



# Greater Erie Board of REALTORS<sup>®</sup>, Inc.

## BYLAWS

ADOPTED 01/1925

LAST AMENDED 10/2022

**BYLAWS OF THE GREATER ERIE BOARD OF REALTORS®**  
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Greater Erie Board of REALTORS®, Inc.**

Adopted January 3, 1925

Last Amended 10/2022

**ARTICLE I – NAME**

**Section 1. Name.** The name of this organization shall be the Greater Erie Board of REALTORS®, Inc., hereinafter referred to as the "association".

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

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

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.

A REALTOR® principal member may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members.

In the case of a REALTOR® 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.

Institute Affiliate members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®. *(Amended 2/2022)*

**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 PENNSYLVANIA ASSOCIATION OF REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation and obtaining the benefits and privileges of membership therein.

**Section 6.** To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® 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 the geographical and territorial limits of Erie County, Pennsylvania and Crawford County, Pennsylvania.

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

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

## ARTICLE IV – MEMBERSHIP

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

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

**(1) Individuals** who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting, leasing, managing, appraising for others for compensation, counseling, building, developing, or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Pennsylvania or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® membership (except as provided in the following paragraph) in an association of REALTORS® within the state or a state contiguous thereto, unless otherwise qualified for Institute Affiliate membership.

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

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holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate membership. *(Amended 2/2022)*

**(2) Individuals** who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications. *(Amended 2/2022)*

**(3) Franchise REALTOR® Membership.** Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions, and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges, and obligations of REALTOR® membership (including compliance with the Code of Ethics) EXCEPT: obligations related to 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; the right to hold elective office in the local association, state association and National Association.

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

**(5) Designated REALTOR® Members.** Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the association) 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. *(Amended 2/2022)*

**(b) Institute Affiliate Members.** Institute Affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society, or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR®-ASSOCIATE® membership, subject to payment of applicable dues for such membership.

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

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

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



**(f) Student Members.** Student members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two 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

**(g) Chief Elected Officer of the State Association.** The current chief elected officer of the State Association of Realtors® shall be a member in good standing without further payment of dues. At the direction of the association, the current chief elected officer of the State Association of REALTORS® may be the delegate who casts the vote for the association at the Annual Meeting of the NATIONAL ASSOCIATION OF REALTORS®.

## ARTICLE V – QUALIFICATION AND ELECTION

### Section 1. Application

**(a)** An application for membership shall be made in such manner and form as may be prescribed by the board of directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the 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 (or to mediate if required by the association) controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL 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 for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above. *(Amended 11/2011)*

### Section 2. Qualification

**(a)** An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the association, through its membership committee or otherwise, that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy\*, has no record of official sanctions involving unprofessional conduct\*\*, agrees to complete a course of instruction covering the Bylaws and rules and regulations of the association, the Bylaws of the State Association, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon, as may be required by the committee, and shall agree that if elected to membership, he/she will abide by such *Constitution*, Bylaws, rules and regulations, and Code of Ethics. *(Amended 1/2005)*

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\*If the applicant or the applicant's real estate firm is named as a debtor in such bankruptcy proceeding, membership may not be denied unless the Board establishes that its interest and those of its members and the public could not be adequately protected by requiring that the applicant pay cash in advance for association dues and MLS fees for up to one (1) year from the date that membership is approved. In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

\*\*The association may only consider civil judgements imposed within the past seven (7) years involving judgements of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities. The association may only consider criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, the applicant must provide, and the association must consider mitigating factors relating to that criminal history

**Note 1:** One or more of the requirements for REALTOR® membership set forth above in Article V, Section 2(a) may be deleted at the association's discretion. However, associations may NOT adopt membership qualifications more rigorous than specified in the *Membership Qualification Criteria for REALTOR® Membership*, approved by the Board of Directors of the National Association.

**Note 2:** Article IV, Section 2, of the NAR *Bylaws* prohibits Member Boards from knowingly granting REALTOR® or REALTOR®-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another association of REALTORS® for violation of the Code of Ethics. (*Adopted 1/2001*)

**(b)** Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® membership, shall at the time of application be associated either as an employee or as an independent contractor with a designated REALTOR® member of the association or a designated REALTOR® member of another association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct\*, shall complete a course of instruction covering the Bylaws and rules and regulations of the association, the Bylaws of the State Association, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the membership committee, and shall agree in writing that if elected to membership he/she will abide by such *Constitution, Bylaws, rules and regulations, and the Code of Ethics. (Amended 5/2007)*

\*The association may only consider civil judgements imposed within the past seven (7) years involving judgements of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities. The association may only consider criminal convictions within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk, the applicant must provide, and the association must consider mitigating factors relating to that criminal history.

