

# BYLAWS

**West and Southeast  
REALTORS® of the Valley**



1733 E. Northrop Blvd. | Chandler, AZ 85286

# BYLAWS

## WEST AND SOUTHEAST REALTORS® OF THE VALLEY

Effective: February 20, 2020

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**Bylaws of the  
West and Southeast REALTORS® of the Valley, Inc.**

(Adopted February 20, 2020)

**ARTICLE I – NAME**

**Section 1. NAME.** The name of this organization shall be the West and Southeast REALTORS® of the Valley, Incorporated, and hereinafter be referred to as either the “West and Southeast REALTORS® of the Valley, Inc,” “WeSERV,” or the “Association”.

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

**ARTICLE II - OBJECTIVES**

The Objectives of the Association are:

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

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

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

**Section 4.** To further the interests of home and other real property ownership. (Rev. 12/10, 10/19)

**Section 5.** To unite those engaged in the real estate profession in this community with the Arizona 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. (Rev. 1/2)

**Section 6.** To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® and REALTORS® as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

## **ARTICLE III - JURISDICTION**

### **WeMAR - Territorial jurisdiction description of the Association as a member of the National Association of REALTORS®**

NOTE: Descriptions referencing township, range and section refer to the Gila and Salt River Meridian and Baseline survey system. Unless otherwise described, boundary lines and linear features identified follow their respective centerlines. Jurisdiction EXCLUDES any part of the areas described that are Indian Lands (Official federally recognized Indian Communities and Reservations), as well as other lands controlled and under the restricted jurisdictions of the United States government.

#### **Section 1 (West Valley origin).**

Beginning on the Pima-Maricopa county line at the point where it meets the west side of Range 1E (Gila and Salt River Meridian and Avondale Blvd. alignment); thence NORTH following the Gila and Salt River Meridian and Avondale Blvd. alignment to Indian School Rd.; thence EAST on Indian School Rd. to 91<sup>st</sup> Ave.; thence NORTH on 91<sup>st</sup> Ave. to Camelback Rd.; thence EAST on Camelback Rd. to 43<sup>rd</sup> Ave.; thence NORTH on 43<sup>rd</sup> Ave. to where it meets with the Arizona Canal; thence NORTHWEST following the Arizona Canal to 51<sup>st</sup> Ave.; thence NORTH on 51<sup>st</sup> Ave. to Pinnacle Peak Rd.; thence WEST on Pinnacle Peak Rd. to 67<sup>th</sup> Ave., thence NORTH on 67<sup>th</sup> Ave. to Jomax Rd.; thence EAST following the Jomax Rd. alignment to Interstate 17 (Black Canyon Freeway); thence NORTH following the center portion of Interstate 17 to where it meets with the Yavapai-Maricopa County Line; thence WESTERLY along the Yavapai-Maricopa County Line to where it meets the La Paz county line; thence SOUTH along the La Paz-Maricopa County Line and continuing SOUTH along the Yuma-Maricopa County Line to where it meets with the Pima County Line; thence EAST along the Pima-Maricopa County line to the point of beginning.

#### **Section 2 – Southeast Valley / Casa Grande.**

Beginning at a point that is the southwest corner of Township 9 South, Range 2 East; thence NORTH along the west side of the Range 2 East line (also the Maricopa-Pinal county line) to the northwest corner of Township 4 South, Range 2 East; thence EAST to the northeast corner of Township 4 South, Range 3 East; thence NORTH to the northeast corner of Township 2 South, Range 3 East where it meets the northern boundary of the Gila River Indian Community; thence WEST following the Gila River Indian Community boundary to where it meets with the southern boundary of South Mountain Park (at approximately 43<sup>rd</sup> Ave.); thence EAST following the southern boundary of South Mountain Park until it meets with the alignment of 40<sup>th</sup> St.; thence NORTH following 40<sup>th</sup> St. and extended alignments to the south bank of the Salt River; thence EAST along the southern bank of the Salt River to where it meets the boundary of the City of Tempe (about 48<sup>th</sup> St.); thence zig-zagging NORTH and EAST and SOUTH following the City of Tempe boundary to include all areas in the City of Tempe that are north of the Salt River; thence where the City of Tempe boundary meets the

southern bank of the Salt River (east of McClintock Dr.) the jurisdiction line continues NORTH-EASTERLY along the south bank of the Salt River to a point where it meets the Gila-Maricopa county line; thence SOUTH-EASTERLY following the Gila-Maricopa county line and continuing SOUTH-EASTERLY to follow the Gila-Pinal county line to the south line of Township 4 South; thence WEST along the south line of Township 4 South to the southwest corner of Township 4 South, Range 10 East; thence SOUTH along the east line of Range 10 East to the southeast corner of Township 9 South, Range 10 East; thence WEST following the south line of Township 9 South to the point of beginning.

