

**Bylaws of the  
Ozark Gateway Association of REALTORS®  
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Revised 09/2011

**Bylaws of the  
Ozark Gateway Association of Realtors®**

**ARTICLE I– NAME**

Section 1. Name:

The name of this organization shall be the Ozark Gateway Association of REALTORS®, Incorporated, hereafter referred to as the “Board.” (Amended 3/ 2006)

Section 2. REALTORS®

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

**ARTICLE II– OBJECTIVES**

The objectives of the Board 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 professional and related interests.

Section 2.

To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the National Association of REALTORS®

Section 3.

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

Section 4.

To further the interest of home and other property ownership.

Section 5.

To unite those engaged in the real estate profession in this community with the Missouri Association of REALTORS® and the National Association of REALTORS®, thereby furthering their own objectives throughout the state, 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® and REALTORS® as licensed, prescribed and controlled by the National Association of REALTORS®.

## **ARTICLE III– JURISDICTION**

### Section 1.

The territorial jurisdiction of the Board as a member of the National Association of REALTORS® shall include: Northern boundary: Jasper County, Barton County; Eastern boundary: County Road No. 19 in Jasper County and the east boundary of range thirty-two (32) in Newton County, Missouri; Southern boundary: The south boundary of Township twenty-six (26) in Newton County, Missouri; Western boundary: Kansas? Missouri state line; Including the communities of Joplin, Carl Junction, Webb City, Carterville; All within the counties of Jasper and Newton Counties, Missouri. (Amended 12/2003)

### Section 2.

Territorial jurisdiction is defined to mean:

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

## **ARTICLE IV– MEMBERSHIP**

### Section 1.

There shall be six classes of membership as follows:

a) REALTOR® members, whether primary or secondary, shall be:

1) Individuals who, as sole proprietors, partners, corporate officers, or branch managers are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office located in the state of Missouri 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 business 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 a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV. (Amended 11/2003, 02/2005)

2) 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 board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Article IV. Section 1(b) (1/01)

Note: REALTOR® members may obtain membership in a secondary Board in another state.

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

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 Board 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 Board, State Association and National Association. (Amended 11/2003)

4) Primary and secondary REALTOR® members. An individual is a primary member if the Board pays State and National dues based on such member. An individual is a secondary member if State and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR® member of the Board in order for licensees affiliated with the firm to select the Board as their primary Board. There will be a thirty (30) day deadline for all new licensees to apply for membership to the Board. If application is not received within thirty (30) days, the Member Company holding the agent's licenses will be billed for an equal amount. (9/11)

5) Designated REALTOR® members. Each firm shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of the bylaws. The Designated REALTOR® must be a sole proprietor, partner, corporate officer or branch manager acting on behalf of the firm's principal (s) and must meet all other qualifications for REALTOR® membership established in Article V, Section 2, of the bylaws. (6/02, Amended 7/04)

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® membership, subject to payment of applicable dues for such membership. (6/02) (11/2003)

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 this Article, have interests requiring information concerning real estate, and are in sympathy with the

objectives of the Association. Separate classes of affiliate membership may be designated by the Board of Directors, along with separate dues categories for each.

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 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) MAR State Officer Membership- The current President, President Elect, Treasurer, and Immediate Past President shall be a REALTOR member in good standing without further dues payment. The purpose of this class of membership is to provide the state officers local association standing so they may serve as the accredited or alternate delegate at the annual meeting of the members of the National Association of REALTORS®. This would be a secondary membership as they would hold primary membership in their home association/ board.

## **ARTICLE V– QUALIFICATION AND ELECTION**

### **Section 1. Application**

An application for membership shall be made in such a manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition of membership to thoroughly familiarize himself with the Code of Ethics of the National Association of REALTORS®, the Constitution, Bylaws, and Rules and Regulations of the Board, State, and National Association, and if elected, a member will abide by the Constitution and Bylaws and the Rules and Regulations of the Board, State and National Association, and if a REALTOR® will abide by the Code of Ethics of the National Association of REALTORS®, including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the National Association, as from time to time amended, and (2) that applicant consents that the Board, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any member or other person and that applicant agrees that any information or comments furnished to the Board of Directors by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis for 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 the Code of Ethics referred to above. (Amended 2/04)

## Section 2. Qualification.

a) An applicant for REALTOR® membership who is a principal, partner, corporate officer, or branch manager of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that he is actively engaged in the real estate profession and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or state contiguous thereto, (unless a secondary member), has no record of official sanctions involving unprofessional conduct, no recent or pending bankruptcies, agrees to complete a course of instruction covering the Bylaws, Rules and Regulations of the Board, the Bylaws of the State Association and Constitution and Bylaws of the National Association, and shall be required 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. Each applicant shall agree, in writing, that if elected to membership, they will abide by the Constitution, Bylaws, Rules and Regulations and the Code of Ethics. (9/88, 1/01, 11/2003, 2/ 2004, 2/2005, 9/2011)

Note 1: "No record of official sanctions involving unprofessional conduct" is intended to mean that the Board may only consider judgments within the past three 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.

