



**BYLAWS OF THE**  
**THREE RIVERS ASSOCIATION OF REALTORS®, INC.**

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**BYLAWS OF THE  
THREE RIVERS ASSOCIATION OF REALTORS<sup>®</sup>, INC.**

**ARTICLE I – NAME**

Section 1: **Name.** The name of this organization shall be the THREE RIVERS ASSOCIATION OF REALTORS<sup>®</sup>, INC. (hereinafter, "TRAR").

Section 2. **REALTORS<sup>®</sup>.** Inclusion and retention of the Registered Collective Membership Mark "REALTORS<sup>®</sup>" in the name of TRAR shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup> (hereinafter, the "National Association") as from time to time amended.

**ARTICLE II - OBJECTIVES**

The objectives of TRAR are:

Section 1. To unite those engaged in the recognized branches of the real estate profession in this community 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 TRAR's Code of Conduct and the Code of Ethics of the National Association.

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 Illinois REALTORS<sup>®</sup> and the National Association, thereby furthering their own objectives throughout the state and nation and obtaining the benefits and privileges of Membership therein.

Section 6. To designate, for the benefit of the public, those individuals authorized to use the terms REALTOR<sup>®</sup> as licensed, prescribed, and controlled by the National Association.

**ARTICLE III - JURISDICTION**

The territorial jurisdiction of TRAR, as a Member of the National Association, shall generally, but not exclusively, include Grundy County and Will County, Illinois.

## ARTICLE IV – MEMBERSHIP

Section 1. All TRAR Members shall be required to follow TRAR's Code of Conduct, within the Governance Policy Manual.

Section 2. There shall be nine classes of Members as follows:

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

(1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing, or subdividing real estate, and who maintain or are associated with an established real estate office in the State of Illinois 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 a REALTOR® Membership (except as provided in the following paragraph) in an association of REALTORS® within the state or a state contiguous thereto, unless otherwise qualified for Institute Affiliate Membership.

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 a REALTOR® Membership, shall be required to hold a REALTOR® Membership, unless otherwise qualified for Institute Affiliate Membership.

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

*\*An individual is a primary Member if TRAR pays Illinois REALTORS® and National Association dues based on such Member. An individual is a secondary Member if Illinois REALTORS® and National Association dues are remitted through another Board/Association. One of the principals in a real estate firm must be a Designated REALTOR® Member of TRAR in order for licensees affiliated with the firm to select TRAR as their "primary" Association.*

**(b) 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, including its insular possessions and Puerto Rico, elected to Membership pursuant to the provisions in the National Association's Constitution and Bylaws. Such individuals

shall enjoy all of the rights, privileges and obligations of REALTOR® Membership (including compliance with the Code of Ethics) except: obligations related to Board mandated education (except as otherwise provided herein), 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 TRAR's Board of Directors, the Illinois REALTORS®, and the National Association.

**(c) Designated REALTOR® Member.** Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate (or to mediate if required) pursuant to Article 17 of the Code of Ethics and the payment of Association dues. 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.

**(d) Institute Affiliate Members.** Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the National Association 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.

**(e) Affiliate Members.** Affiliate Members shall be 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 agreement with the objectives of TRAR.

**(f) 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.

**(g) 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 TRAR, or for the public.

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

institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

- (i) Appraiser Members.** Appraiser Members shall be 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 Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board.

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

Section 1. **Application.** An application for Membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall, among the statements to be signed by the applicant, include the following: (1) the applicant agrees, as a condition to Membership, to thoroughly familiarize themselves with the Code of Ethics of the National Association and the Constitutions, Bylaws, and Governance of TRAR, the Illinois REALTORS®, and the National Association; (2) if elected a Member, the applicant will abide by the Constitutions, Bylaws, and Governance of TRAR, the Illinois REALTORS®, and the National Association; (3) if elected as a Member, the applicant will abide by the Code of Ethics of the National Association, including, when applicable, 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, as from time to time amended; and, (4) the applicant consents that TRAR, through its staff or otherwise, may invite and receive information and comment about the applicant from any Member or other persons, and any information and comment furnished to TRAR 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. Applicants shall be provided access to copies of the Bylaws, Constitution, Governance, and Code of Ethics referred to above.

