 association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

Section 4 New Member Code of Ethics Orientation

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or Provisional Members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less.

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

Section 5 REALTOR® Code of Ethics Training

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

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

Section 6 Status Changes

(a) A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the Association within ten (10) business days. A REALTOR® (non-principal) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members but shall, during the period of transition from one status of membership to another, be subject to all 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 thirty (30) calendar days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring 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 thirty (30) calendar days of the date the Association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

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

- (b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.
- (c) Dues shall be prorated from the first day of the month in which the Member is notified of approval by the Board of Directors and shall be based on the new membership status for the remainder of the year.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

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

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

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

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

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

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

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

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership, or an officer of 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 re-admission to REALTOR® membership, or unless connection with the firm, partnership, or corporation is severed or management control is relinquished, 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, or unless the REALTOR® who is suspended or expelled removes himself/herself from any form of degree of management control of the firm for the term of the suspension or until re-admission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is re-admitted to membership in the Association. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member, or until re-admission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply.

If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

- (b) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(a) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® member and they shall be advised that the provisions in Article VI, Section 6(a) shall apply.

Section 7 Institute Affiliate Members Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the *Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®*.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local association; or to be a Participant in the local association's Multiple Listing Service.

Section 8 Affiliate Members Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 9 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 membership shall confer only the right to attend meetings and participate in discussions.

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

Section 12 Certification by REALTOR® "Designated" REALTOR® members of the Association shall certify to the Association during the month of December on a form provided by the Association, a complete listing of individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another association based on said non-member licensees, the Designated REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within ten (10) business days of the date of affiliation or severance of the individual.

Section 13 Harassment Any member of the Association may be reprimanded, placed on probation, suspended or expelled for harassment of an Association or MLS employee, 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 one (1) Member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the Board. Disciplinary action may also consist of any sanction authorized in the Association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect, they may not participate in the proceedings and shall be replaced by the immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

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

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

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

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

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

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

Section 3 A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® or REALTORS® only if all of the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members or Institute Affiliate members as described in Section 1(b) of Article IV.

- (a) In the case of a REALTOR® Member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

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

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

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

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

Section 3 The Association adopts the *Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®* and agrees to enforce that Code among its REALTOR® Members. The Association and all of its Members agree to abide by the *Constitution, Bylaws, Rules and Regulations*, and policies of the NATIONAL ASSOCIATION and the KANSAS 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 a reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the Association upon final approval of the application.

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

- (a) **REALTOR® Members** The annual dues of each Designated REALTOR® Member shall be in such an 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 Designated REALTOR® Member, and (2) are not REALTOR® Members of any Association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the association to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this Association.
- (1) For the purpose of this section, a REALTOR® member of the Association shall be held to be any member who has a place or places of business within the state or a state contiguous to and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the *Constitution of the NATIONAL ASSOCIATION OF REALTORS®*. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR® or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2(a)(1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principle, 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, renting, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the designated REALTOR®. Designated REALTORS® shall notify the Association within three (3) days of any change in status of licensees in a referral firm.

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

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

- (b) REALTOR® Members 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 for each Institute Affiliate Member shall be established in Article II of the *Bylaws of the National Association of REALTOR®*.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate members (\$105.00). The National Association shall credit \$35.00 to the account of a Local Association for each Institute Affiliate member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other association. The National Association shall also credit \$35.00 to the account of State Associations for each Institute Affiliate member whose office address is located within the territorial jurisdiction of the State Association. Local and State Associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.

- (d) Affiliate Members The dues of each Affiliate Member shall be such an amount as established annually by the Board of Directors.
- (e) Public Service Members The dues of each Public Service Member shall be in such amount as established 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 for new members shall be computed from the date of application and granting provisional membership. Dues for newly-licensed real estate salespersons that are affiliating with a Designated REALTOR® for the first time since becoming licensed by the appropriate state regulatory agency shall be calculated using the date of affiliation with the Designated REALTOR®.

- (a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for non-payment of Association dues, and the individual remains with the Designated REALTOR®'s firm, the dues obligation of the Designated REALTOR® (as set forth in Article X, Section 2[a]) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within thirty (30) days of the notice of termination and if payment is not made the membership of the Designated REALTOR® shall automatically terminate at the end of this thirty (30) days.

- (b) Dues not paid by January 20 will be delinquent and a late fee will be assessed and access to all Association and MLS services will be suspended. If a REALTOR® Member's Dues remain unpaid at the close of business on February 1, the member will be subject to termination at the discretion of the Board of Directors. The Board of Directors shall establish the amount of the late fee annually. The Board of Directors shall also establish a reinstatement fee for licensees re-applying for membership after February 1.