### **Section 3 – Douglas / Southeastern Arizona**

Beginning at the southern Cochise County line (also Arizona border with Sonora, Mexico) where it meets with a point of the southwest corner of partial Section 24 Township 24 South, Range 25 East; thence NORTH to the northwest corner of Section 1 Township 21 South, Range 25 East; thence WEST to the southwest corner of Section 31 Township 20 South, Range 25 East; thence NORTH to the northwest corner of Section 6 Township 19 South, Range 25 East; thence EAST to the southeast corner of Section 36 Township 18 South, Range East; thence NORTH to the northwest corner of Section 6 Township 17 South, Range 29 East; thence EAST to the northeast corner of partial Section 2 Township 17 South, Range 32 East (Arizona-New Mexico border); thence SOUTH to the southeast corner of Section 23 Township 24 South, Range 32 East (point being the southeast corner of Cochise County, Arizona); thence WEST following the Cochise County line (also the International Border with Sonora, Mexico) to the point of beginning.

## **ARTICLE IV - MEMBERSHIP**

**Section 1. MEMBERSHIP CLASSES.** There shall be the following classes of members: (Rev. 03/03, 10/19)

A. **REALTOR® MEMBERS.** Whether Primary or Secondary shall be:

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

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business

in connection with the same office, or any other offices within the jurisdiction of the Association in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership.

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

B. FRANCHISE REALTOR® MEMBERSHIP. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the Commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR *Constitution and Bylaws*. Such individuals shall enjoy all the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to Association mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local Association, state Association and national Association.

C. PRIMARY AND SECONDARY REALTOR® MEMBERS. An individual is a primary member if the Association pays state and national dues based on such member. An individual is a secondary member if state and national dues are remitted through another association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as their "primary" Association.

D. DESIGNATED REALTOR® MEMBERS. Each firm, (or office in the case of a firm 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 and mediate pursuant to Article 17 of the Code of Ethics and the payment of Association dues. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership.

E. INSTITUTE AFFILIATE MEMBERS. Institute Affiliate members shall be individuals who hold a professional designation awarded by a Institute, Society or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® or REALTOR Associate® membership, subject to payment of applicable dues for such membership. (Rev. 01/02)

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

Affiliate membership shall also be granted to individuals licensed or certified to engage in real

estate practice which, 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. (Rev. 10/19)

G. HONORARY MEMBERS. Honorary members shall be individuals not engaged (does not hold active Arizona real estate license) in the real estate brokerage who have performed notable service for the real estate profession, for the Association, or the public.

H. STUDENT MEMBERS. Student members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college-level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

I. LIFE MEMBERS. Members who have held continuous membership in the Association for twenty-five (25) years or more and who have performed notable service to the real estate profession may be elected to Life Membership by the Board of Directors. The Board of Directors has the authority to award life member status under extenuating circumstances, regardless of age and length of membership.

J. MEMBER AFFILIATE MEMBERS. Member Affiliate members shall be individuals who hold either Designated REALTOR® or REALTOR® membership in the Association and have real estate related business that is in sympathy with the objectives of the Association; such Member Affiliate membership to be held individually for that specific related business. Any REALTOR® member who markets real estate products or services in addition to their real estate business, such as; sign placement service, real estate schools, carpet cleaning, etc. are qualified for membership. Member Affiliate members shall promote the interests and welfare of the Association and the real estate profession. (Rev. 12/10)

K. AFFILIATE APPRAISER MEMBERS. Affiliate Appraiser membership shall be granted to individuals who are engaged actively in appraising for others for compensation, who do not elect to hold REALTOR® membership in the Association, provided the applicant is engaged exclusively in this specialty of the real estate business. (Rev. 2/17)