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

- (1)** All findings of Code of Ethics violations and violations of other membership duties in this or any other REALTOR® association within the past three (3) years
- (2)** Pending ethics complaints (or hearings)
- (3)** Unsatisfied discipline pending

- (4)** Pending arbitration requests (or hearings)
- (5)** Unpaid arbitration awards or unpaid financial obligation to this or any other REALTOR® association or REALTOR® 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 Code of Ethics; see Article V, Section 2(a), NOTE 2), provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. *(Amended 11/2009)*

**Section 3. Election.** The procedure for election to membership shall be as follows:

**(a)** The chief staff executive (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be 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 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 120 days from the association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. The board of directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the board of directors, he/she shall be declared elected to membership and shall be advised by written notice.

**(c)** The board of directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the board of directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The board of directors may also have counsel present. The board of directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

**(d)** If the board of directors determines that the application should be rejected, it shall record its reasons with the chief staff executive (or duly authorized designee). If the board of directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant. *(Adopted 1/98, Amended 1/05, Amended 1/17)*

**Section 4. New Member Code of Ethics Orientation**

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one (1) 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. *(Amended 2/2022)*

**Section 5. 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 State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three-year cycle shall not be required to complete additional ethics training until a new three-year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three-year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. *(Amended 2/2022)*

**Section 6. Status Changes**

**(a)** A REALTOR® who changes the conditions under which he/she holds membership shall be required to provide written notification to the association within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he/she has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the board of directors.

A REALTOR® (or REALTOR-ASSOCIATE®, where applicable) who is transferring his/her license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within ten (10) 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. *(Amended 1/98)*

(The board of directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with the association's Bylaws.)

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

**(c)** Dues shall be prorated from the first day of the month in which the member is notified of election by the board of directors and shall be based on the new membership status for the remainder of the year. *(Amended 1/05)*

## 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 consistent 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, 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 an association of REALTORS®. *(Amended 5/16)*

(a) 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®. (Amended 1/00 and 11/11)

**Section 6. Privileges of REALTOR® Members.** 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 NAR’s trademark rules. (Amended 2/2022)

(a) If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership, or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined member 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-principal) elects to sever his/her 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(a) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® member and they shall be advised that the provisions in Article VI, Section 6(a) shall apply.

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

**Note:** Local associations establish the rights and privileges to be conferred on Institute Affiliate members except that no Institute Affiliate member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo: to serve as president of the local association; or to be a participant in the local association’s multiple listing service. (Amended 1/02)

**Section 8. Affiliate Members.** Affiliate members shall have rights and privileges and be subject to obligations prescribed by the board of directors.

**Section 9. Public Service Members.** Public Service members shall have rights and privileges and be subject to obligations 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 of directors.

**Section 12. Certification by REALTOR®.** "Designated" REALTOR® members of the association shall certify to the association during the Month of January on a form provided by the association, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if designated REALTOR® dues have been paid to another association based on said non-member licensees, the designated REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® members shall also notify the association of any additional individual(s) licensed or certified with the firm within 30 days of the date of affiliation or severance of the individual.

**Section 13. Legal Liability Training.** Within two (2) years of the date of election to membership, and every two (2) years thereafter, each REALTOR® member of the association shall be required to demonstrate that they have completed a course of instruction on antitrust laws, agency laws, civil rights laws, or the REALTORS® Code of Ethics, its interpretation and meaning and/or the procedures related to its enforcement.

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

**Section 14. Harassment.** Any member of the association may be reprimanded, placed on probation, suspended, or expelled for harassment of an association or MLS employee, officer, director, or committee member 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. Obligation 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 State Association, and the NATIONAL ASSOCIATION OF REALTORS®, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

Every REALTOR® member shall maintain a high level of integrity and adhere to the association's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership. *(Amended 2/2022)*

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

## ARTICLE VIII – USE OF THE TERMS REALTOR® AND REALTORS®

**Section 1.** Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its board of directors. The association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the board of directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. *(Amended 5/06)*

**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. *(Amended 1/96)*

**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 or Institute Affiliate members as described in Section 1(b) of Article IV.