### **Section 2. Special Qualifications for REALTOR® Membership.**

- (a) Representations.** An applicant for REALTOR® Membership who is a principal, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to TRAR of the following: (1) that they are actively engaged in the real estate profession; (2) that they maintains a current, valid real

estate broker's or managing brokers license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property; (3) that they have a place of business within the state or a state contiguous thereto (unless a secondary Member); (4) that they have no record of recent or pending bankruptcy and no record of official sanctions involving unprofessional conduct; (5) that they agree to complete a course of instruction covering the Bylaws and Governance of TRAR, the Bylaws of the Illinois REALTORS<sup>®</sup>, and the Constitution, Bylaws and Code of Ethics of the National Association; (6) that they shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to Membership, and (7) that they will abide by such Constitution, Bylaws, Governance, and Code of Ethics.

For purposes of this section, these phrases shall have the following meanings:

(i) *"No recent or pending bankruptcy"* means that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, branch office manager, or corporate officer 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 TRAR 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 Membership is approved or from the date the applicant is discharged from bankruptcy (whichever is later). In the event that an existing Member initiates bankruptcy proceedings, the Member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the Member has been discharged from bankruptcy.

(ii) *"No record of official sanctions involving unprofessional conduct"* shall mean that TRAR may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities; and (4) findings of violations of the REALTORS<sup>®</sup> Code of Ethics resulting in suspension or expulsion from any Member Board/Association in which applicant is or was a Member.

**(b) Considerations.** TRAR will also consider the following in determining an applicant's qualifications for REALTOR<sup>®</sup> 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) any 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<sup>®</sup> or

REALTORS® in the name of the applicant's firm.

**(c) Provisional Membership.** A 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 of the National Association's Bylaws) provided that all other qualifications for Membership have been satisfied. TRAR 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 the same privileges and obligations of REALTOR® Membership. If a Member resigns from another association with an ethics complaint or arbitration request pending, TRAR may condition Membership on the applicant's certification that they 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.

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

**Section 3. Other Real Estate Professionals.** Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, branch office managers, or corporate officers, 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 TRAR or a Designated REALTOR® Member of another Board/Association (if a secondary Member) and must maintain a current, valid real estate broker's or managing brokers 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 Governance of TRAR, the Bylaws of the Illinois REALTORS®, the Constitution and Bylaws and Code of Ethics of the National Association; shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by TRAR and shall agree in writing that if elected to Membership they will abide by the Code of Ethics of the National Association, and the Constitution, Bylaws and Governance of TRAR, Illinois REALTORS®, and the National Association.

**Section 4. Election.** The procedure for election to Membership shall be as follows.

- (a)** The Chief Executive Officer (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 subject 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 the qualifications for Membership as established in the association's Bylaws, or, if the individual does not satisfy all 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. 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. 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, they 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 their behalf, to be represented by counsel, and to make such statements as they deem 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 Chief Executive Officer (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 5. REALTOR® Membership Applicant 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 (1) year or less.

Failure to satisfy this requirement within ninety (90) days of the date of application will result in denial of the Membership application or termination of provisional Membership.

Orientation programs must meet the learning objectives and minimum criteria established from time to time by the National Association.

**Section 6. Continuing 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 Illinois REALTORS®, or the National Association which meets the learning objectives and minimum criteria established by the National Association 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 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 7. New Member Code of Ethics Orientation.** All new Members who have not completed Code of Ethics Orientation under Section 5 of this Article shall complete such orientation within 90 days after being accepted for

Membership.

## Section 8. **Status Changes.**

(a) A REALTOR® who changes the conditions under which they holds Membership shall be required to provide written notification to TRAR within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which they have 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) days of the date they advised TRAR of their change in status, their new Membership application 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 TRAR's Bylaws.

A REALTOR® who is transferring this license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all the privileges and obligations of Membership during the period of transition. If the transfer is not completed within thirty (30) days of the date TRAR is advised of the disaffiliation with the current firm, Membership will terminate automatically unless otherwise so directed by the Board of Directors.

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

(c) Dues shall be prorated from the first day of the month in which the Member is notified of election by the Board of Directors, except that the amount of the Member's dues attributable to Membership in the Illinois REALTORS® and the National Association shall be prorated from the first day of the quarter in which the Member is notified of election by the Board of Directors, and shall be based on the new Membership status for the remainder of the year.

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

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

Section 2. Any Member of TRAR may be reprimanded, fined, placed on probation,

suspended, or expelled by the Board of Directors for a violation of these Bylaws, TRAR's Code of Conduct, and TRAR's Governance Policy Manual (as long as the Code and Manual are not inconsistent with these Bylaws) after a hearing as provided in the Code of Ethics and Arbitration Manual of the National Association. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by TRAR, such Members are encouraged to abide by the principles established in the Code of Ethics of the National Association and conduct their business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation of TRAR's staff, 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 TRAR, the Illinois REALTORS®, and the National Association.