L. 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. (Adopted 10/19)

## **ARTICLE V - MEMBERSHIP APPLICATION, QUALIFICATION AND ELECTION**

**Section 1. APPLICATION.** An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant:



A. That the applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and if elected a member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and National Associations, and if a REALTOR® member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate and mediate 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. (Rev.10/19)

B. That applicant consents that the Association, through its Board of Directors or designee duly authorized by the Board of Directors, may invite and receive information and comment about the 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, Rules and Regulations, and Code of Ethics referred to above. (Rev. 10/19)

## **Section 2. QUALIFICATION.**

A. An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association through its Board of Directors or designee duly authorized by the Board of Directors or otherwise that they are actively engaged in the real estate profession, and maintain a current, valid real estate broker's or salesperson's license or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, have a place of business within the state or a state contiguous thereto (unless a secondary member), shall complete a course of instruction covering the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree that if elected to membership, they will abide by such constitution, Bylaws, Rules and Regulations, and the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Arizona Association of REALTORS®, and this Association. (Rev. 10/19)

B. Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Association or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and shall complete a course of instruction covering the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall agree in writing that if elected to membership, will abide by such Constitution, Bylaws, Rules and Regulations and the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Arizona Association of REALTORS®, and this Association. (Rev. 10/19)

C. The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

- (1) All findings of Code of Ethics violations and violations of other membership duties in any other REALTOR® Association within the past three (3) years. (Rev. 10/19)
- (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 this and any other REALTOR® Association or REALTOR® Association MLS. (Rev. 10/19)
- (6) Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm. (Rev. 6/6)

D. "Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other Associations, or where the applicant for membership has unsatisfied discipline pending in another Association (except for violations of the Code of Ethics) provided all other qualifications for membership have been satisfied. The Association 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 the provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another Association with an ethics complaint or arbitration request pending, the Association may condition membership on the applicants certification that he/she will submit to the pending ethics or arbitration proceedings (in accordance with the established procedures of the Association to which the applicant has made application) and will abide by the decision of the hearing panel. (Rev. 1/1)

**Section 3. ELECTION TO MEMBERSHIP.** The procedure for election to membership shall be as follows:

A. Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable Association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors or its designee duly authorized by the Board of Directors. If upon review the Board of Directors or designee duly authorized by the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of the mandatory orientation program) within 90 days from the Association's receipt of their application, membership may, at the discretion of the board of director's, be terminated. (Rev. 2/12, 1/17, 10/19).

B. Dues shall be computed from the date of application and shall be non-refundable unless the Association's Board of Directors terminates the individual's membership in accordance with subsection (A) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received Association services and any application fee.

C. The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, or an appointed panel of the board, to call witnesses on their behalf, to be represented by counsel, and to make such statements as they deem relevant. The Board of Directors or an appointed panel may also have counsel present. The Board of Directors shall require written minutes to be made of any hearing before it or may electronically or mechanically record the proceeding. (Rev. 1/17)

D. If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the corporate secretary. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual. (Rev. 10/19)

**Section 4. NEW MEMBER CODE OF ETHICS ORIENTATION.** Applicants for REALTOR® membership and provisional REALTOR® members shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within ninety (90) days or the number of days to meet the next deadline of the three year Code of Ethics training, whichever is less, from the date of application will result in denial of the membership application or termination of provisional membership. (Rev. 10/19)

**Section 5. CONTINUING MEMBER CODE OF ETHICS TRAINING.** Effective January 1, 2019, through December 31, 2021 and for successive three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three year cycle shall not be required to complete additional ethics training until a new three year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/1, Rev. 11/8, 11/16, 2/20)

### **Section 6. STATUS CHANGES.**

A. A REALTOR® who changes the conditions under which they hold membership shall be required to provide written notification to the Association within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which they have been licensed or becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) members, but shall, during the period of transition from one status of membership to another, be subject to all the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors. (Rev. 10/19)

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 thirty (30) days of the date the Association is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors. (The Board of Directors or its duly authorized designee may at its discretion waive any qualifications which the applicant has already fulfilled in accordance with the Associations Bylaws.) (Rev. 10/19)

