BYLAWS OF THE

REALTORS® ASSOCIATION OF METROPOLITAN PITTSBURGH formerly: GREATER PITTSBURGH BOARD OF REALTORS®, INCORPORATED February 2008

ARTICLE I -- NAME

Section 1. Name. The name of this organization shall be the REALTORS® Association of Metropolitan Pittsburgh (formerly: Greater Pittsburgh Board of REALTORS®, Incorporated), hereinafter referred to as the "Association".

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

ARTICLE II OBJECTIVES

The OBJECTIVES of the Association are:

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

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

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

<u>Section 4.</u> To further the interest of home and other real property ownership.

Section 5. To unite those engaged in the real estate profession in this community with the 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®.

Section 7. To advise the members that "Open Housing" is the policy of this Corporation and that we in the brokerage and real estate profession recognize the 1866, the 1968, and the 1988 Federal Statutes, the Americans with Disabilities Act, the Pennsylvania Human Relations Act, and the Pennsylvania Real Estate Licensing and Registration Act as the laws of the land, and go on record as being in full support of the rights of every person to own or rent any real property of their choice within their financial ability to pay.

ARTICLE III -- JURISDICTION

Section 1. The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® shall include Allegheny County EXCEPT the township of North Versailles and the Borough of East McKeesport which is "open territory" shared by the REALTORS® Association of Metropolitan Pittsburgh and the Westmoreland West Board of REALTORS®. Also, open territory exists between the REALTORS® Association of Metropolitan Pittsburgh and the Greater Allegheny-Kiski Area Board of REALTORS® in the following boroughs in Allegheny County:

Brackenridge Springdale Cheswick Tarentum

<u>Section 2</u>. Territorial jurisdiction is defined to mean:

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

ARTICLE IV - MEMBERSHIP

There shall be seven classes of Members as follows:

(a) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate

profession, including buying, selling, exchanging, renting or leasing, managing appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or as associated with an established real estate office in the State of Pennsylvania or a state contiguous All persons who are partners in a thereto. 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 a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the sale 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 Section 2 of Article IV.

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

- (b) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications set out in Article V.
- (c) 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.
- (d) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch office manager

acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.

Corporate officers (who may be (e) 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/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 Board/Association, State Association and National Association.

Section 2. 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.

Section 3. Affiliate Members.

- (a) Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in Section 1 or 2 of this Article, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association.
- (b) <u>Affiliate</u> Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.
- Section 4. 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.

Section 5. Honorary Members. Honorary members shall be unlicensed/uncertified/inactive 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, or life members who are currently retired.

Section 6. 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.

Section 7. Life Members. Life members shall be individuals who otherwise meet the requirements of Sections 1 through 6 of Article IV, and who have been members of this Association for more than 25 years.

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 he/she has or has had access to, has carefully reviewed, and, if elected a Member, will abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, and the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and if a REALTOR® Member will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the obligation to arbitrate 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 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.

Section 2. Qualification.

- applicant **REALTOR®** (a) An for Membership who is a sole proprietor, principal, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that he or she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license in Pennsylvania 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 Pennsylvania or a state contiguous thereto (unless a secondary member), 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 non-discriminatory written examinations thereon as may be required by the Committee, and shall agree if elected to membership, will abide by the Constitution, Bylaws, Rules and Regulations, and Code of Ethics.
- Individuals who are engaged in the real estate profession other than as sole proprietors, principals, 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 with independent contractor Designated a REALTOR® Member of this Association, or a Designated REALTOR® Member of another Board (if a secondary member), or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, have a current and valid real estate license in Pennsylvania, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and non-discriminatory examinations thereon as may be required by the Committee, and shall agree in writing that if elected to membership, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and the Constitution, Bylaws, Rules and Regulations of the local Association, the State Association and the National Association.

NOTE: 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 Board or Association of REALTORS® or violation of the Code of Ethics.

(c) The qualifications for all other classes of members shall be determined by the Board of Directors.

Section 3. Election.

