

**GRANITE STATE SOUTH BOARD OF REALTORS®**

**BYLAWS**

Revised August, 2008  
Revised April 6, 2009  
Revised August, 2011  
Revised September 2013  
Revised May 2015

## **ARTICLE 1 - NAME**

Section 1: Name: The name of this organization shall be the GRANITE STATE SOUTH BOARD OF REALTORS®, Incorporated, hereinafter referred to as the "Association".

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

## **ARTICLE II - OBJECTIVES**

The objectives of the Association are:

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

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

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

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

Section 5: To unite those engaged in the real estate profession in this community with the New Hampshire 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 Atkinson, Brentwood, Chester, Danville, Derry, E. Kingston, Epping, Fremont, Hampstead, Kingston, Londonderry, Newton, Pelham, Plaistow, Raymond, Salem, Sandown, and Windham, New Hampshire.

Section 2: Territorial jurisdiction is defined to mean:

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

ASSOCIATION in the terms.

## ARTICLE IV - MEMBERSHIP

Section 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 located within the State of New Hampshire 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 individually (except as provided in the following paragraph) in a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the 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" Board in another state.

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

(3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) 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 the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to Association mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local Association, state association and National Association.

(4) Primary and secondary REALTOR® Members. An individual is a primary member if the Association pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Board. 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" Board.

(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 a professional designation by an Institute, Society, or Council affiliated with the National Association of REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership.

(c) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association.

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

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

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

(f) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of high 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.

(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 with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, The State and National Associations, and if elected a member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and National Associations, and if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL

ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Association, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action with 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 II: 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 Membership Committee that he 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 and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.\*

\* Note 1: A "valid real estate license" is intended to mean that applicants for REALTOR® Membership who are sole proprietors, partners, or corporate officers in a firm engaged in the real estate business must maintain a current, valid real estate brokers or salesperson license or must be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

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

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

\*\*\*\* Note 4: No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, or corporate officer, or branch office manager is not involved in any pending bankruptcy or insolvency proceedings or has not been adjudged bankrupt in the past three (3) years.

If a bankruptcy proceeding as described above exists, membership may not be rejected unless: the Association establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Association and MLS fees for up to one (1) year from the date that the applicant is discharged from the bankruptcy (whichever is later).

In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

(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 Board (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, 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 nondiscriminatory written examinations thereon as may be required by Committee, and shall agree in writing that if elected to membership he will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

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

1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association 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) 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 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.

(d) An applicant for Honorary Membership will be nominated in writing by a member of the Association and approved by the Board of Directors.

### Section III - 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 two orientation class sessions 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 behalf, to be represented by counsel, and to make such statements as he 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 provisional membership should be terminated, it shall record its reasons with the Secretary. 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 IV - New Member Code of Ethics Orientation:

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

Failure to satisfy this requirement within 120 days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

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

#### Section V - Continuing Member Code of Ethics Training:

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

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

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed. Members suspended for failing to meet the requirement for the first four (4)-year cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008)) cycle and subsequent four (4)-year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

### Section VI - Status Changes

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Association within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals 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 60 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 30 days of the date the association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

Note: 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.

## **ARTICLE VI - PRIVILEGES AND OBLIGATIONS**

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

Section 2: Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Association. Although Members other than REALTORS® are not subject to the Code of Ethics, nor its enforcement by the Association, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and



conduct their business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

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

Section 4: Resignations of Members shall become effective when received in writing by the 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 the Association or any of its services, departments, divisions or subsidiaries, the Association may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

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

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

#### Section 6: REALTOR® Members.

REALTOR® Members must maintain a current valid real estate brokers or salespersons license or must be licensed or certified by the appropriate state regulatory agency to engage in the appraisal of real property. 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 principal in a firm, partnership, or 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 discipline Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the discipline Member with the firm, partnership, or corporation is severed, 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 who is other than a principal in a firm, partnership or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

(b) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(e) 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(e) shall apply.

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

Section 8: Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except the right to vote and hold elective office.

Section 9: Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except the right to vote and hold elective office.

Section 10: Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions, and shall impose no obligations.

Section 11: Student Members. Student Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors, except the right to vote and hold elective office.