If a newly affiliated individual does not make application for REALTOR® membership and remit dues within thirty (30) days of licensure, and the Designated REALTOR® fails to report the individual as a non-member to the Association within that time, a fine shall be assessed. The Board of Directors shall establish the amount of the fine annually. Thirty (30) days after the delinquent date, membership of the Designated REALTOR® may be terminated at the discretion of the Board of Directors. However, no action shall be taken to suspend or expel a member for non-payment of disputed amounts until the Board of Directors has confirmed the accuracy of the amount owed.

Section 4 **Non-payment of Financial Obligations** If dues, fees, fines, or other assessments, including amounts owed to the Association or to the Association's Multiple Listing Service, are not paid within one (1) month after the due date, the non-paying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the non-paying Member may be terminated at the discretion of the Board of Directors. Three (3) months after due date, membership of the non-paying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for non-payment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors.

A former Member who has had his/her membership terminated for non-payment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 5 **Deposits and Expenditures** 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 or Other Financial Obligations of Members** All dues, fees, fines, assessment, or other financial obligations to the Association or Association multiple listing service shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

Section 7 The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents and Past Treasurers of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1 **Eligibility**

- (a) Only Members who have designated the Association as their primary or secondary Association for purposes of the NATIONAL ASSOCIATION OF REALTORS® and the Kansas Association of REALTORS® shall be eligible to hold an elective office.
- (b) A candidate for election as a Director or Officer must hold a valid real estate license in the State of Kansas.
- (c) Members may not serve as an Officer or Director of the Association while also serving as an Officer or Director of any other local REALTOR® association.
- (d) REALTOR® Member must be in good standing with the Association and must have been a REALTOR® for the preceding two (2) year period. The two (2) year period is defined as from the date the Member joined the Association to the date the Member would take office.

- (e) No more than two (2) REALTOR® Member from the same real estate firm can serve as voting member of the Board of Directors at the same time.

Section 2 Officers The Association shall have three (3) Officers, who must be REALTOR® Members, as follows: a President, a President-Elect, and a Treasurer. The President-Elect and the Treasurer shall be elected to a one (1) year term by a majority vote of the entire Board of Directors present at the meeting at which the election takes place. The Treasurer may be re-elected for one (1) subsequent year. The President-Elect shall automatically ascend to the Presidency at the end of his or her term as President-Elect. The election of the President-Elect and the Treasurer shall be done by the Board of Directors no later than December 1st of every year. The Association Executive shall serve as the Secretary of the Association and shall be a non-voting ex officio member of the Board of Directors and the Executive Committee.

Section 3 Duties of Officers The duties of the Officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Association Executive to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the State Association.

Section 4 Executive Committee The Executive Committee shall be comprised of the three (3) Officers as specified in Article XI, Section 2, the Immediate Past President, and the Association Executive. The Executive Committee shall be presided over by the President and shall meet at his/her call or by the call of a majority of the Executive Committee. The function of the Executive Committee is to transact business which is within the authority of the Board of Directors under the Bylaws and which is of an urgent nature between meetings of the Board of Directors, and which in the opinion of the President, or the majority of the Executive Committee, does not require a decision of the entire Board of Directors. Any and all such actions of the Executive Committee shall be reported in full to the Board of Directors at the next meeting thereof and said Directors shall ratify, confirm or overrule all such actions. The Executive Committee shall conduct an annual performance review of the Association Executive and shall have the authority to determine the compensation and all other contractual matters related to the Association Executive.

Section 5 Board of Directors

- (a) The governing body of the Association shall be a Board of Directors consisting of nine (9) elected REALTOR® members of the Association. Three (3) Directors will be elected from each of the Association's Councils. The immediate Past President of the Association shall remain on the Board of Directors as an ex-officio member if his/her term has ended.
- (b) Directors shall be elected for a term of three (3) years, with one (1) from each Council being elected each year for a three (3) year term.
- (c) Directors may not serve more than two (2) consecutive three (3) year terms; except in instances when a Director is elected to be an Officer and that term as Officer exceeds the two (2) consecutive three (3) year terms. Directors who have served two (2) consecutive three (3) year terms must take at least one (1) year off before running for Director again.
- (d) A newly elected President-Elect, who would otherwise be subject to re-election for a second consecutive term as a Director, is not subject to re-election if the term of his or her new office extends into a second three (3) year term.
- (e) If any Council is unable to put forward a Director candidate for a vacancy, that position will become an At-Large Director, which can be filled with any REALTOR® Member from any Council in the Association for the term of the position.