The procedure for election to membership shall be as follows:

- (a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. If one or more REALTOR® Members object to the approval of the application, basing such objection on lack of qualification as set forth in these 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 Association.
- (b) Thereafter, within 10 days, the Membership Committee shall report its recommendation to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reason 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 recommendations 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 membership and shall be advised by written notice.
- (d) The Board of Directors may not reject an application without providing the applicant with advance written notice of the findings and recommendations of the Membership committee, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by

counsel, and to make such statements as he deems relevant. The Board of Directors may also have counsel present. The Board of Director 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 Secretary. If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

Section 4. New Member Code of Ethics Orientation

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

Failure to satisfy this requirement within ninety (90) days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

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

<u>Section 5. Continuing Member Code of Ethics Training</u>

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

recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as 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 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4)-year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four(4)-year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that Date will be automatically terminated.

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.

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

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

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

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

<u>Section 6.</u> It shall be the policy of the Association that rates of Commission or other fees for sale, lease or management of real estate shall be negotiated between the Broker and the Client.

Section 7. REALTOR® Members

(a) REALTOR® Members, whether primary or secondary, in good standing whose financial obligation to the Association are paid in full

shall be entitled to vote and to hold elective office in the Association.

- (b) REALTOR® Members may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of ARTICLE VIII.
- (c) REALTOR® Members have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.
- (d) If a REALTOR® Member is a principal in a firm, partnership, or corporation and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever 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 unless connection of the discipline member with the firm, partnership, or corporation is severed, 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.
- (e) In any action taken against a REALTOR® Member for suspension or expulsion under Section 7 (d) 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 in ARTICLE VI, Section 7 (d) shall apply.
- (f) <u>REALTOR® Emeritus</u> Any person who has held membership in the REALTORS® Association of Metropolitan Pittsburgh as a REALTOR®, REALTOR-ASSOCIATE®, or a combination of both, for a cumulative period of 40 years in one or more Associations of REALTORS® is eligible for REALTOR® Emeritus status.

Upon approval by the Board of Directors of the National Association of REALTORS®, no further payment of dues is necessary.

Section 8. 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.

<u>Section 9. Affiliate Members</u> Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 10. Public Service Members
Public Service Members shall have rights and
privileges and be subject to obligations prescribed by
the Board of Directors.

<u>Section 11. Honorary Members</u> Honorary Membership shall confer only the right to attend meetings and participate in discussions.

<u>Section 12. Student Members</u> Student Members shall have rights and privileges and shall be subject to obligations prescribed by the Board of Directors.

Section 13. 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 individuals licensed or certified in the REALTOR® office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the 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 These declarations shall be used for purposes calculating dues under Article 10 of the Bylaws. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed with the firm(s) within 30 days of the date of affiliation or severance of individual.

Section 14. Misconduct

- Conduct for which a member may be (a) disciplined. Members of the Association may be disciplined by the Board of Directors for misconduct or conduct detrimental to the Association that shall include, but is not limited to, the following: engaging in a course of conduct or repeatedly committing acts that is/are critically disruptive of the legitimate Association business activity as conducted by the Association Executive Officer, the Association staff, and/or the Association Officers. As used in this Article, "course of conduct" shall mean a pattern of actions composed of more than one act over a period of time, however short, evidencing a continuity of The term includes lewd, lascivious, conduct. threatening, or obscene words, language, drawings, caricatures, or actions that includes strikes, shoves, kicks, or other similar physical contact, or attempts to threaten to do the same, and that serve no legitimate purpose.
- (b) <u>Disciplinary procedures</u>. Any complaint alleging conduct of the nature described in the preceding section shall be heard by a tribunal composed of at least five members of the Professional Standards Committee at a special meeting, called by the President or by a majority of the Board of Directors, where an evidentiary hearing shall take place. The procedures for notices, time of notice, and conduct of hearing described for matters before an Ethics Hearing Panel as set forth in the rules of the Professional Standards and Arbitration Committee of RAMP shall apply.

The questions of fact for the tribunal to decide will be whether the person whose conduct is complained of has engaged in such conduct and, if so, whether the conduct was engaged in with a lack of legitimate reason and whether the acts or course of conduct critically interfered with the conduct of legitimate business purposes of the Association. Such must be established by clear and convincing evidence. The tribunal shall determine the appropriate sanction to impose from those authorized in the Rules of the Professional Standards and Arbitration Committee of RAMP.

The sanction of termination of membership may only be imposed if approved by a two-thirds vote of those members of the Board of Directors present when the sanction is reviewed. Allowable grounds for appeal will be the same as those established for the appeal of an Ethics decision; appeals will follow the established procedures for appealing the decision of an Ethics Panel.