**(a)** In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business. *(Amended 1/01)*

**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 Pennsylvania Association of REALTORS®. By reason of the association's membership, each REALTOR® member of the Member Board shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Pennsylvania Association of REALTORS® without further payment of dues. The association shall continue as a member of the State and National Associations, unless by a majority vote of all of its REALTOR® members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one 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 REALTOR® 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 a determination by the Board of Directors of the National Association that it has violated the conditions imposed upon the terms.

**Section 3.** The association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® members. The association and all of its members agree to abide by the *Constitution, Bylaws, Rules and Regulations*, and policies of the National Association. *(Amended 2/2022)*

## 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.**

**(a) Designated REALTOR® Members Dues.** The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the board of directors, plus an additional amount to be established annually by the board of directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any association in the state or a state contiguous thereto or Institute Affiliate members of the association. In calculating the dues payable to the

association by a designated REALTOR® member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state contiguous thereto, provided the designated REALTOR® notifies the association in writing of the identity of the association to which dues have been remitted. In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this association.

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 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 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 licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, renting, managing, counseling, or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the designated REALTOR®. Designated REALTORS® shall notify the association within three (3) days of any change in status of licensees in a referral firm.

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

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® 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. *(Amended 2/2022)*

**(b) REALTOR® Members Dues.** The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the Board of Directors. *(Amended 2/2022)*

**(c) Institute Affiliate Members Dues.** The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the National Association of REALTORS®. *(Amended 2/2022)*

**(d) Affiliate Members Dues.** The annual dues of each Affiliate Member shall be as established annually by the Board of Directors. *(Amended 2/2022)*

**(e) Public Service Members Dues.** The annual dues of each Public Service member shall be as established annually by the Board of Directors. *(Amended 2/2022)*

**(f) Honorary Members Dues.** Dues payable, if any, shall be at the discretion of the Board of Directors. *(Amended 2/2022)*

**(g) Student Members Dues.** Dues payable, if any, shall be at the discretion of the Board of Directors. *(Amended 2/2022)*

**Section 3. Dues Payable.** Dues for all members shall be payable annually in advance on the first day of January. Dues for new members shall be computed from the date of application and granting provisional membership. *(Adopted 1/98, Amended 1/05)*

**(a)** In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of association dues, and the individual remains with the designated REALTOR®'s firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X Section 2(a)) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 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 associations multiple listing service are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other rules and regulations of the association or any of its services, departments, divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

**Section 5. Deposit and Expenditures.** Deposits and expenditures of funds shall all be in accordance with policies established by the Board of Directors. The annual budget of the Greater Erie Board of REALTORS® shall be established each year by the Board of Directors with the approval of the voting members. The budget shall include the dues, fees, and finances for the coming year. The budget may be revised from time to time by the Board of Directors with the approval of the voting members. The Board of Directors shall administer the finances of the association in accordance with the budget and shall not incur an obligation, not budgeted, in excess of \$3,800.00 without authorization by a vote of a majority of all members present at any properly called meeting. *(Amended 1/05)*

**Section 6. 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 association member in writing setting forth the amount owed and due date.

**Section 7.** The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors. *(Amended 11/2013)*

**\*Note:** A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the national Association), past presidents and past treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® members of the association. The dues obligation of such individuals to the local association should be reduced to reflect the reduction in the association's dues obligation to the National

Association. The association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the association's obligation to the State Association with respect to such individuals. Member Boards should determine whether the dues payable by the association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the local association. *(Amended 11/2013)*

## ARTICLE XI – OFFICERS AND DIRECTORS

**Section 1. Directors.** The Directors of the Board shall be the governing body and shall consist of twelve (12) members, except when a director is elected to the post of President Elect in the last year of his/her term and has not been elected to a new three (3) year term, that director's original term is extended one (1) year with continuing, rights, duties, and responsibilities. In this event, the membership shall then be thirteen (13) members.