Section 6 Election of Directors

- (a) Credentials/Election Committee On or before July 1st of each year, a Credentials/Election Committee shall be established, comprised of the Immediate Past President of the Association, who shall serve as Chair, two (2) members of the current Board of Directors, whose term in office is not expiring during the current year, and two (2) additional REALTOR® Members selected at-large, all of whom shall be appointed by the President, in consultation with the Executive Committee, and with the approval of the Board of Directors. A quorum for the meetings of the Credentials/Election Committee shall be three (3) members. The Credentials/Election Committee shall have three (3) primary responsibilities: (1) to certify the slate of Officers to the Board of Directors for consideration; (2) to certify the slate of Kansas Association of REALTORS® Directors to the Board of Directors for consideration, and; (3) to certify the slate of Directors to the membership for consideration. Regarding the Credentials/Election Committee's task of presenting a slate of Directors for membership consideration, the Credentials/Election Committee shall select one (1) or more candidates for each Director position who meet the qualifications as specified in Article XI, Section 1. The Credentials/Election Committee shall give utmost consideration to ensuring that all geographic, size, type, specialties and diversity of membership are considered when presenting the Nominating Slate. The report of the Credentials/Election Committee shall be distributed to the membership eligible to vote at least thirty (30) calendar days preceding the election.

Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least five (5) percent of the Members eligible to vote. The petition shall be filed with the Association at least twenty (20) calendar days before the election. The Association shall distribute notice of such additional nominations to all the membership eligible to vote at least fourteen (14) days before the election. Any REALTOR® Member nominated by petition must meet the qualifications as specified in Article XI, Section 1.

If the Credentials/Election Committee is unable to identify a qualified candidate for each Council vacancy, the Director position will become an At-Large Director, which can be filled with any REALTOR® Member from any Council in the Association for the term of the position.

- (b) Election The Board of Directors shall determine if the Election shall take place in person, electronically, or other method. In case of a tie vote, the issue shall be determined by name lot. The names of the candidates involved in the tie vote shall be placed in a receptacle. A name shall be drawn and shall be declared the winner. This process shall be supervised by three (3) members from the Credentials/Election Committee, appointed by the President.
- (c) Election of Directors The election of Directors shall take place during a day or days designated by the Board of Directors. Election shall be by secret ballot and votes may be cast in person, in writing by ballot, electronically, or other method as determined by the Board of Directors. Ballots shall contain the names of all candidates nominated, whether by the Credentials/Election Committee or by petition, and the term for which they are nominated. The Board of Directors may approve and adopt a process for voting by proxy, balloting by mail or by electronic means. No votes for "write-in" candidates shall be accepted.

Section 7 Election and Assumption of Duties The election of Directors shall take place between August 1st and October 1st of each year. All Officers and Directors shall assume the duties of office on January 1st of each year except those who are appointed by the Board of Directors to fill vacancies.

Section 8 KAR Directors KAR Directors shall be appointed by a majority vote of the Board of Directors.

Section 9 Vacancies Vacancies that occur among the elected Officers and Directors of the governing body at any time shall be filled by a simple majority vote of the Board of Directors until the next annual election.

Section 10 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 either of the following procedures:

- (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third (1/3) of the voting membership shall be filed with the President (or if the President is the subject of the petition, with the next -ranking officer) and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the 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 a petition.
- (c) All voting Members shall be notified of the special meeting at least ten (10) days prior to the meeting. It 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 (3/4) vote of Members present and voting shall be required for removal from office.

Section 11 Association Executive There shall be an Association Executive who shall be employed by the Board of Directors. He/she shall be the Association Executive of the Association and responsible to the President and the Board of Directors. The Association Executive shall have the authority to hire, supervise, evaluate and terminate other staff and shall perform such other duties as prescribed by the Board of Directors.

ARTICLE XII - MEETINGS

Section 1 Annual Meeting The annual meeting of the Association shall be held each year; the date, place, and hour to be designated by the Board of Directors. Notice of this meeting shall be given to every member entitled to participate at least one (1) week preceding the meeting.

Section 2 Meetings of Directors The Board of Directors shall designate a regular time and place for meetings. Absence from three (3) regular meetings 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.

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

Section 4 Notice of Meetings Notice shall be given to every member entitled to participate in the meeting, at least one (1) week preceding all meetings. Notice may be given by mail, email, fax, or MLS Message Board. 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 by the general membership and/or special meetings of the membership shall consist of twenty-five percent (25%) of the members eligible to vote, except as may otherwise be required by state law.