(c) <u>Other causes</u>. Nothing in this section is intended to preclude discipline of members for other

reasons as may be provided for in the bylaws of the Association.

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 Association, as from time to time amended, which by this reference are made a part of these Bylaws.

Section 2. It shall be the duty and responsibility of every REALTOR® member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and 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 Association as from time to time amended.

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

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

Section 2. REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® or 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 membership 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 of the principals of such firm, partnership or corporation who are actively engaged in the real estate profession within the State or a state contiguous thereto are REALTOR® Members of the Association.

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

Section 4. Institute Affiliate, Affiliate, Honorary, Student and Public Service 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 Association 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 OF REALTORS®, 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 OF REALTORS® and the PENNSYLVANIA ASSOCIATION OF REALTORS®.

ARTICLE X - DUES AND ASSESSMENTS

Section 1. Application Fee

The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership and which shall become the property of the Association upon final approval of the application.

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

- (a) <u>REALTOR® Members</u>. The amount of annual dues to be paid by each REALTOR® Member shall be set from time to time by the Board of Directors.
- <u>Designated REALTOR®</u>. 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 board in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a designated REALTOR® Member, non-member licensees as defined in Section 2(a) (1) and (2) of this Article shall not be included in the computation of dues if the DR has paid dues based on said non-member licensees in another Board in the state, or a state contiguous thereto, provided the Designated REALTOR® notifies the Association 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 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.

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

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. 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.

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

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

(d) The annual dues of all the remaining classes of membership shall be determined by the Board of Directors.

Section 3. Dues Payable Dues for all Members shall be payable annually in advance on the first day of January. Dues shall be computed from the first day of the quarter in which a Member is notified of election and shall be prorated for the remainder of the year.

In the event a sales licensee or licensed or (a) 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. Assessments.

The Board of Directors shall have the power, in its sole discretion, from time to time, to impose assessments upon any or all of the members as it deems necessary in the interest of the corporation, and the Board of Directors shall have the power to fix the dates when such assessments shall be due and payable.

<u>Section 5</u>. <u>Non-Payment of Dues or Assessments</u>. If dues or assessments are not paid within one month after the due date, membership shall automatically terminate without further notice

unless at that time the amount due is paid in full. A former member who has had his membership terminated may apply for reinstatement in the manner prescribed for new applicants for membership, after making payment of past dues accounts in such amount as the Board of Directors shall deem appropriate.

Section 6. Deposit. All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution selected by resolution of the Board of Directors.

Section 7. Expenditures.

The Board of Directors shall administer the finances of the Association.

ARTICLE XI -- OFFICERS AND DIRECTORS

Section 1. Officers The elective Officers of the Association shall be: A President, a President-Elect and a Secretary-Treasurer. Each elective officer shall be a REALTOR® member in good standing. An elective Officer may be, but is not required to be, a current elective or appointed member of the Board of Directors while serving as an elective Officer. However, an elective Officer who is not a current member of the Board of Directors must have previously been elected and served on the Board of Directors within the last three (3) year period. Service on the Board of Directors as a representative of the council or division comprised of Affiliate Members as defined in Section 3 of this Article shall not be considered for eligibility.

All elective Officers shall be elected annually by the Board of Directors, and they shall serve terms of one year and until their successors are elected and qualified. Vacancies in the elective offices shall be filled by the Board of Directors to complete an unexpired term.

There shall be an Executive Vice President who shall be a salaried employee of the Association.

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 and in addition:

(a) The President shall be the chief executive officer of the Association and shall preside at all meetings of the membership and of the Association. The President shall have authority to implement and execute all directives and resolutions

of the Board of Directors. The President shall be an ex-officio member of all committees.

- (b) The Executive Vice President shall perform all duties assigned to him by the President or the Board of Directors. Further, he shall be responsible for the operation of the Association office, its records, and the employment and termination of employment of staff personnel.
- (c) The President-Elect shall perform the duties of the President in the absence of the President or in the event of inability or refusal of the President to serve. When so acting, the President-Elect shall have all of the powers of the President and be subject to all of the restrictions thereon. The President-Elect shall perform such other duties as may be assigned from time to time by the President and by the Board of Directors.
- (d) The Secretary-Treasurer shall keep a record of the proceedings at meetings of the Executive Committee and the Board of Directors, and shall perform such other duties as are customary to the office. He shall also be the custodian of the funds and securities of the Association and shall render proper written reports to the Officers and Board of Directors. He shall keep proper books of accounts which shall be open to inspection by the Board of Directors at all reasonable times.