Section 12: Certification by REALTOR®. "Designated" REALTOR® Members of the Board shall certify to the Board during the month of September, on a form provided by the Board, a complete listing of all individuals licensed or certified with the REALTORS® office(s) and shall designate a primary Board for each individual who holds membership. "Designated" REALTORS® shall also identify any non-member licensees in the REALTORS® 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 the Board of any additional individual(s) licensed or certified with the firm(s) within thirty (30) 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 association or MLS employee or Association Officer or Director after **an investigation** in accordance with the procedures of the association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action, to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the Association. **Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual.** If the complaint names the

President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

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

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

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

## **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 Regulation prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual.

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

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

(a) In 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 NEW HAMPSHIRE 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 NEW HAMPSHIRE ASSOCIATION OF REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations unless by a majority vote of all its REALTOR® Members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership..

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

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

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

Section 1: Application Fee. The Board of Directors may adopt an application fee for REALTOR® membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the 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 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) who are not REALTOR® Members of any Association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a Designated REALTOR® Member, non-member licensees as defined in Section 2(a)(1) and (2) of this Article shall not be included in the computation of dues if the DR 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 a Member Association shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 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 principal, partner, or corporate officer of the entity. A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the National Association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling, or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® membership during the preceding calendar. (Amended 11/09)

(b) The annual dues of each REALTOR® Member other than the Designated REALTOR® shall be in such an amount as established annually by the Board of Directors.

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

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

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

(e) Public Service Members. The annual dues of each Public Service Member shall be in such an 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. Dues will be billed to Members on November 1<sup>st</sup> and shall be due and payable by December 15th. Dues will cover the calendar year January 1 to December 31. Dues for a new member shall be computed from the first day of the month in which a Member makes application and is granted provisional membership.

(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 REALTORS® 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 payable within 30 days of the notice of termination.

Section 4: Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within fifteen (15) days after the due date, the nonpaying Member and Designated REALTOR® will be notified of impending termination and in the case of delinquent dues, the Designated REALTOR® will be billed under formula dues. 45 days after the due date, membership of the non-paying Member will automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his membership terminated for nonpayment of dues, fees, 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: Deposit. All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 7: Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the Association or Association Multiple Listing Service shall be noticed to the delinquent Board Member in writing setting forth the amount owe and due date.

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

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

Section 1: Officers. The elected officers of the Association shall be; a President, a President-Elect, Treasurer for terms of 2 years and a Secretary who shall be elected for term of one year.

Section 2: Duties of Officers. The duties of the officers shall generally be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Secretary to keep the record of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the New Hampshire Association of REALTORS®.

Beyond the foregoing, the specific responsibilities and duties of the elected officers shall be as follows:

## **PRESIDENT:**

### **GENERAL**

The President of the Association projects the image of the Association to the membership, the industry, and the general public and serves as chief spokesperson. As such, the President must be as familiar as possible with every current or projected activity or issue, including Association policies and procedures and the Association's strategic plans. He/she should be available to the Officers and Directors, and Association Executive (AE) of the Association. Each President contributes to the progress and overall improvement of the Association in his/her own way.

### **QUALIFICATIONS**

The President shall have serviced as President-Elect of the Association and must be a REALTOR® member in good standing.

### **RESPONSIBILITIES**

During the term of office, the President shall have the authority and responsibility to perform the following duties. The President:

1. Subject to the approval (by majority vote) of the Board of Directors, shall appoint Chairs and members of all committees and standing subcommittees of the Association, and to fill any vacancies which may occur with the exception of vacancies specifically addressed by the Bylaws. It is recommended that the President consult with the President-Elect regarding appointments for Committee Vice-chairs.
2. With the approval of the Board of Directors, may appoint such other committees, working groups or task forces as he/she deems advisable, and shall be an ex-officio member of all committees.
3. Shall preside at meetings of the Board of Directors.
4. Participate in the annual review of the Associations AE
5. Shall attend the conventions as approved by the budget.
6. Be in frequent communication with the AE.

### **PREPARATION**

Before assuming the office the President should;

1. Become familiar with the activities and programs in progress or projected, Association Bylaws, the annual budget, the Associations strategic plan, and any other Association policies/procedures.
2. Meet with the current President to review plans. Policies, and procedures.
3. Give consideration to selection of chairmen and composition of committees to ensure proper implementation and continuity of the Association's strategic plan.

### **TERM**

The President is elected for a term of one year and may not be eligible to serve a second consecutive

term unless determined by the Board of Directors.

## **PRESIDENT-ELECT**

### **GENERAL**

The President-Elect should embody the same qualities as noted in the description of the President, and should plan for the following year when he/she will assume the leadership of the Association. He/she should work closely with the President and Association Executive (AE) and be involved at all levels of the decision-making process.