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

C. Dues shall be prorated based upon the semi-annual period in which the application is received. (Rev. 10/19)

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

**Section 1.** The privileges and obligation of membership, in addition to those otherwise provided in these Bylaws, shall be specified in this Article. (Rev. 1/2)

**Section 2.** Any member of the Association may be reprimanded, fined, placed on probation, suspended or expelled by the Board of Directors for a violation of these bylaws and Association Rules and Regulations consistent with these Bylaws, after a hearing as provided in the *Code of Ethics and Arbitration Manual* of the Association. Although members other than REALTORS® are not subject to the Code of Ethics nor, its enforcement by the Association, such members are encouraged to abide by the principles established in the Code of Ethics of the National Association of REALTORS® and conduct their business and professional practices accordingly. Further,

members other than REALTORS® may, upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS® and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Association, the State Association, and the National Association of REALTORS®. (Rev. 10/19)

**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 applicable *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 applicable *Code of Ethics and Arbitration Manual* of the National Association.

**Section 4.** Resignations of members shall become effective when received in writing by the Association. However, if any member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association, or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed. (Rev. 4/16)

**Section 5.** If a member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Association with respect to disposition of the complaint is final by this Association (if respondent does not hold membership in any other association ) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the Association with respect to the disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®

**Section 6.** If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration or mediation continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (Amended 1/00, 11/11, 10/19)

**Section 7. REALTOR® MEMBERS.**

A. REALTOR® members, whether primary or secondary, in good standing whose financial obligations to the Association, are paid in full, shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS®, and have the primary responsibility to safeguard and promote the standards, interests and welfare of the Association and the real estate profession. (Rev. 10/19)

B. If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the term REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member, or unless connection of the disciplined member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined member shall suspend or terminate during the period of suspension of the disciplined member or until readmission of the disciplined member or until the connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® member (non-principal) elects to sever their connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the Association, whichever may apply. (Rev. 10/19)

If a REALTOR® member who is other than a principal in the firm, partnership, or corporation is suspended or expelled, the use of the term REALTOR® by the firm, partnership or corporation shall not be affected.

C. In any action taken against a Designated REALTOR® member for suspension or expulsion under Article VI, Section 7(B) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such Designated REALTOR® member and they shall be advised that the provisions in Article VI, Section 7(B) shall apply. (Rev. 10/19)

**Section 8. CERTIFICATION BY DESIGNATED REALTOR®.** Designated REALTOR® members of the Association shall certify to the Association upon request, on a form provided by the Association a complete listing of all individuals licensed or certified in the REALTORS® office(s) and shall designate a primary association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTORS® office(s) and if the Designated REALTORS® dues have been paid to another association based on said non-member licensees, the Designated REALTORS® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2 of the Bylaws. Designated REALTORS® members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual. (Rev. 10/19)

**Section 9. INSTITUTE AFFILIATE MEMBERS.** Institute Affiliate members shall have all of the rights and privileges and be subject to the obligations as prescribed by the Board of Directors and consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

Note: No Institute Affiliate members may be granted the right to use the terms REALTOR®, 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. (Rev. 1/02)

**Section 10. AFFILIATE MEMBERS.** Affiliate members shall have all of the rights and privileges

and be subject to obligations prescribed by the Board of Directors except the right to use the term REALTOR® or REALTORS®.

**Section 11. HONORARY MEMBERS.** Honorary members shall have only the right to attend meetings and participate in discussions.

**Section 12. STUDENT MEMBERS.** Student members shall be non-voting members and shall have all rights and privileges and be subject to obligations prescribed by the Board of Directors, except the right to use the term REALTOR® or REALTORS®.

**Section 13. LIFE MEMBERS.** Life Members shall have only the right to attend meetings and participate in discussions and are still entitled to membership benefits. (Rev. 10/19)

**Section 14. AFFILIATE APPRAISER MEMBERS.** Affiliate appraiser members shall have all of the rights and privileges and be subject to obligations prescribed by the Board of Directors except the right to use the term REALTOR® or REALTORS®. (Rev. 2/17)

**Section 15. PUBLIC SERVICE MEMBERS.** Public service members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors. (Rev. 10/19)

## **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, mediation, the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as amended from time to time, which by this reference is made a part of these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

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

**Section 3.**

A. The Association and Association members are also responsible for the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, consistent with the cooperative professional standards enforcement agreement entered into by the Association, which by this reference is made a part of these Bylaws.