(a) Members shall be elected each year at the annual election to serve as Director for a three (3) year term. A Director may not serve more than two (2) consecutive terms. *(Changed per BOD 2-15-2002)*

(b) One (1) shall be a member of the Multiple Listing Service (MLS) Council elected by the Council to serve as a voting member of the Board of Directors. This may be in conflict with By-Law provision regarding Board Membership, Article XI, Section 3 D, in that the MLS member serving as Liaison, may be from a company that already has a REALTOR® as a Director on the Board. *(Changed per RBM 2-22-2005)*

(c) No REALTOR® may be elected to the Board of Directors prior to the completion of three (3) years as a REALTOR®.

**Section 2. Officers.** The Officers of the Board shall be a President, President Elect, First Vice President, and Secretary/Treasurer. They shall be elected annually by and from the new Board of Directors for a term of one (1) year. An Officer may not serve more than two (2) consecutive terms in the same position. Each year the previously elected President Elect shall automatically succeed to the office of President. In the event that the President Elect is a Director Member serving the last year of his/her term on the Board of Directors, and has not been re-elected to an additional three (3) year term, that term shall be automatically extended one (1) year. This election of the officers shall take place at the next Board of Directors' meeting after the Election Meeting taking place under Article XII, Section 2. There may also be appointed by the Directors, an Executive Officer to supervise and conduct the affairs of the Board subject to instructions from the Directors. *(Changed per BOD 2-15-2002)*

(a) Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Chief Staff Executive to keep the records of the Board and to carry on all necessary correspondence with the National Association of REALTORS® and the Pennsylvania Association of REALTORS®. *(Changed per RBM 3-16-2005)*

(b) The President-Elect shall perform the duties of the President in the event of his/her absence or disability and shall have such other powers and duties as may be prescribed by the Board of Directors, the Executive Committee, or the President. The President-Elect shall succeed to the office of the President.

**Section 3. Election of Directors.**

(a) At least sixty (60) days before the date of the Election Meeting, the President, with the approval of the Board of Directors, shall appoint a Nominating Committee of six (6) REALTOR® members. The Nominating Committee shall consist of the immediate past president, a minimum of one member from the Board of Directors and four (4) REALTOR® members and shall nominate a minimum of one (1) REALTOR® member to fill each vacancy occurring on the Board of Directors. The report of the Nominating Committee shall be mailed to each Office eligible to vote at least three (3) weeks preceding the election. It is the responsibility of each office to give the notice to every eligible agent.

(b) The election of the Directors shall take place at the October Regular Business Meeting, which shall be called the "Election Meeting." Election shall be by written ballot and all votes must be cast in person. In conducting the election, the President shall appoint two (2) tellers and one (1) judge from the members, and the judge shall announce the names of the successful candidates without revealing the number of votes cast for any candidates. In the event of a tie vote, for any or all candidates, necessitating a runoff, such runoff balloting shall be continued until the situation is resolved. Balloting for a candidate shall be limited to one (1) vote for each candidate. Cumulative voting shall be interpreted as one (1) vote only. Only REALTORS® may vote.

(c) Refer to Article XI, Section 2.

(d) Membership on the Board of Directors shall be limited to two (2) from any firm, partnership, or corporation.

In the event of a creation of a firm, partnership, corporation, or affiliation by members of the Board of Directors during their term of office, this shall be resolved, by agreement between the Directors involved, as to which one shall remain as a member of the Board of Directors.

**Section 4. Installation of Directors.** Installation of newly elected Directors shall take place in December of each year at a time and place to be designated by the Board of Directors. The term of office of new Directors shall begin with the date of installation. *(Changed per BOD 2-15-2002)*

(a) Installation of Officers. Newly elected Directors shall meet after their Installation meeting but before the end of December to elect the Officers. *(Added per BOD 2-15-2002)*

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

(a) If the office of the President should become vacant between elections, the President-Elect shall fill the vacancy and complete the unexpired term. The President-Elect who fills a vacancy in the office of the President shall automatically become President for a full term after completion of the unexpired term.

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

(a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Board shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

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

**Section 7. Amending Article XI.** Article XI may be amended by a two-third (2/3) vote of members present, qualified to vote at two (2) consecutive meetings at which a quorum is present, provided the substance of such proposed amendment or amendments has been plainly stated in the call for the meetings.

## ARTICLE XII – MEETINGS

**Section 1. Annual Meeting.** The annual meeting of the association shall be held during February and October (changed RBM 6-20-00) of each year, the date, place, and hour to be designated by the Board of Directors.