### **QUALIFICATIONS**

The President-Elect shall be a REALTOR® member in good standing.

### **RESPONSIBILITIES**

During the term of office, the President-Elect shall have the authority and responsibility to perform the following duties. The President-Elect:

1. Shall perform the duties of the President in his/her absence, disability and/or failure or refusal to act and shall perform such other duties as may be requested by the Board of Directors.
2. Shall succeed to the office of President.
3. Shall represent the Board at important meetings, luncheons, dinners and business sessions when requested by the President and where representation from the Association is deemed appropriate.
4. Shall make recommendations to the President for Committee Vice-Chair assignments.
5. Shall serve as a member of the Associations Board of Directors.
6. Shall attend all annual meetings.
7. Participates in the annual review of the Associations AE.

### **PREPARATION**

Before assuming office the President-Elect should:

1. Become familiar with the activities and programs in progress or projected, the Associations Bylaws, annual budget, strategic plan, and any other Association policies/procedures.
2. Meet with the President and AE to review plans, policies, and procedures.
3. Give consideration to selection of Vice Chairs and future composition of committees to ensure proper implementation and continuity of the Associations Strategic Plan.
4. Attend the NHAR Annual Leadership Conference.

### **TERM**

The President-Elect is elected for a term of one year and succeeds to the office of President.

## **TREASURER**

The Treasurer shall be in charge of the Associations financial affairs, funds, securities and valuable papers and shall keep full and accurate records thereof. The Treasurer shall make at least quarterly reports to the Board of Directors, one of which shall be an annual report which shall include an accounting of the funds of the Association. The Board of Directors may appoint a firm of independent certified public accountants to examine and audit the Associations accounts from time to time. The Treasurer shall have such other duties and powers as designated by the Board of Directors.

## **SECRETARY**



The Secretary shall record and maintain records of all proceedings of the Board of Directors and kept on file at the Association office within the State of New Hampshire and shall be open at all reasonable times to the inspection of any Director. Such records shall also contain the original, or certified copies, of the Articles of Agreement and bylaws and names and addresses of all Directors. If the Secretary is absent from any meeting of the Board of Directors, a temporary Secretary chosen at the meeting shall exercise the duties of the Secretary at the meeting.

Section 3: Board of Directors. The Governing body of the Association shall be a Board of Directors consisting of the elected officers, the immediate Past President, six local directors, all State Directors and the **Northern New England Real Estate Network** Director. All local and State Directors shall be elected to serve for terms of two years. As the existing three year terms expire, local directors shall be elected for two year terms. Initially one director shall be elected for a one year term to institute the rotation. The **Northern New England Real Estate Network** Director shall be elected as per Section 7.

Section 3A: Duties and Qualities of Board of Directors:

- a. The Board of Directors shall have ultimate responsibility for the affairs of the Association. The Board of Directors' role is one of strategic leadership in defining and implementing the objectives of the Association. It shall adopt policies to ensure the effective stewardship and management of the Association's human and financial resources, and shall also oversee management's adherence to these policies.
- b. A Director shall perform the duties of a Director, including as a member of any Association committee on which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of the Association and with such care, including reasonable inquiry, as an ordinary prudent person in a like situation would use under similar circumstances.
- c. The membership of the Board of Directors should encompass both generic qualities in all Directors and the range of skills, expertise and perspectives needed by the Board of Directors to meet its responsibilities.
- d. The generic qualities in all members of the Board of Directors should include: understanding of the distinction between the strategic and policy role of the Association and the day-to-day operational responsibilities of management; capability to provide leadership in connection with the development of the Association; commitment to the objectives of the Association; ability to work as a member of a team; respect for the views of others; recognition of the time commitment needed and willingness to devote the time and energy necessary to perform the role of Director.
- e. Expenditures. The Board of Directors shall administer the day to day finances of the Association. Capital expenditures in excess of \$10,000 may not be made unless authorized by 10% of the Association members eligible to vote

Section 4: Election of Officers and Directors.