Note 2: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics. (Amended 1/01, 11/2003)

"No recent or pending bankruptcy" is intended to mean that the applicant as a sole proprietor, general partner, corporate officer, or branch manager is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board establishes that it's interests and those of it's members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Board and MLS fees for up to one year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one year from the date that the member had been discharged from bankruptcy.

b) Individuals who are actively engaged in the real estate profession other than as principals, partners, corporate officers, or branch 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 Board or a Designated REALTOR® member of another Board (if a secondary member), and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws, Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws of the National Association. In addition REALTOR® members shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee. Each applicant shall agree, in writing, that if elected to membership, they will abide by the Code of Ethics of the National Association of REALTORS®, by the Constitution, Bylaws, and Rules and Regulations of the local Board, State Association and the National Association of REALTORS®. (Amended 9/88, 1/01, 11/2003, 9/11)

c) The Board may 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 any other board/association within the past three (3) years.
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other board/association or board/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 boards/associations or where the applicant for membership has unsatisfied discipline pending in another board/association (provided all other qualifications for membership have been satisfied). The Board may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another board/association with an ethics complaint or arbitration request pending the Board may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceedings (in accordance with the established procedures of the Board to which the applicant has made the application) and will abide by the decision of the hearing panel. (9/11)

d) Institute Affiliate Membership 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: The Ozark Gateway Association of REALTORS® may 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 Ozark Gateway Association of Realtors®; or to be a Participant in the Ozark Gateway Association of Realtors® MLS Service. (6/02)

### Section 3. Election.

The procedure for election to membership is as follows:

a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. It shall then give written notice to the REALTOR® members of such application and invite written comment. If within 10 days, one or more REALTOR® members object to the approval of the application, basing such objections on lack of qualification as set forth in the Bylaws, the committee shall invite any objecting member to appear and substantiate his objections. Objections which are not substantiated shall be totally disregarded. The committee may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting member, and (2) giving the applicant a full opportunity to appear before the committee and establish his qualifications. The committee shall thereafter make a written report of its findings. The Membership Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the bylaws of the Board.

b) Thereafter, within 10 days, the Membership Committee shall report its recommendations to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reasons shall be specifically stated. If any member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the Board of Directors.

c) The Board of Directors shall review the qualifications of the applicant and the recommendation of the committee and then vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he shall be declared elected to full membership or conditional membership, if all requirements have not been met, and shall be advised by written notice. (Amended 9/88, 11/2003)

d) The Board of Directors may not reject an application without providing the applicant with: advance notice written notice of the findings and recommendations of the Membership Committee, 189. 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.

e) If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Executive Officer. If the Board of Directors believes that denial of membership to the applicant may become the basis for litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Board for a declaratory judgment by a court of competent jurisdiction of a final judgment that the rejection violates no rights of the applicant.

#### Section 4. New Member Code of Ethics orientation.

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less. Said courses shall be completed within two offered sessions of application for membership. If these requirements are not fulfilled within the specified time, said applicant shall be denied membership and rights of membership services shall cease. (9/11)

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS®.

#### Section 5. Continuing Member Code of Ethics Training.

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS, the National Association of REALTORS or any recognized educational institution or provider which meets the learning objectives and minimum criteria established by the National Association of REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed.

Members suspended for failing to meet the requirement for the first four (4) year cycle (2001-2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership.

Failure to meet the requirement for the second (2005-2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement

is met, whichever comes sooner. On March 1 of that year, the membership of member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, revised 5/05, revised 3/ 2006)

#### Section 6. Membership Change

A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A REALTOR® (nonprincipal) who becomes a principal in the firm in which he has been licensed, or alternately, 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® (Principals) members but shall, during the period of transition from one status of membership to another, be subject to all of the privilege and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these bylaws for the category of membership to which they have transferred within 60 days of the date they advised the Board of their status, their new membership application will terminate automatically, unless otherwise so directed by the Board of Directors. (Amended 9/93, 11/2003)

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors. (Amended 11/2003)

Note: The Board of Directors, at its discretion, may waive any qualification which the applicant has already fulfilled, in accordance with the Board's Bylaws.

a) 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. (7/2003)