Section 3. Any REALTOR® Member of TRAR 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 TRAR, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the National Association 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 TRAR for dues, fees, fines, or other assessments of TRAR or any of its services, departments, divisions, or subsidiaries, TRAR 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 TRAR or otherwise causes Membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold Membership in any other association) or by any other association in which the respondent continues to hold Membership. If an ethics respondent resigns or otherwise causes Membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an 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 as 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.

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

(b) Obligations of REALTOR® Members. It shall be the duty and responsibility of every REALTOR® Member of this association to safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® Members also must abide by the governing documents and policies of the association, the Illinois REALTORS®, and the National Association, as well as the Code of Ethics of the National Association, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration manual.

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

(c) 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 disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever shall apply. Further, the Membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principals) elects to sever their connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in TRAR, 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.

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

**Section 9. Public Service Members.** Public Service Members shall have rights and privileges and be subject to obligations 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 be subject to obligations prescribed by the Board Directors.

**Section 12. Certification by REALTORS®.** Designated REALTOR® Members of TRAR shall certify to TRAR during the month of January, on a form provided by TRAR, a complete listing of all individuals licensed or certified with the

REALTOR®'s office(s) and shall designate 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 TRAR 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 TRAR 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 TRAR may be reprimanded, placed on probation, suspended, or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-Elect and/or Secretary/Treasurer 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 Secretary/Treasurer, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another Member of the Board of Directors selected by the highest-ranking officer not named in the complaint.

Section 14. **Legal Liability Training.** Within two years of the date of election to Membership, and every two years thereafter, at the discretion and with the approval of the Board of Directors, each REALTOR® Member of the Board shall be required to demonstrate that they have completed a course of instruction on anti-trust laws, agency laws, civil rights laws or the REALTORS® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement.

This requirement will be considered satisfied upon presentation of evidence that the Member has completed an educational program conducted by

another Member Board, the Illinois REALTORS<sup>®</sup>, National Association, or any of its affiliated institutes, societies, or councils, or any other recognized educational institution which, in the opinion of the Board of Directors, is an adequate substitute for the training programs conducted by the Board.

Failure to satisfy this requirement biennially will result in Membership being suspended from the date it otherwise would be renewed until such time that the Member provides evidence of completion of the educational requirements.

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

Section 1. The responsibility of TRAR and of Association Members relating to the enforcement of the National Association's Code of Ethics, the disciplining of Members, the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the current Code of Ethics and Arbitration Manual of the National Association, 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<sup>®</sup> Member of TRAR to abide by the Constitution, Bylaws and the Governance Policy Manual of TRAR, the Constitution and Bylaws of the Illinois REALTORS<sup>®</sup>, the Constitution and Bylaws of the National Association and to abide by the Code of Ethics of the National Association, 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.

Section 3 **Discipline of REALTOR<sup>®</sup> Members.** Any REALTOR<sup>®</sup> Member of TRAR 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 as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.

Section 4 **Enforcement of the Code.** The responsibility of TRAR and TRAR 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, 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.

## **ARTICLE VIII – REALTOR® TRADEMARK**

Section 1. Inclusion and retention of the Registered Collective Membership Mark REALTORS® and REALTOR® in the name of the association shall be governed by the Constitution and Bylaws of the National Association as from time to time amended.

Section 2. 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 and to the Governance prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with the National Association, 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 TRAR’s Code of Ethics and Arbitration Manual.

REALTOR® Members of TRAR 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. **Use of Terms REALTOR® and REALTORS®**

- (a) A REALTOR® Principal Member may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members of TRAR or Institute Affiliate Members.
- (b) In the case of a REALTOR® principal Member whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal holds REALTOR® Membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® Membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.



Section 4. Institute Affiliate Members shall not use the terms REALTOR® or REALTORS® nor the imprint of the emblem seal of the National Association.

## **ARTICLE IX - ILLINOIS REALTORS® AND NATIONAL ASSOCIATION MEMBERSHIPS**

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

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

Section 3. TRAR adopts the Code of Ethics of the National Association and agrees to enforce the Code among its REALTOR® Members. TRAR and all its Members agree to abide by the Constitution, Bylaws, Governance, and policies of the National Association and the Illinois 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 TRAR upon final approval of the application.