(a) The Nominating Committee shall consist of the President, who shall serve as Chairperson, plus four (4) REALTOR members and an alternate appointed by the President with the approval of the Board of Directors no later than their April meeting. Should the President wish to be considered for election to any position, he/she shall step down and the Immediate Past President shall serve as Chairperson. No appointed member of the Nominating Committee shall serve two years in succession or be allowed to be considered as a candidate. All members of the Board shall be notified

of the appointments to the Nominating Committee and positions to be filled at least eight (8) weeks before the annual election. Any REALTOR® member wishing to hold office must submit an application for consideration to the Board office no later than six (6) weeks before the annual election. The Nominating Committee shall review all applications for each office and for each place to be filled on the Board of Directors. The Nominating Committee may nominate additional Candidates. The names of all candidates who are qualified will be placed on the ballot. The report of the Nominating Committee shall be sent to each member eligible to vote at least four (4) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least 15% of the REALTOR® Members eligible to vote. The petition shall be filed with the Nominating Committee at least two (2) weeks before the election. Notification of such additional nomination shall be sent to all members eligible to vote before the election.

(b) The election of Officers and Directors shall take place either at the annual meeting and/or by electronic Internet balloting. Election shall be by ballot. The ballot shall contain the names of all candidates and the offices for which they are nominated. Electronic balloting shall take place for one week prior to the annual meeting and the quorum and ballot requirements shall be as previously stated.

(c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of three REALTOR® Members, plus an alternate, to conduct the election.

(c) In the event of a tie vote or lack of quorum, a second ballot will be distributed to all eligible voting members with 10 days notice and one week to vote. The electronic vote will be validated by the election committee and presented to the President to announce the election results.

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

#### Section 5(A); Meetings of Board of Directors;

##### a. Regular, Annual and Special Meetings

- i. Unless the Board of Directors shall determine otherwise, the annual meeting of the Board of Directors shall be held on the second Friday of June in each year, or if that date is a legal holiday at the place where the meeting is to be held, then on the next succeeding day not a legal holiday, at such place and time as may be determined by the Chair of the Board of Directors or by the Board of Directors. If an annual meeting is not held as herein provided, a special meeting may be held in place thereof with the same force and effect as the annual meeting, and in such case all references in these Bylaws to the annual meeting shall be deemed to refer to such special meeting.
- ii. Regular meetings of the Board of Directors may be held at such times as the Board of Directors may determine.
- iii. Special meetings of the Board of Directors may be held at any time when called by the Chair of the Board of Directors or by at least one third (1/3) of the Board of Directors.

##### b. Notice of Meeting

- i. All meetings of the Board of Directors shall be held at the principal office of the Corporation or at such other place in the State of New Hampshire as shall be specified in the notice of the meeting. Reasonable notice of the time and place of all meetings shall be given by the Chair of the Board of Directors or the Secretary. Notice of a regular meeting need not specify the purpose of the meeting, unless otherwise required by law, the Articles of Agreement of the Corporation, or these Bylaws. However, the purposes for which a special meeting is being called shall be set forth in the notice of

that special meeting.

- ii. Except as otherwise expressly provided herein or required by law, it shall be reasonable and sufficient notice to a Director to send written notice by (a) first class U.S. mail at least five (5) days prior to the meeting, (b) overnight private courier at least forty eight (48) hours prior to the meeting, (c) facsimile transmission at least forty-eight (48) hours before the meeting, (d) or electronic mail at least forty-eight (48) hours before the meeting, addressed to such Director at his or her usual or last known business, residence address, or electronic mail address or facsimile number.
  - iii. Whenever notice of a meeting is required, such notice need not be given to any Director if a written waiver of notice, executed by him or her (or his or her attorney thereunto authorized) before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him or her. A waiver of notice need not specify the purpose of the meeting unless such purpose is required to be specified in the notice of such meeting.
- c. Quorum
- i. At any meeting of the Board of Directors, a majority of the Directors, present in person or via other acceptable means as specified in Section (f) below, then in office shall constitute a quorum. Any meeting may be adjourned to a later date or dates by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.
- d. Action by Vote
- i. Each Director shall have one (1) vote. When a quorum is present at any meeting, a majority of the votes properly cast by directors shall decide any questions, unless otherwise provided by law, the Articles of Agreement or the Bylaw of the Association.
- e. Action by Writing
- i. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if the entire Board of Directors consent to the action in writing and each of the written consents are filed with the records of the meetings of the Board of Directors. Such consents shall be treated for all purposes as a vote at a meeting.
- f. Presence through Other Acceptable/Electronic Means
- i. Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another at the same time and participation by such means shall constitute presence in person at a meeting.
- g. Proxies
- Directors may vote either in person or by written proxy, which proxies shall be filed, before being voted, with the Secretary or other person responsible for recording the proceedings of the meeting. Unless otherwise specifically limited by their terms, such proxies shall entitle the holders thereof to vote at any adjournment of the meeting but the proxy shall terminate after the final adjournment of such meeting.