Section 3. Board of Directors.

- (a) The governing body of the Association shall be a Board of Directors consisting of
 - i. The elective officers.
 - ii. The four (4) immediate Past Presidents.
 - iii. If a Designated REALTOR® member shall maintain among his or her licensees at least 10 percent (10%) of the total REALTOR® membership of RAMP, then the Designated REALTOR® member shall have the right to appoint himself or herself or another REALTOR® member of the Association from his or her company a Director. The appointee shall serve a one- (1) year term and shall have the right to hold office. percentage of participation in membership shall be determined as of July 1 of each year. If the seat becomes an elected officer of the Board of Directors, then the Board of Directors may replace the seat by Designated REALTOR®.
 - iv. There shall be four (4) seats on the Board of Directors for Designated

- REALTOR® members who do not qualify for appointment under paragraph (iii) above. Such four (4) Designated REALTOR® members shall be selected by a vote of Designated REALTOR® members (no one of which shall be entitled to appoint under (iii) above) at a special election to take place prior to November 30th of each year. Such directors shall be elected for terms of four (4) years; terms shall be staggered so that one term will terminate each year.
- v. There shall be eighteen (18) elected "At Large" members of the Association who may also be elective officers. Such directors shall be elected for terms of three years; terms shall be staggered so that six will begin and six will terminate each year. If one or more of these seats become an elected officer of the Board of Directors, then the Board of directors shall replace the seat by the Board of Directors.
- (b) <u>Vacancy.</u> If there shall be a vacancy on the Board, including a member of the Board becoming an elected officer, the Board of Directors shall appoint a successor to the unexpired term of the Director being replaced from a list presented by the Nominating Committee.
- (c) <u>Repeat terms.</u> A Director, other than an elective Officer, who has served two (2) consecutive three-year terms, shall not be eligible for re-election as a Director until one (1) year after the expiration of his or her term. A Past President shall not be eligible for re-election as a Director until one (1) year after the expiration of his or her terms as Past President.
- (d) <u>Eligibility.</u> In order to be eligible to hold a seat on the Board of Directors,
 - i. Must be a member in good standing with the Association.
 - ii. Must have served on at least one (1) of the Standing Committees.
 - iii. Must have completed The Board of Directors Orientation Course, if the candidate has not served on the Board of Directors.
- (e) <u>Attendance Policy.</u> Attendance at all regularly scheduled Board of Directors is expected. However, emergencies may arise from time to time which prevents a Director from attending.
 - i. A Director may have a maximum of two (2) unexcused absences per calendar year. If a Director exceeds this number the Director shall forfeit his or her seat and the Board of Directors will replace the seat in accordance

- to Article XI, Section 3 b. Whether an absence is excused is the sole discretion of the Board of Directors.
- ii. If a large broker representative has more than two (2) unexcused absences, the representative shall be removed as a Director for the remainder of the calendar year, and the large broker shall appoint another representative for the seat.
- iii. Directors who have their seat because they are Past Presidents are exempt from the attendance policy.

Section 4. Rules and Regulations. The Board of Directors shall have authority to make Rules and Regulations not inconsistent with these Bylaws relating to any of the business and affairs of the Association. The Rules and Regulations, when adopted by the Board of Directors and notice thereof is given to the members by publication in the official publication of the Association or by mail, shall have the same force and effect as these Bylaws and shall be binding upon all members.

<u>Section 5. Organization of Association</u> The Board of Directors may delegate such portions of governance of the business and affairs of the Association to an Executive Committee and such other committees composed of Directors as it shall from time to time determine.

Section 6. Executive Committee. There shall be an Executive Committee of the Board of Directors which shall be composed of the President, President-Elect, Secretary-Treasurer and three members of the Board of Directors selected by the Board of Directors. The Executive Committee shall have the authority to act on behalf of the Board of Directors between any regular or special meeting of the Association on any matter not prohibited by law unless restricted by a resolution of the Board of Directors. The Executive Committee will review the affairs of the Association and make recommendations to the Board of Directors. A quorum for the transaction of business at all meetings of the Executive Committee shall consist of a majority of the members thereof then in office.