**Section 2. Meetings of Directors.** The Board of Directors shall designate a regular time and place of meetings. Absence from three regular meetings annually, without an excuse deemed valid by the Board of Directors shall be construed as resignation.

(a) Five (5) day written notice shall be given with a copy of the proposed agenda.

(b) A quorum shall consist of a majority of the Directors. Directors must be present to vote.

(c) The President may call special meetings by giving one (1) day notice either personally or by mail.

(d) Any two (2) Directors may demand a special meeting by giving five (5) days written notice of such meetings and shall be accompanied by a statement of the purpose of the meeting.

**Section 3. Other Meetings.** Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least 15% of the members eligible to vote.

**Section 4. Notice of Meetings.** Written notice shall be given to every office entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting. It is the responsibility of each office to give the notice to every eligible agent.

**Section 5. Quorum.** A quorum for the transaction of business shall consist of all members present and eligible to vote, at a properly called meeting.

**Section 6. Electronic Transaction of Business.** To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means. *(Added per RBM 2-22-2005)*

**Section 7. Action without Meeting.** Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Chief Staff Executive to be filed in the corporate records. The action taken

shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.  
(Added per RBM 2-22-2005)

## ARTICLE XIII – COMMITTEES

(Amended 10/2022)

**Section 1. Association Volunteer Groups.** The Board of Directors shall establish policies and processes for all committees, advisory groups, task forces, and other work groups as needed. These volunteer groups shall be created to assist in various tasks, including but not limited to implementation and execution of the Association’s Strategic Plan. All information pertinent to volunteer groups shall be maintained within the Policy and Procedures Manual of the Association.

**Section 2. President.** The president shall be an ex-officio member of all committees, advisory groups, task forces, and other work groups, and shall be notified of their meetings.

## ARTICLE XIV – FISCAL AND ELECTIVE YEAR

**Section 1.** The fiscal year of the board shall be the calendar year

**Section 2.** The elective year begins upon date of installation.

## ARTICLE XV – RULES OF ORDER

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

## ARTICLE XVI – AMENDMENTS

**Section 1.** These Bylaws may be amended by a two-thirds (2/3) vote of the members present 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 at any regular or special meeting of the Board of Directors at which a quorum is present, may amend the Bylaws to comply with NAR policy or for any other reason not inconsistent with law or with the Articles, nor expressly reserved by the Members under Section 1904 (b) of the Business Corporation Law of 1988.

**Section 2.** Notice of all meetings at which amendments are to be considered shall be mailed to every Office eligible to vote at least one (1) week prior to the meeting. It is the responsibility of each office to give the notice to every eligible agent.

**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 association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 4.** Article XI can only be amended in accordance with the procedures set forth in Article XI, Section 7.

## ARTICLE XVII – DISSOLUTION

**Section 1.** Upon the dissolution of this association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the PENNSYLVANIA ASSOCIATION OF REALTORS® or, within its discretion, to any other non-profit tax except organization. *(Amended 1/05)*

## ARTICLE XVIII – PERSONAL LIABILITY OF DIRECTORS

**Section 1. General Rule.** No director shall be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless:

- (a) the director has breached or failed to perform the duties of office under 15 Pa. C.S.A. §§ 1712 and 1715 (relating to standard of care and justifiable reliance) or any successor provision thereto; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

**Section 2. Exceptions.** The provisions of Article XVIII, Section 1 shall not apply to:

- (a) the responsibility or liability of a director pursuant to any criminal statute; or
- (b) the liability of a director for the payment of taxes pursuant to local, state or federal law.

**Section 3. Presumptions.** Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken or any failure to take any action by the Board, a committee of the Board, or an individual director, shall be presumed to be in the best interests of the Board.

**Section 4. Modification of Repeal.** The provision of this section may be modified or repealed in accordance with the procedures for amending these Bylaws; provided, however, that any such modification or repeal shall not have any effect upon the liability of a director relating to any action taken, any failure to take any action, or events which occurred prior to the effective date of such modification or repeal.