Section 6: Removal of Officers and Directors. In the event that an officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

(a) A petition requiring the removal of an Officer or Director and signed by not less than 10% of the voting Association membership or one third of the Board of 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 services.

(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 Directors shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

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

Section 7: Election of the Northern New England Real Estate Network Director and Alternate. The NNEREN Director and Alternate shall be elected by a simple majority vote of the Board of Directors. Said election is to be held no later than the December Board of Directors meeting.

(a) The initial term for the NNEREN Director shall be selected by the Northern New England Real Estate Network. Thereafter the Director will be elected to serve for a term of three years. The Alternate will be elected to serve for a term of one year. Vacancies will be filled according to Article XI, Section 5.

(b) At least 30 days prior to the December Board of Directors meeting, notice shall be given of the impending election for the positions of NNEREN Director and/or Alternate to all qualified members.

(c) Any member being considered for these positions may present their qualifications in writing or in person to the Board of Directors but may not be present for the deliberations or vote.

(d) If the Northern New England Real Estate Network Director is not now or during their term an officer or director of GSSBR, they will be appointed to the Board of Directors for the duration of their term.

Section 8: The Board of Directors shall employ an Association Executive, who shall be responsible for administering the daily activities of the Association. The Board of Directors shall have the authority to terminate, or fill the position of Association Executive should a vacancy occur.

## **ARTICLE XII – MEETINGS OF MEMBERS**

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

Section 2: Member List: Each Member is responsible for ensuring that the Association has their current contact information. The Association shall, based upon information provided to it by Members, maintain a list of all Members. Absent manifest error, the Board's list of Members shall be conclusive proof of the Association's entire membership and any notice given to Members in accordance with the Article XII shall be deemed proper if electronically noticed mailed, sent or delivered to the address of the Member on file with the Association.

Section : Other Meetings. Meetings of the Members may be held at other times as the President of

the Board of Directors may determine, or upon the notification request of a least 15% of the Members eligible to vote.

Section : Notice of Meetings. Notice shall be given to every Member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of purpose of the meeting.

Section5Quorum. A quorum for the transaction of all business shall consist of 10% of the Members eligible to vote.

**ARTICLE XIII - COMMITTEES**

Section 1: Standing Committees. The President-Elect shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees for the year of their presidency. All committee appointments shall be for one year terms except for the Finance Committee whose appointments shall be for two year terms.

	Finance	RPAC
Awards	Grievance	
Bylaws	Hospitality/Program	
Communications	Diversity	
Community Service	Membership	
Education/Orientation	Professional Standards	

Section 2: Special Committees. The president shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

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

Section 4: Task Forces. The President shall, as needed, appoint task forces to accomplish specific goals and fill special needs.

Section 5: The President shall be an ex-officio member of all standing committees and shall be notified of their meetings.

Section 6: Attendance: Any Committee member who fails to attend three regular or special meetings of a committee, shall, at the option of the committee with approval of the Board of Directors, be deemed to have resigned from the Committee and the vacancy shall be filled by the President as herein provided for original appointees.

Section 7: Advisory: The President may with the approval of the Board of Directors appoint persons, affiliated through paid membership, to serve on a committee in an advisory capacity only.

**ARTICLE XIV - FISCAL ELECTIVE YEAR**

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

**ARTICLE XV - RULES OF ORDER**

Section 1: Robert's Rules or Order, latest edition, shall be recognized as the authority governing the meetings of the Board, its Board of Directors and committees, in all instances wherein its provisions do not conflict with these Bylaws.

### **ARTICLE XVI - AMENDMENTS**

Section 1: These bylaws may be amended by either a majority vote of the qualified Members at any meeting at which a quorum is present or by electronic Internet balloting, provided the substance of such proposed amendment or amendments shall be plainly noticed to the members prior to any vote. Electronic balloting shall take place for one week and the quorum and qualified membership requirements shall be as previously stated. When bylaw amendments are mandated by NAR policy, the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve them and a member vote is not required.

Section 2: Notice of all voting at which amendments are to be considered shall be mailed electronically or via the U.S. Postal Service to every member eligible to vote at least one (1) week prior to the voting.