### **ARTICLE VI– PRIVILEGES AND OBLIGATIONS**

#### Section 1.

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

#### Section 2.

Any member of the Board may be reprimanded, fined, placed on probation, suspended or expelled by the Board of Directors for a violation of these Bylaws and Board Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Board. Although members other than REALTOR® are not subject to the Code of Ethics nor its enforcement by the Board, such members are encouraged to abide by the principles established in the Code of Ethics of the National Association of REALTORS and conduct their business and professional practices accordingly. Further, members other than REALTORS may, upon

recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct which in the opinion of the Board of Directors, applied on a non-discriminatory basis, reflects adversely on the terms REALTOR® and REALTORS, and the real estate industry, or for conduct that is inconsistent with, or adverse to, the objectives and purposes of the local board, State Association, and the National Association of REALTORS.

### Section 3.

Any REALTOR® member of the Board 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 Board, 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 of REALTORS.

### Section 4.

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

### Section 5.

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

b) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (5/00, Amended 2/ 04)

### Section 6.

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

(a) If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership, or an officer of a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® and REALTORS in connection with its business during the period of suspension, or until re-admission to REALTOR®

membership, or management control is relinquished 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 re-admission of the disciplined member, or unless connection of the disciplined member with the firm, partnership or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until re-admission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Board by the member who is being suspended or expelled and by the individual who is assuming management control and the signatures of such certification must be notarized. In the event the suspended or expelled member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS in connection with its business during the period of suspension or until the former member is readmitted to membership in the Board.

The foregoing is not intended to preclude a suspended or expelled member from functioning as an employee or independent contractor, providing no management control is exercised. Further the membership of REALTORS other than principals, who are employed by, or affiliated as independent contractors with the disciplined member, shall suspend or terminate during the period of suspension of the disciplined member or until re-admission of the disciplined member, or unless connection of the disciplined member with the firm, partnership or cooperation is severed, or management control is relinquished, or unless the REALTOR® member (nonprincipal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR ® member in good standing in the Board, whichever may apply. If a REALTOR® member who is other than a sole proprietor in a firm, a partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® and 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 hereof, notice of such action shall be given to all REALTORS employed by or affiliated as independent contractors with such REALTOR® member and shall be advised that the provisions of 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 as follows: To promote their business through personal contact with REALTORS; to attend all membership meetings and functions; to be listed in the roster and references of the Ozark Gateway Association of Realtors®; to serve on the following committees: Education, Membership, Program and Installation, Public Image and any other projects as deemed advisable by the Board of Directors; to advertise in any publication approved for such advertising at a cost to be determined by the Board of Directors; to receive monthly newsletters, information resources and educational opportunities afforded REALTOR ® members of the Board; to

purchase comparable statistical information books quarterly at a cost determined by the Board of Directors; and to be part of the legislative involvement and assistance in protection of Private Property Rights, consistent with the Constitution and Bylaws of NAR. Institute Affiliate Members shall be excluded from the right to vote and to hold elective office. (9/88)

#### Section 8. Affiliate Members

Affiliate Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors the same as stated for Institute Affiliate Members. (9/88)

#### Section 9. Public Service Members.

Public Service Members shall have rights and privileges and be subject to obligations as prescribed by the Board of Directors as follows: To attend all membership meetings and functions; to be listed in the roster and references of the Joplin Board of REALTORS to serve on the following committees: Education, Program and Installation, Membership, Public Image and any other projects as deemed advisable by the Board of Directors; to receive monthly newsletters, information resources and educational opportunities afforded REALTOR® members of the Board; and to a part of the legislative involvement and assistance in protection of Private Property Rights, consistent with the Constitution and Bylaws of the National Association of REALTORS. Public Service Members shall be excluded from the right to vote and to hold elected office. (9/88)

#### Section 10. Honorary Members.

Honorary Members shall confer only the right to attend meetings and participate in discussions.

#### Section 11. Student Members.

Student members shall have rights and privileges and shall be subject to obligations prescribed by the Board of Directors the same as stated for Public Service Members. (9/88)

#### Section 12. Certification by REALTOR®

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

### Section 13. Harassment

Any member of the Board may be reprimanded, placed on probation, suspended or expelled for harassment of a Board or MLS employee or Board Officer or Director after an investigation in accordance with the procedures of the Board. 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 conduct with the purpose or effect of unreasonable 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 Board. Disciplinary action may include any sanction authorized in the Board's Code of Ethics and Arbitration Manual. If the complaint names the President, or 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. (9/11)

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

### Section 1.

The responsibility of the Board and of the Board members relating to the enforcement of the Code of Ethics, the disciplining of members, 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®, Missouri supplement and the Missouri Association of REALTORS® Professional Standards Statewide Process thereto, as from time to time amended, which by this reference is incorporated into these Bylaws; provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law. (5/2003)

### Section 2.

It shall be the duty and responsibility of every REALTOR® member of this Board to abide by the Constitution, Bylaws, Rules and Regulations of the Board, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the National Association of REALTORS and to abide by the Code of Ethics of the National Association of REALTORS, including the duty to 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 Board as from time to time amended.