Section 6 Electronic Transaction of Business To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

Section 7 Action without Meeting Unless specifically prohibited by the Articles of Incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by at least six (6) of the Directors. The consent shall be evidenced by one (1) or more written approvals, each of which sets forth the action taken and bears the signature of one (1) or more Directors. All the approvals evidencing the consent shall be delivered to the Association Executive to be filed in the corporate records. The action taken shall be effective when 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 REALTOR® Members, subject to confirmation by the Board of Directors, the following Committees:

- Professional Standards
- Grievance
- Budget/Finance

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

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

Section 3 **Organization** All Committees shall be of such size and shall have such duties, functions and powers as may be 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.

Section 5 **Action without Meeting** Any Committee may act by unanimous consent in writing without a meeting. The consent shall be evidenced by one (1) or more written approvals, each of which set forth the action taken and bears the signature of one or more of the members of the committee.

Section 6 **Attendance by Telephone** Members of a Committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the President and shall constitute presence at the meeting.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1 The fiscal year shall be the calendar year, January 1st through December 31st.

Section 2 The elective year of the Board shall be January 1st through December 31st.

ARTICLE XV – COUNCILS

Section 1 **Authorization** The Board of Directors of the Association may authorize the establishment of Councils within geographical limits, such Councils to continue at the pleasure of the Board of Directors. In addition, Councils shall at all times be governed by and in accordance with the Bylaws of the Association. Councils can be an invaluable tool to growing the Association and serve the profession in ways the Association cannot due to personnel and geographical limitations. Councils may not speak on policy issues on behalf of the Association without specific authority from the Association’s Board of Directors.

Section 2 **Geographical Councils** The Board of Directors may define, redefine or divide the territorial jurisdiction of any Council, as it may determine in its absolute discretion. Geographically based Councils allow the Association to provide advocacy and consumer outreach within the specific territorial jurisdiction.

Section 3 **Council Name** The official name of a Council will be identified by the geographical area of the Council of the Association.

Section 4 **Membership** An individual shall be required to be a Member in good standing with the NATIONAL ASSOCIATION OF REALTORS®, State Association, and the Local Association as a prerequisite for active membership in a Council. An active Member of the Association is under no obligation to participate in a geographical Council.

Section 5 **Council Expenditures** The Association shall determine an equitable amount of funding for each Council based on advocacy and consumer outreach activities within the Council’s jurisdiction. All expenditures will be handled through the Association.

Section 6 **Advisory Committee** There shall be a Council Advisory Committee made up of one (1) representative from each Council within the Association. Representatives shall be selected by Council Members. The Advisory Committee serves to advise the Officers and Directors at their request on matters of concern within the geographical Councils. Each Council representative will be affirmed by the Association’s Board of Directors as a voting Director at the State Association Board of Director meetings. Each Council should report to the Association at least twice a year. The relationship between the Association and Councils can be beneficial to both; but constant communication is essential, both to keep everyone working toward the same ends and to avoid misunderstandings.

ARTICLE XVI - 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 XVII - AMENDMENTS

Section 1 These Bylaws may be amended by 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 in which amendments are to be considered shall be mailed, faxed, or emailed at least one (1) week prior to the meeting to all voting Members.

Section 3 Amendments to these Bylaws affecting the admission or qualifications of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR®, 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®.

XVIII - DISSOLUTION

Section 1 Upon the dissolution of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Kansas Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization.

ARTICLE XIX – MULTIPLE LISTING

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

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

Section 3 **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® of this or any other association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these Bylaws, shall be eligible to participate in multiple listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to multiple listing service "membership" or "participation" unless they hold a current, valid real estate 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.

**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.

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 or potential participant as long as the level of service satisfies state law.

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

Section 5 Subscribers Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS participant or the participant's licensed designee.

Section 6 Removal of Officers and Directors In the event that an Officer or Director of the multiple listing service 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:

1. A petition requiring the removal of an Officer or Director and signed by not less than one-third (1/3) of the participants or a majority of all Directors of the MLS shall be filed with the President of the MLS, 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.
2. Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the participants of the MLS 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.
3. The special meeting shall be noticed to all participants at least ten (10) days prior to the meeting, and shall be conducted by the President of the MLS 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 or the hearing by the participants. Provided a quorum is present, a three-fourths (3/4) vote of participants present and voting shall be required for removal from office.
4. Any vote taken by the participants to remove an officer or director must ultimately be confirmed by a majority vote of the Directors of the Shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the Shareholder(s).