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

**(a) Designated REALTOR® Members Dues.** The annual dues of each designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be

established annually by the Board of Directors times the number of real estate licensees and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Board in the state or a state contiguous thereto or Institute Affiliate Members of TRAR.

In calculating the dues payable to the TRAR by a Designated REALTOR® Member, non-Member licensees as defined in (1) and (2) of Section 2 (a) 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 TRAR 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 Section 2 (a) in the office where the Designated REALTOR® holds Membership, and any other offices of the firm located within the jurisdiction of this Association.

A REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the National Association. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licenses affiliated with that entity and shall certify that all the licensed 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®. 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 license included on a certification form submitted to the association who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® Membership in the association. However, Membership dues shall not be prorated if the licensee held REALTOR® or REALTOR-ASSOCIATE® Membership during the preceding calendar year.

- (b) **REALTOR® Members Dues.** The annual dues of each REALTOR® Member other than the Designated REALTOR® shall be as established annually by the Board of Directors.
- (c) **Institute Affiliate Members Dues.** The annual dues of each Institute Affiliate Members shall be as established in Article II of the Bylaws of the National Association.
- (d) **Affiliate Members Dues.** The annual dues of each Affiliate Member shall be as established annually by the Board of Directors.
- (e) **Public Service Members Dues.** The annual dues of each Public Service Member shall be as established annually by the Board of Directors.
- (f) **Honorary Members Dues.** Dues payable, if any, shall be at the discretion of the Board of Directors.
- (g) **Student Members Dues.** Dues payable, if any, shall be at the discretion of the Board of Directors.
- (h) **Appraiser Members Dues.** The annual dues of each Appraiser Member shall be as established annually by the Board of Directors.

Section 3. **Dues Payable.** Dues for all Members shall be payable annually in advance on the first day of October. Dues shall be computed from the first day of the month in which a Member is notified of election, except that the amount of the Member's dues attributable to Membership in the Illinois REALTORS® and the National Association shall be computed from the first day of the quarter in which the Member is notified of election and shall be prorated

for the remainder of the year.

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

**Section 4. Nonpayment of Financial Obligations.** If dues, fines, or other assessments including amounts owed to TRAR or TRAR'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. In addition, there will be a late charge of **\$50.00** on Association dues received after November 1st. 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 the 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 nonpayment of disputed dues until the accuracy of the amount owing has been confirmed by the Board of Directors. A former Member who has had their 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 the Governance of TRAR 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 including the prescribed application fee if the termination has been greater than thirty (30) days.

**Section 5. Deposit.** All monies received by TRAR for any purpose shall be deposited to the credit of TRAR in a financial institution or institutions selected by resolution of the Board of Directors.

**Section 6. Expenditures.** The Board of Directors shall administer the day-to-day finances of TRAR. Capital expenditures in excess of available cash on hand may not be made unless authorized by 20% of TRAR Members eligible to vote.

**Section 7. Notice of Dues, Fees, Fines, Assessments, and other Financial Obligations of Members.** All dues, fees, fines, assessments, or other financial obligations to TRAR or TRAR's Multiple Listing Service shall be noticed to the delinquent Association Member in writing setting forth the

amount owed and the due date. All billing shall be paperless unless otherwise requested in writing by the Member.

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

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

Section 1. **Officers.** The elected officers of TRAR shall be a President, President-Elect, and a Secretary/Treasurer. They shall be elected for terms of one year or until their successors are elected.

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

Section 3. **Board of Directors.** The governing body of TRAR shall be a Board of Directors consisting of the Elected Officers and ten (10) REALTOR® Members of TRAR. Directors shall be elected to serve for terms of three (3) years, except that the outgoing President will be nominated for one.

Section 4. **Nomination and Election.**

(a) At least six (6) months before the annual election, a Nominating Committee shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall consist of no less than seven (7) Members with at least two (2) being Past Presidents, exclusive of any current Officer, Member of the Board of Directors, or the Immediate Past President. The President shall name one of the Past Presidents as Chair and another Past President as Vice-Chair. All committee Members shall be REALTOR® Members in good standing with TRAR. If, for some reason, a Member is unable to attend the meeting of the Nominating Committee where candidate interviews are conducted, that Member shall be removed from the committee. All terms will be for one year. Vacancies on the committee shall be filled by the President. The Nominating Committee shall select one (1) candidate for each office and one (1) candidate for each place to be filled on the Board of Directors (the "Nominated Slate"). The report of the Nominating Committee shall be published in the newsletter or emailed to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the

offices to be filled may be placed in nomination by petition signed by at least 20% of the REALTOR® Members eligible to vote. The petition shall be filed with the Secretary/Treasurer at least two (2) weeks before the election. The Secretary/Treasurer shall send notice of such additional nominations to all Members eligible to vote in the election.