### Section 3.

The Board and Board members are to adhere to the Code of Ethics. The enforcement, disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, will be conducted and enforced through the Missouri

Association of REALTORS Professional Standards Statewide Process, which by this reference is made a part of these Bylaws. (5/2003)

## **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 NAR and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have authority to control, jointly and in full cooperation with NAR, 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 in the association's Code of Ethics and Arbitration Manual. (Amended 01/2007)

### Section 2.

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

### Section 3.

A REALTOR® member who is a principal of a real estate firm, partnership or corporation may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members of the Board or Institute Affiliate Members as described in Section 1(b) of Article IV. (Amended 11/2003)

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 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 manager holds REALTOR® membership, the term REALTOR® or REALTORS may not be used in any reference to those additional places of business. (1/01)

### Section 4.

Institute Affiliate Members shall not use the term 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 Board shall be a member of the National Association of REALTORS and the Missouri Association of REALTORS. By reason of the Board's membership, each REALTOR® member of the member Board shall be entitled to membership in the

National Association of REALTORS and the Missouri Association of REALTORS without further payment of dues. The Board shall continue as a member of the State and National Associations unless, by a majority vote of all its REALTOR® members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2.

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

Section 3.

The Board adopts the Code of Ethics of the National Association of REALTORS and agrees to enforce the Code among its REALTOR® members. The Board and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the Missouri Association of REALTORS.

## **ARTICLE X– DUES AND ASSESSMENTS**

Section 1. Application Fee

The Board of Directors may adopt an application fee for REALTOR® membership in a reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and shall become the property of the Board upon final approval of the application. (Amended 11/2003)

a) Application fees, if any, for all other classes of membership except Institute Affiliate Members, may be established by the Board of Directors. (Amended 9/88, 11/2003)

Section 2. Dues

The annual dues of members shall be as follows:

a) REALTOR® Members

The annual dues of each Designated REALTOR® member shall be an amount to include dues due to the National Association, Missouri Association, and the local Board of REALTORS, as established annually by the Board of Directors, plus an amount equal to the established amount 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® members, and (2) are not REALTOR® members of any Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board . In calculating the dues payable to the Board by a Designated REALTOR® member, non-member licensees as defined in Section 2(a) (1 & 2) of this Article shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said nonmember licensees in another Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the

Board in writing of the identity of the Board 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 nonmember 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 Board. (Amended 1/2001, 02/2005)

1). For the purpose of the section, a REALTOR® member of a member Board shall be held to be any member who has a place or places of business within a state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the National Association of REALTORS. An individual shall be deemed to be licensed with the REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner or corporate officer, or branch manager of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of licensees affiliated with the entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® 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). The annual dues of each REALTOR® member other than the DR shall be in such amount as established by the Board of Directors.

c). Institute Affiliate Members: The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS ®. (Amended 11/2003)

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute members (\$75). The National Association shall credit \$25 to the account of the Ozark Gateway Association of REALTORS for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of the Ozark Gateway Association of REALTORS, provided, however, if the location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other Board. The National Association shall also credit \$25 to the account of the state associations for each Institute Affiliate Member whose office is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe. (Amended 6/02, 11/2003).

d) Affiliate Members and Public Service Members: The annual dues of each Affiliate Member and Public Service Member shall be in such amount as established annually by the Board of Directors.

e) Honorary and Student Members: dues payable, if any, shall be at the discretion of the Board of Directors.

### Section 3. Dues Payable

Dues for all members shall be payable annually in advance on the first day of January. (9/11)

a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR ® membership is dropped for non-payment of Board 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. (9/89)

b) New member dues shall be computed from the first day of the month in which a member is notified of election by the Board of Directors and shall be prorated for the remainder of the year. (Amended 7/2003, 11/2003, 4/2004, 3/ 2006)

### Section 4. Nonpayment of Financial Obligations.

If dues, fees, fines or other assessments including amounts owed the Board or the Board's Multiple Listing Service are not paid within one month after the due date, the nonpaying member is subject to suspension at the discretion of the Board of Directors. Two months after the due date, membership of the non-paying member may be terminated at the discretion of the Board of Directors. Three 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 non-payment of disputed amounts until the accuracy of the amount owed has

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

#### Section 5. Deposit

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

#### Section 6. Expenditures.

a) The Board of Directors shall administer the day-to-day finances for the Board. (9/89, Amended 9/05)

b) The Board of directors shall be authorized to make emergency expenditures for repairs or services in order to maintain normal working conditions for office personnel, to maintain any temperature requirement for equipment and to preserve building and/or equipment. (9/89)

#### Section 7. Notice of dues, fees, fines, assessments or other financial obligations of members.

All dues, fees, fines, assessments or other financial obligations owed to the Board or its Multiple Listing Service shall be noticed to the delinquent Board member in writing setting forth the amount owed and the due date.