## ARTICLE XIX – INDEMNIFICATION OF DIRECTORS, OFFICERS, AND OTHER AUTHORIZED REPRESENTATIVES

### **Section 1. Scope of Indemnification.**

(a) **General Rule.** The corporation shall indemnify to the full extent required by law, and may indemnify or agree to indemnify to the full extent permitted by law, an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liability resulting from any actual or alleged breach or neglect of duty, error, misstatement, negligence, gross negligence or act giving rise to strict or products liability, except:

- (1) where such indemnification is expressly prohibited by applicable law or is otherwise unlawful;
- (2) where the conduct of the indemnified representatives has been finally determined:



(i) to constitute willful misconduct or recklessness within the meaning of 15 Pa. C.S. 513(b) and 1746(b) and 42 Pa.C.S. 8365(b) or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from the conduct; or

(ii) to be based upon attributable to the receipt by the indemnified representative from the corporation of a personal benefit to which the indemnified representative is not legally entitled; or

(3) that no such indemnified representative shall be indemnified except to the extent that the aggregate of losses to be indemnified under the provisions of this Article exceeds the amount of such losses for which the indemnified representative is insured pursuant to any directors and officers' liability insurance policy maintained by the corporation.

**(b) Presumption.** The termination of a 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 indemnified representative is not entitled to indemnification.

**(c) Definitions.** For purposes of this Article:

(1) "indemnified capacity" means any and all past, present and future service by an indemnified representative in one or more capacities as a director, officer, employee or agent of the corporation, or, at the request of the corporation, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise;

(2) "indemnified representative" means any and all directors and officers of the corporation and any other person designated as an indemnified representative by the Board of the corporation (which may, but need not, include any person serving at the request of the corporation, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise);

(3) "liability" means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to any employee benefit plan, or cost or expense, of any nature (including, without limitation, attorneys' fees and disbursements); and

(4) "proceeding" means any threatened, pending or completed action, suit, appeal, or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the corporation, a class of its security holders or otherwise.

**Section 2. Proceedings Initiated by Indemnified Representatives.** Notwithstanding any other provision of this Article, the corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counter-claims or affirmative defenses) or participated in as an intervener or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement in accordance with the provisions of Section 7.5.

**Section 3. Advancing Expenses.** The corporation may pay the expenses (including attorney's fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of a proceeding described in Section 7.1 or the initiation of or participation in which is authorized pursuant to Section 7.2 upon receipt of an undertaking by or on behalf of the indemnified representative to repay the amount if it is ultimately determined that such person is not entitled to be indemnified by the corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

**Section 4. Securing of Indemnification Obligations.** To further effect, satisfy or secure the indemnification obligations provided herein or otherwise, the corporation may maintain insurance, obtain a letter of credit, act as self insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the corporation, or use any other mechanism or arrangement whatsoever

in such amounts, as such costs, and upon such other terms and conditions as the Board shall deem appropriate. Absent fraud, the determination of the Board with respect to such amounts, costs, terms, and conditions shall be conclusive against all security holders, officers and directors and shall not be subject to voidability.

**Section 5. Determination of Right to Indemnification.** Any indemnification under this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because the indemnified representative has met the applicable standard of conduct set forth herein. Such determination shall be made:

- (1) by the Board by a majority vote of a quorum consisting of directors who were not parties to such proceeding, or
- (2) if such a quorum is not obtainable or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or
- (3) by the shareholders.

**Section 6. Insurance.** The Board shall have the power to cause the corporation to purchase and maintain directors' and officers' liability insurance on behalf of any indemnified representative serving in an indemnified capacity against any liability asserted against the indemnified representative and asserted against him or her in any such capacity, arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

**Section 7. Mandatory Indemnification of Directors, Officers, Etc.** To the extent that an authorized representative of the corporation has been successful on the merits or otherwise in defense of any action or proceeding referred to in 15 Pa.C.S. §§ 1741 or 1742 or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorneys' fees and disbursements) actually and reasonably incurred by such person in connection therewith.

**Section 8. Contract Rights.** Amendment or Repeal. All rights under this Article shall be deemed a contract between the corporation and the indemnified representative pursuant to which the corporation and each indemnified representative intend to be legally bound. Any repeal, amendment or modification hereof shall be prospective only and shall not affect any rights or obligations then existing.

**Section 9. Scope of Article.** The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of shareholders or disinterested directors or otherwise both as to action in any indemnified capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to a person who has ceased to be indemnified representative in respect of matter arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representative of such a person.

**Section 10. Reliance of Provisions.** Each person who shall act as an indemnified representative of the corporation shall be deemed to be doing so in reliance upon the rights provided by this Article.