Section 7. Election of Officers and Directors.

(a) A Nominating Committee of six (6) REALTOR® members shall be appointed by the President with the approval of the Board of Directors no later than its meeting in June preceding the month of election. No person who serves on the Nominating Committee shall be eligible for nomination by the Committee for the position of director.

- (b) The Nominating Committee for the Board of Directors shall be made up in the following manner:
- 1. Chairman: The immediate past-president, if available, or most recent Past- President.
- 2. One (1) member of the Board of Directors.
- 3. Four (4) members-at-large, not officers or Directors.
- (c) This Nominating Committee shall select at least ten (10) candidates for the Board of Directors. The Nominating Committee shall report its candidates to the REALTOR® Members no later than July 31st preceding the election. Additional Candidates may be placed in nomination by petition signed by at least twenty-(20) REALTOR® Members. The petition shall be filed with the Secretary-Treasurer no later than 5:00 P.M. of the day of business nearest to August 15th preceding the election. The Secretary-Treasurer shall send notice of such additional nominations to all REALTOR® members before the election.
- (d) A Nominating Committee for the selection of Officers for the ensuing year shall be appointed by the President at least two (2) months prior to the September meeting of the Board of The Committee shall consist of a Chairman, who is the Immediate Past-President, and four (4) Directors who are not serving on the Executive Committee. No person who serves on the nominating committee shall be eligible for nomination by the Committee for the position of officer. The Nominating committee shall report at least one (1) candidate for an elective office. If several persons are willing to serve for an elective office, the Committee shall report all qualified candidates. The Nominating Committee's report shall be submitted to the Directors at the September Board of Directors meeting, prior to the Annual Meeting. The election of Officers shall be by the Board of Directors. A person shall only be elected an officer where the person receives at least fifty-one (51%) of the votes of the Directors in attendance. A quorum (51%) of the Directors must be in session to hold a valid election. In case of multiple candidates, three (3) or more, after vote, the candidate with the least number of votes drops off and a re-vote is taken. If there shall be a tie vote and a deadlock in an election for officers, the deadlock shall be broken by drawing lots to determine the winner.
- (e) The election of Directors shall take place at the annual election, the last Tuesday of September. The time and place of the election shall

be fixed by the Board of Directors. The election shall be by secret ballot and all votes shall be cast in person or by mail. The ballots, with covering envelopes furnished by the Association, shall be transmitted to each member eligible to vote at least three weeks prior to the date of the election. Each ballot must be enclosed in a securely sealed envelope which shall be numbered by the Association and signed by the member casting the ballot and shall be mailed or delivered to the Executive Vice President. Only such ballots as are received at the offices of the Association not later than 5:00 p.m. on the date of the election shall be deemed by the Election Committee to be qualified for counting. The ballots shall be opened and counted under the supervision of the Election Committee. The ballot shall contain the names of all candidates. Members shall vote for and elect (6) REALTOR® members to the Board of Directors.

- (f) The President, with the approval of the Board of Directors shall appoint an Election Committee composed of a Judge and at least three (3) Tellers. No officer, member of the Board of Directors, or candidate shall be eligible to serve on the Election Committee.
- (q) The Officers, except the President, shall be elected from the Board of Directors by the members of the Board of Directors at the September Board of Directors meeting. The President-Elect, having qualified, shall automatically succeed to the Office of President on January 1, following this The President-Elect, if his term as a election. member of the Board of Directors is expiring, shall not be required to stand for election to the Board of Directors in order to succeed to the office of the President. Each Officer shall hold office for one (1) year and until such Officer's successor shall have been duly elected and shall have qualified or ceases to be a REALTOR® member in good standing. All Officers must be REALTOR® members.

<u>Section 8. Limitation of Directors Liability</u> <u>and Indemnification of Directors, Officers and other</u> <u>Indemnified Representatives</u>.

(a) Limitation of Directors' Liability.

A member of the Board of Directors shall not be personally liable for monetary damages, as such, for any action taken, or any failure to take any action, unless he or she has both:

(1) breached or failed to perform the duties of his or her office under 42 Pa. C.S.A. 8363 relating to performance of a Director's duties and

(2) such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The foregoing exemption from liability shall be retroactive to the fullest extent permitted by law. This exemption from liability shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, State or Federal law. Any repeal or modification of this subsection shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such appeal or modification.