- (b) The election (or confirmation of the Nominated Slate if no additional candidates are nominated by petition) of Officers and Directors shall take place at the annual meeting. Election shall be by ballot and shall contain the names of all candidates and the offices for which they are nominated. TRAR shall provide proxy cards to all REALTOR® Members for elections or any matter that needs to be voted on. The proxy cards will be legal and binding.
- (c) Board Chief Executive Officer and staff will conduct the election and calculate the ballots. In case of a tie vote, the issue shall be determined by lot.

Section 5. **Vacancies.** Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election, at which time; a Director shall be nominated and elected to fill the remainder of the term of the vacating Director.

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

- (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third (1/3) of the voting Membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty five (45) days thereafter, a special meeting of the voting Membership of TRAR 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 notified to all voting Members at least ten (10) days prior to the meeting and shall be conducted by the President of TRAR unless the President's continued service in office is being considered at the meeting. In such a case, the next-ranking officer will conduct the meeting of 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 7 Indemnification of Officers, Directors, Employees and Agents.

(a) TRAR does hereby indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of TRAR) by reason of the fact that they is or was a director, officer, employee or agent of TRAR, or who is or was serving at the request of TRAR as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, if they acted in good faith and in a manner they reasonably believed to be in, or not opposed to, the best interest of TRAR, and, with respect to any criminal action or proceeding, had reasonable cause to believe their conduct was lawful.

(b) TRAR does hereby indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding by or on behalf of TRAR to procure a judgment in its favor by reason of the fact that they is or was serving, at the request of TRAR, as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit, or proceeding if they acted in good faith and in a manner in which they reasonably believed to be in, or not opposed to, the best interest of TRAR. However, no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of their duty to TRAR, unless and only to the extent that the court in which such action, suit, or proceeding was brought shall determine that, despite the adjudication of liability, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

(c) To the extent that a director, officer, employee, or agent of TRAR has been successful, on the merits or otherwise, in the defense of any action, suit, or proceeding referred to in Paragraphs (a) and (b) above, or in defense of any claim, issue or matter therein, they shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

(d) Any indemnification under Paragraphs (a) and (b) above, (unless ordered by court) shall be made by TRAR only as authorized in each specific case, upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because they has met the applicable standards of

conduct set forth in Paragraphs (a) and (b). Such determination shall be made (1) by the Board of Directors, by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding, or (2) if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the Members.

(e) Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by TRAR in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board of Directors in each specific case. However, the director, officer, employee, or agent shall repay such amount, unless it shall ultimately be determined that they are entitled to be indemnified by TRAR as authorized in this article.

(f) The indemnification provided herein shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members or disinterested directors, or otherwise and shall continue as to a person who has ceased to be a director, officer, employee, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(g) TRAR may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of TRAR, or who is or was serving at the request of TRAR as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her, and incurred by him or her in any such capacity, or arising out of their status as such whether or not TRAR would have the power to indemnify him or her against such liability under the provisions of this Article.

## **ARTICLE XII – MEETINGS**

Section 1. **Annual Meetings.** The annual meeting of TRAR shall be held each fiscal year prior to the installation of new Officers and Directors; the month, date, place, and hour to be designated by the Board of Directors. The new officers and directors shall assume their offices October 1<sup>st</sup> following the election.

Section 2. **Meetings Board of Directors.** The Board of Directors shall designate a regular time and place of meetings. Should a Member of the Board miss three (3) regular meetings in one (1) fiscal year, then that Director may be removed by a majority vote of the Board of Directors. A quorum for a meeting of the Board of Directors shall be a majority of the Directors then holding office.



Section 3. **Other Meetings.** Meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten percent of the REALTOR® Members.

Section 4. **Notice of Meetings.** Notice, in such fashion and by any means as deemed appropriate by the Board of Directors, shall be given to every Member entitled to participate in the meeting at least one week preceding all meetings. If a special meeting is called a statement of the purpose of the meeting shall be part of such notice, 48 business hours notice is sufficient.

Section 5. **Membership Meeting Quorum.** A quorum for the transaction of business at a Meeting of the Members shall consist of twenty-five (25) REALTOR® Members.

Section 6. **Virtual Meetings.** Any meeting held under these Bylaws may be held virtually as long as the notice of the meeting states.