#### Section 8.

The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), past presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

Note: A member board's dues obligation to NAR is reduced by an amount equal to the amount which the Board is assessed for a REALTOR® member, times the number of REALTOR® Emeriti, as recognized by the National Association of REALTORS® past presidents of NAR and recipients of the Distinguished Service Award of NAR who are REALTOR® members of the Board. The dues obligation of such individuals to the local Board should be reduced to reflect the reduction of dues obligation to the National Association of REALTORS. The Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Board's obligation to the State Association with respect to such individuals. Members' boards should determine whether the dues payable by the Board to MAR are reduced with respect to such individuals. It should be noted that this does not affect a "Designated" REALTOR®'s licensee's dues obligations to the Board with respect to those licensees employed by or affiliated with the "Designated" REALTOR® who are not members of the local board.

## **ARTICLE XI– OFFICERS AND DIRECTORS**

### Section 1. Officers.

The elective officers of the Board shall be: president, president elect, vice-president, and treasurer. Each officer including the president will succeed to the next position automatically unless they decline the position or the nominating committee and the Board of Directors determine that such succession would not be in the best interest of the Board. Specifically this means that the president elect will automatically succeed to the office of president, the vice-president will automatically succeed to the office of president elect, and the treasurer will automatically succeed to the office of vice-president. The successors to the offices of president elect, vice-president and treasurer may be contested only by petition pursuant to the rules in Section 4 paragraph 3. They shall be elected for terms of one year. (9/11)

### 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 particular duty of the secretary to keep records of the Board and to carry on all necessary correspondence with the National Association of REALTORS and the Missouri Association of REALTORS (unless specifically handled by a paid Executive Officer of the Board).

### Section 3. Board of Directors

The governing body of the Board shall be a Board of Directors consisting of the elective officers and five REALTOR® members of the Board, plus the immediate past president, who shall serve a one-year term ; and the chairperson of the MLS Committee who shall be appointed by the president. The five REALTOR® members shall consist of one director to be elected to serve a term of three years, one elected for a term of two years and three elected to serve a one-year term. This constitutes a Board of Directors of eleven REALTOR® members. (9/89)

### Section 4. Election of officers and directors.

a) At least two months before the annual election a nomination committee of five REALTOR® members plus two alternates shall be appointed by the president with the approval of the Board of Directors. No two (2) members of the same firm may be appointed to the committee with the exception of the past-president and the past-president twice removed who are on the committee by virtue of their positions. The past president and the past president twice removed shall be two of the five members, the remaining three members and alternates will be chosen at large. The past president twice removed shall be the chairperson of the committee. Any committee member wishing to serve as an elected officer must be removed from the committee and replaced by an alternate.

The nominating committee shall select at least one qualified candidate for each office and at least one qualified candidate for each place to be filled on the Board of Directors. Candidates for Director shall have served on at least one committee of the Association two (2) of the past three (3) years to be eligible for election. Candidates for Officer of the Association shall have been a member of the Board of Directors two (2) of

the past three (3) years to be eligible for election. In no instance shall more than three (3) members of any one company be elected to the Board of Directors in any one year. The report of the nominating committee shall be made available to each REALTOR® member eligible to vote at least three weeks before the election.

Additional qualified candidates for the offices to be filled may be placed in nomination by a petition signed by at least twenty percent of the REALTOR® members eligible to vote. The petition shall be filed with the secretary at least two weeks before the election. The secretary shall send notice of such additional nominations to all members eligible to vote before the election.

b) The election of officers and directors shall take place at the annual meeting. Election shall be by ballot and all votes shall be cast in person, electronically, or other method as determined by the Board of Directors. Absentee balloting will be allowed with the following stipulation: Absentee ballots may be obtained from the Board Office during regular working hours beginning no earlier than 10 calendar days prior to the election and must be cast no later than one day prior to the election. Absentee ballots shall be included in the total required for a quorum at the annual meeting. In the event of no opposition to the slate of officers and directors, as selected by the nominating committee, the Board of Directors shall have the authority to approve the slate of nominations without a vote of the membership. (5/00, 9/11)

c) The president, with approval of the board of Directors, shall appoint an election committee of three REALTOR® members to conduct the election. In case of a tie vote, the issue shall be determined by lot. The names of the candidates involved in the tie vote shall be placed in a receptacle. A name shall be drawn and shall be declared the winner. This process shall be supervised by the Election Committee, appointed by the President and comprised of three (3) REALTOR® members. (9/11)

#### 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. In the event that the president- elect could not fulfill their obligation to succeed to the office of president, the vice-president would secede and all other directors would be elected as stated in Article XI, Section 4a.