(b) <u>Indemnification of Directors, Officers</u> and Other Indemnified Representatives.

(1) <u>Definitions</u>.

The following words and phrases, when used in these Bylaws shall have unless the context indicates otherwise, the meanings given to them in this Section.

"Indemnified Capacity." Any and all past, present and future service by an Indemnified Representative in one or more capacities as a director or officer, employee or agent of the Association, or, at the request of the Association, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise.

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

"<u>Liability.</u>" 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 reasonably incurred).

"<u>Proceeding</u>." 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 Association, a class of its Members or security holders, if any, or otherwise.

(2) Scope of Indemnification.

The Association shall indemnify 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 error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except where such indemnification is expressly prohibited by applicable law or where the conduct of the indemnified representative has been determined to constitute willful misconduct or recklessness within the meaning of 42 Pa. C.S.A. 365(b) or any superseding provision of law, sufficient in the circumstances to bar indemnification against Liabilities arising from the conduct.

If an Indemnified Representative is entitles to indemnification in respect of a portion, but not all, of any Liabilities to which such person may be subject, the Association shall indemnify such Indemnified Representative to the maximum extent for such portion of the Liabilities.

The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, or itself, create a presumption that the Indemnified Representative is not entitled to indemnification.

(3) <u>Proceedings Initialed by Indemnified</u> Representatives.

Notwithstanding any other provision of this Section, the Association shall not indemnify under this Section 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 intervenor or amicus curiae by the person seeking indemnification unless such initiation participation in the Proceeding is authorized, either before or after its commencement, by the Board of Directors. This section does not apply to reimbursement of expenses incurred in successfully prosecuting or defending the rights of the Indemnified Representative granted by or pursuant to this Section.

(4) Advancing Expenses.

The Association shall pay the expenses (including attorneys' fees and disbursements) incurred in good faith by an Indemnified Representative in advance of the final disposition of a Proceeding described in this Section of the Bylaws upon receipt of an undertaking by or on behalf of the Indemnified Representative to repay such amount if it shall ultimately be determined by a court that such

person is not entitled to be indemnified by the Association pursuant to this Section or otherwise. The financial ability of an Indemnified Representative to repay an advance shall not be a prerequisite to the making of such advance.

(5) Denial of Right to Indemnification. Indemnification under this Section of the Bylaws shall be made by the Association unless a determination is reasonably and promptly made that indemnification of an Indemnified Representative is not proper in the circumstances because of grounds for denying indemnification under this Section or under applicable law. Such determination may be made only the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the Proceeding.

(6) Expenses in Successful Defense.

Notwithstanding any other provision of this Section, to the extent that an Indemnified Representative has been successful on the merits or otherwise in defense of any Proceeding referred to in this Section of the Bylaws or in defense of any claim, issuer or matter therein, he or she shall be indemnified against Liabilities actually and reasonably incurred by the Indemnified Representatives in connection therewith. The Association shall also make such other indemnification as shall be required by statute.

(7) Right of Claimant to Bring Suit.

If a claim under this Section is not paid in full by the Association within thirty (30) days after a written claim has been received by the Association, the claimant may at any time thereafter bring an action against the Association to recover the unpaid amount of the claim and, if successful in whole or part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Association) that the claimant has not met the standards of conduct which make it permissible under applicable law for the Association to indemnify the claimant for the amount claimed.

(8) Securing of Indemnification Obligations.

To further effect, satisfy or secure the indemnification obligations provided in this Section or otherwise, the Association may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as

the Board of Directors shall deem appropriate. Absent fraud, the determination of the Board of Directors with respect to such amounts, costs, terms and conditions shall be conclusive and shall not be subject to voidability.

(9) Discharge of Duty.

An Indemnified representative shall be deemed to have discharged his or her duty to the Association if he or she has relied in good faith on information, advice or an opinion, report or statement prepared by:

- (a) one or more officers or employees of the Association with whom such Indemnified Representative reasonably believes to be reliable and competent with respect to the matter presented;
- (b) legal counsel, public accountants or other persons as to matters that the Indemnified representative reasonably believes are within the professional or expert competence of such person; or
- (c) a committee of the Board of Directors on which he or she does not serve as to matters within its area of designated authority, which committee he or she reasonably believes to merit confidence.
- (10) <u>Contract Rights Amendment or Repeal</u>. All rights to indemnification under this Section shall be deemed a contract between the Association and the Indemnified Representative pursuant to which the Association and each Indemnified representative intend to be legally bound. Any repeal, amendment or modification of this Section shall be prospective only and shall not affect any rights or obligations then existing.