Section 7. **Email Voting.** Votes of the Board of Directors may be had by email, provided proper notice is given; however, any motion undertaken may only pass by unanimous vote of the Directors in such instances.

## **ARTICLE XIII – COMMITTEES**

Section 1. **Standing Committees.** The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees: Professional Standards, Nominating, Grievance, and Finance.

Section 2. **Special Committees.** The President shall appoint, subject to confirmation by the Board of Directors, such special committees as they may deem necessary.

Section 3. **Organization.** All committees shall be of such size and shall have such duties, functions and powers as may be assigned to them 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 except for the Nominating Committee and shall be notified of their meetings.

Section 5. **Committee Meeting Quorum.** A quorum for the transaction of business at a Committee meeting shall consist of three (3) committee Members and the Chairperson.

Section 6. **Virtual Meetings.** Any meeting held under this Article may be held virtually as long as the notice of the meeting states.

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

Section 1. **Fiscal Year.** The fiscal year of TRAR shall be October 1st through September 30th.

Section 2. **Elective Year.** The elective year of TRAR shall match the fiscal year of October 1, through September 30.

#### **ARTICLE XV - RULES OF ORDER**

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

#### **ARTICLE XVI - AMENDMENTS**

Section 1. These Bylaws may be amended by the majority vote of the Members present and qualified to vote at 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 National Association policy.

Section 2. Notice, in such fashion and by any means deemed appropriate by the Board of Directors, of all meetings at which amendments are to be considered shall be given to every Member eligible to vote at least one (1) week prior to the meeting.

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

Section 4. Copies of amendments to these Bylaws shall be provided to Members with their bills on the billing cycle following approval of such amendments.

#### **ARTICLE XVII - DISSOLUTION**

Upon the dissolution or winding up of affairs of TRAR, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Illinois REALTORS® or, within its discretion, to any other nonprofit tax-exempt organization.

## **ARTICLE XVIII - MULTIPLE LISTING SERVICE (MLS)**

Section 1. **Authority.** TRAR shall maintain or participate in, for the use of its Members, a Multiple Listing Service, which shall be subject to the Bylaws of TRAR and such Governance as may be hereinafter adopted.

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 the procuring cause of the sale (or lease).

Section 3. **Participation.** Any REALTOR® of this or any other Board 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 Service 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, 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 Multiple Listing Service 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 Multiple Listing Service 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 4. **Supervision.** The activity shall be operated under the supervision of the Board of Directors.

Section 5. **Access to Comparable and Statistical Information.** Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated

wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as a service or through TRAR MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

## **ARTICLE XIX - CONFLICT OF INTEREST, DISCLOSURE, AND CONFIDENTIALITY**

Section 1. **Conflicts of Interest.** Officers, Directors, Committee Members, Agents, and Employees of TRAR, or their immediate family Members (children, step children, parents, stepparents, siblings, in-laws, or spouses), shall not have, or acquire, any interest, legal or beneficial, in any entity that is an actual or potential purchaser or supplier of products or services to or from TRAR, unless the full nature and extent of such interest is disclosed to TRAR's Board of Directors in writing.

Section 2. **Recusal of Interested Directors.** TRAR's Directors may authorize, approve, or ratify a contract or transaction in good faith by a vote of Directors sufficient for that purpose, provided that the vote or approval of any Director, Officer, or Employee who has disclosed an interest in the transaction shall not be considered in determining whether the transaction has been properly approved, authorized, or ratified by TRAR.

Section 3. **Exemptions.** The Board of Directors of TRAR shall have the Power to determine whether any particular transactions, or classes of transactions, should be exempt from the requirements of this Article.

Section 4. **Confidentiality.** Officers, Directors, Committee Members, Agents, or Employees of TRAR shall not disclose to any other person confidential information acquired by them in the course of their official duties, except pursuant to subpoena, court order, or other legal requirement, or use such information for the purpose preliminary gain in any manner that is contrary to the best of interest of TRAR and are required to sign a confidentiality statement.

### **Exhibit A**

## **THREE RIVERS ASSOCIATION OF REALTORS® Member Code of Conduct**

As a Member of the THREE RIVERS ASSOCIATION OF REALTORS® (hereinafter, “TRAR”), I will abide by the terms set forth herein. I pledge to demonstrate to all members of TRAR that I am a professional and strive to do my best in serving my clients.

All Members, volunteers, and staff of TRAR must work together effectively as a team to accomplish the goals of TRAR. The team and its efforts are strengthened and encouraged when there is an environment of mutual respect and courtesy.