#### 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 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 disqualified from further service.

b) Upon receipt of the petition and not less than 20 days or more than 45 days thereafter, a special meeting of the voting membership of 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 all voting members at least ten days prior to the meeting and 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 or the hearing by the membership. Provided a quorum is present, a three-fourths vote of members present and voting shall be required for removal from office.

#### Section 7. Indemnification

All Officers, Directors, the Chief Executive Officer, and staff of the Board shall be indemnified by the Board against all expenses and liabilities, including counsel fees, reasonable incurred or imposed upon such individual in connection with any proceeding to which that individual may be made a part to or in which that individual may become involved, by reason of being or having been an Officer, Director, CEO or staff member at such time, whether or not the individual is an Officer, Director, CEO or staff member at the time such expenses are incurred, except in such cases wherein the individual is adjudged guilty of willful misfeasance or malfeasance in the performance of such individual's duties or shall have acted in a manner as to exceed such individual's authority to act. The foregoing right to indemnification shall be in addition to and not exclusive of all other rights to which such individual may be entitled. (9/11)

### **ARTICLE XII- MEETINGS**

#### Section 1. Annual meetings.

The annual meeting of the Board shall be held during August or September of each year, the date, place and hour to be designated by the Board of Directors. (6/88, 9/05)

#### Section 2. Meetings of the Directors.

The Board of Directors shall designate a regular time and place of meetings. Absence from three consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.

#### 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 20 percent of the members eligible to vote.

#### Section 4. Notice of meetings.

Written notice shall be given to every member entitled to participate in the meeting at least one week prior to all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

#### Section 5. Quorum.

A quorum for the transaction of business shall consist of 10 percent of the members eligible to vote. For election of officers and directors during the annual meeting, absentee ballots cast shall be included in the total required for a quorum. (9/11)

Section 6. Committee Meetings- Action without meeting

Any committee may act by unanimous consent in writing without a meeting. The consent shall be evidence by one or more written approvals, each of which sets for the action taken and bares the signature of one or more of the members of the committee. (Adopted 9/05)

Section 7. Attendance by telephone

Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the President and shall constitute presence at the meeting. (Adopted 9/05)

**ARTICLE XIII- COMMITTEES**

Section 1. Standing committees.

Professional Standards/ Grievance (Cooperative Agreement with MAR)		
Nominating	Awards	Bylaws/ Policy & Procedures
RPAC /Legislative	Missouri Business Week	Program/Community Services
Strategic Planning	Membership Services/Affiliates	
Finance	Technology	
MLS	Benevolence Fund (9/2011)	

a) The president shall appoint from among the members a chairperson for each standing committee. First consideration shall be given to the then-current members in order to maintain continuity. All chairperson appointments shall be confirmed by the Board of Directors.

b) Appointed chairpersons shall then select their committee members. Full committees shall be confirmed by the Board of Directors. (9/89)

c) Appointments to the Professional Standards Committee and Grievance Committee shall be confirmed with the cooperative professional standards enforcement agreement of the Board.

Section 2. Special committees.

The president shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

Section 3. Organization.

All committees shall be of the size and shall have duties, functions, and powers as specified by the Board policy or assigned by the president and/or the Board of Directors, except as otherwise provided in these Bylaws. (9/89)

Section 4. President.

The president shall be an ex-officio member of all standing committees and shall be notified of their meetings.

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

### Section 1.

The fiscal year, for the purposes of income tax reporting and budget operation, shall be July 1 to June 30. The elective year of Board officers shall be January 1 to December 31.

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

### Section 1.

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

## **ARTICLE XVI– AMENDMENTS**

### Section 1.

These Bylaws may be amended by a majority vote of the members present and qualified to vote at any meeting at which a quorum is present, or by electronic means, or other method to be determined by the Board provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy. (9/93, 9/11)

### Section 2.

Notice of all meetings at which amendments are to be considered shall be made available to every member eligible to vote at least one 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 other alteration in the territorial jurisdiction of the Board shall become affective upon their approval as authorized by the Board of Directors of NAR.