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

### **ARTICLE XVII - DISSOLUTION**

Section 1: Upon the dissolution or winding up of affairs of the Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the New Hampshire State Association of REALTORS®, or, within its discretion, to any other non-profit tax exempt organization, in accordance with the Associations Articles of Agreement.

### **ARTICLE XVIII - MULTIPLE LISTING**

Section 1: Authority. The Board of REALTORS® shall maintain ownership of one share of stock in the Granite State Information Network, a state-wide Multiple Listing Service. This ownership is to facilitate participation in the Network by members of the Board as provided for in the bylaws of the Granite State Information Network.

Section 2: Purpose. A Multiple Listing Service is a means by which Participants make blanket unilateral offers of compensation to the 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 to 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 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, or 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 Listings 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 a Board 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 a Board 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 or potential participant as long as the level of service satisfies state law. (Adopted 11/08)**

**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. (Adopted 11/08)**

(\* NOTE: Generally, Board of REALTORS®, when there is more than one principal in a real estate firm, define the chief officer of the firm as the MLS "Participant." Brokers or salespersons other than the 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.

## Article XIX – GENERAL PROVISIONS

Section 1. Principal Office; The principal office of the Association shall be at 50 Nashua Rd, Suite

105, Londonderry, NH 03053

Section 2. Execution of Papers; Except as the Board of Directors may generally or in particular cases authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, checks, drafts and other obligations made, accepted, or endorsed by the Association shall be signed by the Association President or Association Executive (AE) or their designee. The Board of Directors may authorize the Associations Association Executive (AE) to sign checks for amounts less than \$5000 and to sign contracts for sums less that this amount, unless previously authorized by the budget.

- a. The Association shall indemnify any person who was or is a party to any pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Director or Officer of the Association., against expense (including attorney fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him or her in connection with such action, suit or proceeding, but only If he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Subject to the foregoing and to the provisions of Section 4(c) hereof, the Association may indemnify any such person in such circumstances to the fullest extent permitted by law. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the conviction or upon a pea of nolo contendere or its equivalent shall not of itself create a presumption that the person (a) did not act in good faith and in a manner which he or she reasonably believed to be in the best interests of the Association and/or, (b) with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was lawful.
- b. Notwithstanding anything in this Section to the contrary, the Association shall not indemnify any Director or Officer in connection with a proceeding by or in the right of the Association; or in connection with any other proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.
- c. To the extent that a Director or Officer of the Association has been wholly successful on the merits in defense of any action, suit, or proceeding referred to in this Section, he or she shall be indemnified against expenses (including attorney fees) actually and reasonably incurred by him or her in connection therewith to the fullest extent permitted by law.
- d. Expenses (including attorney fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition o such action, suit, or proceeding as authorized in this section if;
  - i. the Director or Officer furnishes to the Association a written affirmation of his or her good faith belief that he or she has met the standard of conduct required herein;
  - ii. the Director or Officer furnishes to the Association a written undertaking, executed personally or on his or her behalf, repay the advance if it is ultimately determined that he or she did not meet the standard of conduct required herein; and
  - iii. a determination in accordane with the terms of RSA 2930A:8.50-58 is made that the facts then known to those making the determination would not preclude indemnification.

The undertakings required by this Section must be an unlimited general obligation of the Director or Officer, but need not be secured, and may be accepted without reference to financial ability to pay.

- e. The indemnification provided by this Section 7.6 shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, or vote of



disinterested Directors, or otherwise, and any procedure provided for by any of the foregoing, both as to action in his or her official capacity and as to action in another capacity (held at the express request of the Association) while holding such office, and shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of heirs, executors, and administrators of such a person.

- f. The Association shall purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Association against liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under provisions of this Section.
- g. All references herein to (i) the Code shall be deemed to refer to the Internal Revenue Code of 1985, as now in force or hereafter amended, (ii) the RSA shall be deemed to refer to said statutes as now in force or hereafter amended, and (iii) particular sections of the Code or the RSA shall be deemed to refer to similar or successor provisions hereafter adopted.

### Section 3. Nondiscrimination Policy

The policy of the Association prohibits discrimination on the basis of age, sex, race, color, creed, physical or mental disability, national or ethnic origin, sexual orientation, or marital or parental status in the recruitment and employment of employees, in the awarding and acceptance of distributions, grants and funds, and in the operation of all programs and services.

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