Offensive behaviors stand in the way of the progress the Members of TRAR want to make and can expose TRAR and its staff and membership to legal liability. TRAR Members fully support the rights of its Directors, Members, volunteers, and staff to work in an environment free of hostility, discrimination, and harassment of any kind. Accordingly, all TRAR Members, Directors, Committee members, and volunteers are expected to adhere to these Conduct Policies.

### **I. Code of Conduct**

To promote a positive public image and role for TRAR Members and the real estate industry, all Members, Directors, Committee members, and volunteers shall have an obligation to:

- Act in the best interests of and fulfill obligations to TRAR and its Members;
- Actively promote and encourage the highest degree of ethics at all levels within the real estate industry and to act honestly, as fairly as possible, ethically and with integrity;
- Maintain the highest standards of personal conduct by acting in a professional, courteous, and respectful manner;
- Comply with all federal, state, or local laws governing TRAR and understand and adhere to all governing documents, laws, and regulations applicable to TRAR;
- Abide by TRAR’s Articles of Incorporation, Bylaws, and Governance Policy Manual, and any other rules, policies, or procedures set by TRAR;
- Act in good faith responsibly with due care, competence, and diligence without allowing their independent judgment to be subordinated;
- Follow all policies regarding conflicts of interest and ownership disclosures of TRAR;
- Make available and to share with the Board of Directors any information that may be appropriate to ensure the proper conduct and sound operation of TRAR’s governance and management;
- Respect and maintain the confidentiality of information relating to the affairs of TRAR acquired in the course of service, except when authorized or legally required to disclose such information and to use information acquired in the course of business only for the TRAR’s, not personal, purposes;

- Maintain loyalty to TRAR and pursue its objectives in ways that are consistent with member and public interest;
- Serve all TRAR members fairly and impartially and to strive for excellence in all aspects of leading and managing TRAR;
- Engage in no activities for personal gain at the expense of TRAR or the real estate industry;
- Respect the diversity of opinion expressed or acted upon by others;
- Refrain from and/or refuse to engage in any discriminatory, harassing, intimidating, or bullying conduct;
- Report any suspected acts of unlawful discrimination or harassment;
- Seek Members' input and opinion in matters coming up for consideration by the management of TRAR;
- Seek to resolve differences with other TRAR leaders, and avoid factionalism and behavior that exacerbates or prolongs conflict;
- Promote a welcoming and collegial environment for all Members and others with whom they interact in the conduct of TRAR business;
- Promote an environment of inclusiveness; and
- Ensure the objective of all TRAR action and pursuits is to provide the best possible services for all TRAR Members.

## **II. Anti-Harassment Policy and Complaint Procedure**

Members are committed to a volunteer and work environment in which all individuals are treated with dignity and respect. The members and staff of TRAR must work together effectively as a team to accomplish TRAR goals.

Therefore, it is expected that all relationships among employees, Members, and business associates both inside and outside the office will be business-like and free of bias, prejudice, and harassment.

Members must fully support the rights and opportunities of all Members, directors, officers, and employees to volunteer and work in an environment free from discrimination, harassment, and abusive conduct. Members will make every reasonable effort to ensure that all concerned are familiar with these policies and are aware that any complaint regarding violation of such policies will be investigated and resolved appropriately.

### **a. Encouragement of Reporting and Prohibition on Retaliation**

TRAR encourages reporting of all perceived incidents of sexual harassment, harassment, or abusive conduct, which together are referred to herein as prohibited conduct. It is the policy of TRAR to promptly and thoroughly investigate such reports. TRAR prohibits retaliation against any individual who reports sexual harassment, harassment, or abusive conduct or who participates in an investigation of such reports.

Retaliation against an individual for reporting prohibited conduct or participating in an investigation of a claim of prohibited conduct is a serious violation of this policy and, like the barred conduct itself, will be subject to severe disciplinary action. Acts of retaliation should be reported immediately in the same manner as any other prohibited conduct addressed in this policy and will be promptly investigated and addressed in a like manner.

#### **b. Sexual Harassment**

Sexual harassment constitutes discrimination and is illegal under federal, state, and local laws. For the purposes of this policy, “sexual harassment” is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature. Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual’s body, sexual prowess or sexual deficiencies; leering, whistling, or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal, or visual conduct of a sexual nature. Sexual harassment does not include voluntary relationships between Members.

#### **c. Harassment**

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written, or physical conduct that denigrates or shows hostility or aversion toward an individual because of their race, color, ethnicity, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information, or any other characteristic protected by law or that of their relatives, friends, or associates. Harassing conduct includes epithets, slurs, or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group.