## **ARTICLE XVII– DISSOLUTION**

### Section 1. Authority.

Upon the dissolution of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Missouri Association of REALTORS®, or within its discretion, to any other non-profit tax-exempt organization. (Amended 02/2005)

## **ARTICLE XVIII– MULTIPLE LISTING**

### Section 1. Authority.

The Board of REALTORS shall maintain for the use of its members a Multiple Listing Service (MLS) which shall be subject to the Bylaws of the Board of REALTORS and such Rules and Regulations as may be hereinafter adopted.

### Section 2. Purpose.

A MLS is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting either as subagents, buyers agents, or in any 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). (Amended 1996, 3/2006)

### Section 3. Governing Documents

The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its corporate charter, constitution, bylaws, rules, regulations, and policies, practices and procedures at all times to the Constitution, Bylaws, Rules, Regulations and Policies of the National Association of REALTORS®. (9/11)

### Section 4. Participation.

Any REALTOR® member of this or any other Board who is a principal, partner, corporate officer or branch 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 MLS "Membership" or "Participation" unless they hold a current valid real estate brokers 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 MLS 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 MLS where access to such information is prohibited by law. (7/93)

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.

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. (9/11)

#### Section 5. Supervision.

The activity shall be operated under the supervision of the Multiple Listing Service committee, in accordance with the Rules and Regulations, subject to the approval of the Board of Directors.

#### Section 6. Appointment of Committee.

The president shall appoint, subject to confirmation by the Board of Directors, a MLS Committee of 11 REALTOR® members. All members of the committee shall be participants in MLS except, at the option of the local Board, REALTORS affiliated with participants may be appointed to serve in such numbers as determined by the local Board subject to the limitation that not more than two members of any participating office shall be appointed from the committee member so named. The committee shall consist of two members appointed for three-year terms; three members appointed for two-year terms; and six members appointed for one-year terms. One of the eleven appointed shall be designated by the president as chairperson. In selecting the chairperson the president shall give first consideration to hold-over members of the committee. The term of chairperson shall be for one year, with no prohibition on successive terms. (9/90)

#### Section 7. Vacancies.

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

Section 8. Attendance.

Any committee member who fails to attend two consecutive regular or special meetings of the committee, without excuse acceptable to the chairperson of the committee, shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointees. (9/90)

Section 9. 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, 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 the association members and their individuals affiliated with association members who are also engaged in the real estate business and may not be transmitted or retransmitted or provided in any manner to any unauthorized individual, office or firm except as otherwise provided for in these Rules and regulations. Board members who receive such information, either as a Board service or through the Board’s MLS, are subject to the applicable provisions of the MLS rules and regulations whether they participate in the MLS or not. (9/11)

**ARTICLE XIX – LOCK BOXES**

Section 1.

As an additional service to the buying and selling public, the MLS and its member firms may make available a lock box system as a faster and more efficient method of gaining entrance to listed properties. Individual key holders using the MLS must enter into a “key agreement” before a registered key to the lock system can be issued. These key holders are also bound by all the rules and regulations and policies regarding the lock box system. Nothing shall prevent the owner’s right to refuse to have a lockbox on his/her property.

Section 2.

A lock box is a container affixed to property containing a device to gain access to the property being marketed by a participant in the MLS. Participants in the MLS or their salespersons (and licensed or certified appraisers affiliated with the participants) are authorized under certain conditions to open these lock boxes under terms specified by the listing broker. Cooperating brokers and sales licensees, whether functioning as subagents of the listing broker or as agents of potential purchasers, must contact the listing broker to disclose their agency status and to arrange appointments to show listed property even if the property has a lock box affixed to it unless the listing broker has given specific permission (through information published in the MLS or otherwise) to show the property without first contacting the listing broker.

Section 3.

Eligibility for coverage under NAR’s blanket error and omissions insurance program is contingent on compliance with the following security measures whether the

system is operated by the Association, its MLS, or on behalf of an Association by a recognized lock box vendor.

1. Any key, programmer or other device (hereafter referred to as a “key”) by which a lock box can be opened shall be nonduplicative. By “nonduplicative” it is not meant that the key necessarily covered by a current patent but that it cannot be readily copied in the manner that other keys ordinarily are.

2. Keys must be obtained from the original manufacturer, from a recognized vendor of lock box systems or from any other legitimate source. Prior to utilizing previously used keys, lids or boxes, information shall be obtained from the original manufacturer to determine whether the key’s pattern, code or configuration is already in use by other Associations, Multiple Listing Services or other users in the vicinity. Surrounding Associations and MLSs shall also be contacted to determine whether the key’s pattern, code, or configuration is currently used.