(11) Scope of Section.

indemnification of Indemnified The Representatives, as authorized by this Section, shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any statute, agreement, vote of Members or disinterested Director or otherwise, both as to action in an official capacity and as to action in any other capacity. indemnification and advancement of expenses to a person who has ceased to be an Indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

(12) Reliance on Provisions.

Each person who shall act as an Indemnified Representative of the Association shall be deemed to

be doing so in reliance upon the rights of indemnification provided by this Section.

(13) <u>Interpretation</u>.

The provisions of this Section have been approved and ratified by the Members of the Association and are intended to constitute Bylaws authorized by 15 Pa. C.S.A. 365.

<u>Section 9. Removal of Officers or Directors.</u> 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 nextranking 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 twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association 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 (10) days prior to the meeting, and shall be conducted by the president of the Association unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking Officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

ARTICLE XII -- MEETINGS

<u>Section 1. Annual Meetings</u>. The Annual membership meeting of the Association shall be held each year, at a date, place and hour to be designated by the Board of Directors.

Section 2. Membership Meetings.

Meetings of Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least (25) twenty-five REALTOR® members.

Section 3. Meetings of Directors.

The Board of Directors shall designate a regular time and place of meetings.

Section 4. Notice of Meetings. Written notice shall be given to every member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called it shall be accompanied by a statement of the purpose of the meeting.

<u>Section 5. Quorum</u>. A quorum for the transaction of business at:

- (a) A membership meeting shall consist of twenty-five (25) REALTOR® Members.
- (b) A Board of Directors meeting shall consist of nine (9) members of the Association, except in the case of the election of officers which requires 51% of directors to be in attendance. (see Section XI, 7(d)
- (c) Committee meetings shall consist of five (5) committee members unless the committee consists of eight (8) or less members whereupon a majority shall constitute a quorum.

ARTICLE XIII -- COMMITTEES

<u>Section 1. Standing Committees.</u> The President shall appoint from among the members, subject to confirmation by the Board of Directors, chairmen for the following standing committees except for those committees with separate rules and regulations providing for election of their chairmen:

Andron Epiphanon Fraternity **Affiliates Budget-Finance Bylaws** Education Equal Opportunity/Cultural Diversity Executive Capital Campaign Governmental Affairs Lawyer-REALTOR® Legal Action Fund Membership Nominating Past Presidents Professional Standards & Arbitration

Strategic Planning

Section 2. Institutes, Societies, Divisions. The Board of Directors from time to time may authorize the existence of separate Institutes, Societies and Divisions which will have such powers

and authority as the Board of Directors may fix by rule.

Section 3. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, such special committees as deemed necessary.

Each year the RAMP president, president-elect, and treasurer shall automatically be appointed to one of the RAMP PAR director vacancies. All remaining positions will be solicited by the president-elect for consideration following the third meeting of the PAR directors (usually held in September of each year).

<u>Section 4. Organization</u>. All committees shall be of such size and shall have such duties, functions and powers as may be assigned by the President or the board of Directors, except as otherwise provided in these bylaws.

Section 5. Multiple-Listing Committee. The Association may maintain for the use of its members a multiple listing service which shall be subject to these Bylaws and such Rules and Regulations as the Board of Directors may hereinafter adopt. Such multiple listing service shall be operated by a Multiple Listing Committee elected by the participants of the multiple listing service from the participants therein.

ARTICLE XIV -- FISCAL AND ELECTIVE YEAR

<u>Section 1.</u> The fiscal and elective year of the Association shall be the calendar year.

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 Association, its Board of Directors, and Committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XVI -- DISSOLUTION

Section 1. Upon the dissolution or winding up of affairs of the Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Pennsylvania Association of REALTORS® or, within RAMP's discretion, to any other non-profit tax exempt organization.

ARTICLE XVII -- AMENDMENTS

Section 1. These Bylaws may be amended by two-thirds (2/3) vote of the members

present and qualified to vote at any meeting of the Board of Directors 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.

Section 2. 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®.