#### **d. Abusive Conduct**

Abusive conduct includes any verbal or physical conduct including threatening or obscene language, unwelcome actions like 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.

#### **e. Individuals and Conduct Covered**

These policies on prohibited conduct apply to all Members of TRAR and its volunteers,



whether related to conduct engaged in by fellow members or someone not directly connected to TRAR (e.g., an outside vendor, consultant or customer). Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings, and business-related social events. To the extent members experience any of the prohibited conduct described herein, they should refer to the policies set forth by TRAR.

#### **f. Reporting an Incident of Harassment or Retaliation**

TRAR encourages reporting of all perceived incidents of prohibited conduct or retaliation,

regardless of the offender's identity or position. The Complaining Witness in any TRAR investigation of a violation of the Code of Conduct may be either the victim/target of the alleged behavior or anyone who witnessed the alleged behavior. Members who believe that they have been the victim of such conduct should discuss their concerns with the Chief Executive Officer of TRAR. If the perceived incident of prohibited conduct or retaliation involves the Chief Executive Officer, then the conduct should be reported directly to the President of the TRAR. Any Member that receives a report of suspected misconduct shall immediately notify the Chief Executive Officer or President of the TRAR.

Said officers will handle expeditiously and fairly any allegations of prohibited conduct or retaliation whether or not a written or formal complaint has been filed. They will: (1) take all complaints or concerns of alleged or possible prohibited conduct seriously no matter how minor or who is involved; (2) ensure that prohibited conduct or inappropriate sexually oriented conduct is immediately reported so that a prompt investigation can occur; and (3) take any appropriate action to prevent retaliation or prohibited conduct from recurring during and after any investigations or complaints.

To knowingly allow or tolerate sexual harassment, harassment, or prohibited conduct (which shall include failing to immediately report such misconduct), or retaliation for reporting of the same, is a violation of this policy. When possible, TRAR encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that their behavior is unwelcome and demands that it be discontinued. TRAR recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

The complaint does not have to be in writing. It is helpful if details of dates, times, places, and witnesses, if any, to the prohibited conduct can be provided. TRAR encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. Therefore, while no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of prohibited conduct.

#### **g. Complaint Investigation, Confidentiality & Discipline**

All complaints will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge. During the investigation, both the complainant and the accused will be provided a full opportunity to tell their side of the story.

The identity of the employee or member making the complaint as well as the identity of the individual accused of the prohibited conduct will be kept strictly confidential to the extent circumstances will allow. Information regarding the accusations and the investigation that follows will be made known only to persons who are directly involved either as party or witness to the individuals investigating the claim. Witnesses interviewed will be provided only such information as is necessary to elicit from them their observations and other relevant information.

The prohibited conduct described above represents serious offenses and any Member or volunteer found to have engaged in such conduct is subject to as severe of discipline as TRAR believes is appropriate under the circumstances.

### **III. Discipline**

If any Member, Director, Officer, or volunteer is found to have violated these Member & Volunteer Conduct Policies, TRAR shall determine whether any sanction is warranted. Only the Chief Executive Officer, the President of TRAR, or the Board of Directors of TRAR has the authority to finally resolve all charges or accusations of violations of these policies and to make any determination regarding appropriate sanctions. Sanctions may include but are not necessarily limited to probation, suspension, written reprimand, removal from any or all Association leadership, committee, or other volunteer positions, or revocation of membership. If the penalty imposed is a suspension for less than six (6) months, the decision of the Chief Executive Officer is final and not appealable. If the penalty is a suspension in excess of six (6) months or is a total ban on further membership with the Association, the accused can appeal the decision of the Chief Executive Officer to the Board of Directors – at which point, the Board of Directors can either affirm the Chief Executive Officer's decision or proceed with a hearing on the appeal and decide the fate of the accused. Any decision by the Board of Directors, either in affirming the decision of the Chief Executive Officer or ruling after a hearing on any appeal, shall be final and not appealable.

If the Chief Executive Officer or President of TRAR is the individual accused of misconduct, that person then shall automatically be excluded from any involvement in the investigation of, reporting on, or sanctioning of the misconduct, and the matter will be referred either to the other of them. If both are involved, then the matter will be referred to the Board of Directors of TRAR.

I, \_\_\_\_\_, acknowledge receipt of this document as of  
\_\_\_\_\_. (Signature) (Date)

Member Name: \_\_\_\_\_  
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