3. The lock box system is an activity of the Association owned and operated Multiple Listing Service: Every MLS Participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with an MLS Participant and who is legally eligible for MLS access shall be eligible to hold a key, subject to their execution of a lease agreement with the MLS.

In the case of key lease agreements executed by non-principal brokers, sales licensees, and licensed or certified appraisers, the Participant shall co-sign the key lease agreement. Lease agreements shall spell out the responsibilities of the parties and shall incorporate by reference any applicable rules and regulations or other governing provisions of the Association or MLS that relate to the operation of the lock box system. The lease agreement shall also provide that keys may not be used under any circumstances by anyone other than the key holder.

No one shall be required to lease a key from the Association except on a voluntary basis. Key lease agreements may, at the option of the Association, contain a liquidated damages provision to offset some or all of the Association’s costs in reestablishing the security system if it is determined that the security has been compromised through the negligence or fault of the key holder.

Associations and multiple listing services may, at their discretion, authorize unlicensed personal assistants, administrative and clerical staff, and individuals seeking licensure as real estate appraisers, who are under the direct supervision of a designated REALTOR®, or MLS participant, or their licensed designee, to hold a lock box key on the same terms and conditions as non-principal brokers and sales licensees.

Associations and multiple listing services may refuse to sell or lease lock box keys, may terminate existing key lease agreements, and may refuse to activate or reactivate any key held by an individual convicted of a felony or misdemeanor if the crime, in the determination of the association or MLS, relates to the real estate business or puts clients, customers, or other real estate professionals at risk.

Associations or multiple listing services may suspend the right of lock box keyholders to use lock box keys following their arrest and prior to their conviction for any felony or misdemeanor which, in the determination of the association or MLS, relates to the real estate business or which puts clients, customers, or other real estate professionals at risk.

Factors that can be considered in making such determinations include, but are not limited to:

- the nature and seriousness of the crime
- the relationship of the crime to the purposes for limiting lock box access
- the extent to which access (or continued access) might afford opportunities to engage in similar criminal activity
- the extent and nature of past criminal activity
- time since criminal activity was engaged in
- evidence of rehabilitation while incarcerated or following release and
- evidence of present fitness

4. Associations shall maintain current records as to all keys issued and in inventory. This requirement may be satisfied by a physical inventory or, alternately, by receipt of a statement signed by the key holder and the Participant of the key holder's firm, attesting that the key is currently in the possession of the key holder. There shall be an audit, at least annually, of all keys, whether issued or in inventory.

5. There will be an initial deposit for keycards. The deposit for a replacement key card lost or stolen shall be the current cost of the new key card for the individual.

Key card holders who transfer from one office to another office that participates in the Ozark Gateway Association of REALTORS® MLS' lock box service shall be required to sign a new key card lease agreement, and the new MLS Participant shall cosign this lease agreement

The deposits for key cards shall be kept in a special account for refund upon return of the key card, unless forfeited upon loss of the key card. The funds deposited are to be retained for this purpose only and are not to be utilized in any other manner. The separate fund may be an interest-bearing account with the interest retained by the Association or Association MLS, unless, as a requirement of law, or at the discretion of the Association or Association MLS, such interest shall be made payable to the Participant and Holder as per the key card lease agreement.

If, at the time of inventory, a key card is unaccounted for, or if a key card holder refuses or is unable to demonstrate that the key card is within their physical control, then the key card will be considered unaccounted for and any funds on deposit will be forfeited to the Association.

6. Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created for that purpose. Inclusion in MLS compilations cannot be required as a condition of placing lock boxes on listed property.

7. Boards shall charge key card holders and their Participants with the joint obligation of immediately reporting lost, stolen or otherwise unaccounted for key cards to the Association. Upon receipt or notice the Association shall take any steps deemed necessary to resecure the system.

8. Boards shall adopt written, reasonable and appropriate rules and procedures for administration of lock box systems, which may include appropriate fines, not to exceed \$1,000. Any issuing fees, recurring fees, or other administrative costs shall be established at the discretion of the Association and set forth in the rules and procedures. All key card holders shall agree, as a condition of the key card lease agreement, to be bound by the rules and procedures governing the operation of the lock box system.

9. Any agent failing within ten (10) days of the listing date, to input the correct electronic key box serial number or inputting false or misleading information about the key box attached to the listing into the MLS system will be charged a \$50 fine. (07/2008)

NOTE: The preceding security measures are those measures required of member Associations as a minimum requirement and do not preclude more rigid measures by the Association or its MLS at the option of the Board of Directors of the Association. (04/2003)

Revised 9/11