**Section 11. Interpretation.** The provisions of this Article are intended to constitute bylaws authorized by 15 Pa. C. S. §§ 513 and 1746 and 42 Pa. C. S. § 8365.

## ARTICLE XX – BOARD BYLAW PROVISIONS AUTHORIZING MLS AS A COMMITTEE OF A BOARD WITH REALTOR® MEMBERS

**Section 1. Authority.** The Board of REALTORS® shall maintain for the use of its Members a Multiple Listing Service, which shall be subject to the Bylaws of the Board of REALTORS® and such Rules and Regulations as may be herein after adopted.

**Section 2. Purpose.** A Multiple Listing Service is a means by which authorized Participants makes a blanket unilateral offer of compensation to other Participants ( acting either as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease). *(Changed per BOD 4-2006)*

**Section 3. Participation.** Any REALTOR® Member 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, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by 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 or published by a Board Multiple Listing Service where access to such information is prohibited by law. *(Changed 2-4-2009)*

**Note:** 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 on-going 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. *(Added 2-4-2009)*

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 on a nondiscriminatory manner to all Participants and potential Participants. *(Added 2-4-2009)*

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (120) days after access has been provided. *(Changed per BOD 2-13-1998)*

**Section 4. Supervision.** The activity shall be operated under the supervision of the Multiple Listing Council in accordance with the Rules and Regulations, and By Laws of the Greater Erie Board of REALTORS®, subject to the approval of the Board of Directors.

**Section 5. Election to Council.** Election to the Multiple Listing Service Council shall be at the Election meeting following the election of the Board of Directors as provided for in these By-Laws. (as set forth in Article XI, Section 3b)

**(a)** At least sixty (60) days before the date of the Election Meeting, the President, with the approval of the Board of Directors, shall appoint a Nomination Committee of three (3) Multiple Listing Service REALTOR® Members, one (1) of who shall be currently serving on the MLS Council. To fill each vacancy occurring, the Nominating Committee shall nominate at least one (1) MLS REALTOR® Member, or principal in an office where an MLS office exists. The report of the Nomination Committee shall be made at the MLS Election Meeting, at which time, additional nominations may be received from the members.

**(b)** The Council shall consist of five (5) members, each of whom must be a Multiple Listing Service member, or a principal in an office where an MLS member exists. Each member shall serve a three (3) year term. *(Changed per RBM 07-16-2002)*

**(c)** The Officers of the Council shall be elected by the Council. These officers shall include a Chairman and Vice-Chairman. The Executive Officer of the Greater Erie Board of REALTORS®, Inc. shall be an ex officio member of the Council without the right to vote. The next meeting after the Election Meeting shall be set aside for the election of these officers.

**(d)** One (1) member of the Multiple Listing Service (MLS) Council will be elected by the Council to serve as a voting member of the Board of Directors. This must not be in conflict with Bylaw provision regarding Board Membership, Article XI, Section 3D.

**Section 6. Vacancies.** Vacancies and unexpired terms shall be filled by a majority vote of the Council until the next election, subject to the approval of the Board of Directors.

**Section 7. Attendance.** Any Council Member who fails to attend three (3) regular meetings of the Council annually, without excuse acceptable to the Chairman of the Council, shall be deemed to have resigned from the Council and the vacancy shall be filled as herein provided in Section 6 above.

**Section 8. 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 do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of 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 an association service or through the

association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

**Section 9. Subscribers.** Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

**Section 10.** There shall be separate income and expense ledgers for the MLS income and expenditures. All monies received by the Greater Erie Board of REALTORS®, Inc. for Multiple Listing Service purposes shall be deposited to the credit of the Greater Erie Board of REALTORS®, Inc. as applicable, in financial institutions selected by resolution of the Board of Directors.

**Section 11.** Notwithstanding anything to the contrary in the rules adopted by the MLS participants, the Board of Directors of the Greater Erie Board of REALTORS® may adopt amendments to the rules of the Multiple Listing Service to comply with requirements of the policies, bylaws, or rules of the National Association of REALTORS®. *(Added per RBM 02-17-2009)*

## ARTICLE XXI – POLICY AND PROCEDURE MANUAL

*(Added 10/2022)*

**Section 1. Policy and Procedures Manual.** The Policy and Procedures Manual of the Association, as amended from time to time by the Board of Directors, is hereby expressly incorporated by reference herein and made a part of these Bylaws.