B. Any change in venue for WeSERV's professional standards, grievance or mediation, must be approved by a (2/3) two-thirds vote of the members present at a duly called membership meeting as defined in Article XII, Section 4 and pursuant to Bylaws amendment procedures as defined in Article XVI.

## **ARTICLE VIII - USE OF COPYRIGHT, REGISTRATIONS, AND TRADEMARKS** **REALTOR® AND REALTORS®**

**Section 1. REALTOR® AND REALTORS®.** Use of the terms REALTOR® and REALTORS® by members shall, at all times, be subject to the provisions of the *Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®*, and to the Rules and Regulations prescribed by its Board of Directors. The Association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within the 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. (Rev. 06/06, 10/19)

**Section 2.** REALTOR® members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the State of Arizona, or a state contiguous thereto so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.  
(Rev. 1/96)

**Section 3.** A REALTOR® principal member may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members.

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

**Section 4.** Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 5. WEST AND SOUTHEAST REALTORS® OF THE VALLEY AND WEST AND SOUTHEAST REALTORS® OF THE VALLEY LOGO.** The West and Southeast REALTORS® of the Valley logo is trademark work in which the West and Southeast REALTORS® of the Valley retains all rights. Any use of this logo without the express written consent of the Association is prohibited. If the use of any Association logo is permitted by the Association, the person using the logo must clearly indicate that the logo is trademarked. (Rev. 10/19)



## **ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS**

**Section 1.** The Association shall be a member of the NATIONAL ASSOCIATION OF REALTORS® and the Arizona 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 Arizona 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 (1) month in advance of the date designated for the termination of such membership. (Rev. 10/19)

**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®. (Rev. 10/19)

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

**Section 1. APPLICATION FEE.** The Board of Directors may adopt an application fee for REALTORS® membership in reasonable amounts, not exceeding three (3) times the amount of 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. (Rev. 7/88, 10/19)

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

**A. REALTOR® MEMBERS.** The annual dues of each Designated REALTOR® member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate licensees or certified or licensed appraisers who (1) are employed by or affiliated as independent contractors or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any association in the state or a state contiguous thereto, or Institute Affiliate members of an association. (Rev. 1/96)

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 designated REALTOR® has paid dues based on said non-member licensee in another association in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Association in writing of the identity of the association to which dues have been remitted.

In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in Section 2 (A) (1) and (2) of this article) in the office where the designated REALTOR® holds membership and any other offices of the firm located within the jurisdiction of this Association. (Amended 1/01)

B. A REALTOR® member of a member association shall be held to be any member who has a place of business within the state or a state contiguous thereto and who, as a principal, partner, or 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 provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner or corporate officer or branch office manager of the entity. (Rev. 10/19)

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the Association on a form approved by the Association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, renting, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the designated REALTOR®. Designated REALTORS® shall notify the Association within three (3) days of any change in the status of licensees in a referral firm. (Rev. 4/16)

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

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

C. REALTOR® MEMBERS. The annual dues of REALTORS® members other than the Designated REALTORS® shall be established annually by the Board of Directors. (Rev. 10/19)

D. 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®. (Rev. 10/19)

E. AFFILIATE MEMBERS. The annual dues of each affiliate member shall be in such amount as established annually by the Board of Directors.

F. HONORARY MEMBERS. Dues payable, if any shall be at the discretion of the Board of Directors.

G. STUDENT MEMBERS. Dues payable, if any shall be at the discretion of the Board of Directors.

H. LIFE MEMBERS. Dues payable, if any shall be at the discretion of the Board of Directors.

I. MEMBER AFFILIATE MEMBERS. The annual dues of each member affiliate member shall be in such amount as established annually by the Board of Directors.

J. AFFILIATE APPRAISER MEMBERS. The annual dues of each affiliate appraiser member shall be in such amount as established annually by the Board of Directors.

K. 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.

**Section 3. DUES PAYABLE.** Dues for all members shall be payable annually in advance on the first day of January. Dues for new members shall be computed based on the date of application and granting of provisional membership. (Rev. 4/16, 10/19)

Prorated dues from new member applicants shall be submitted with the application fee prior to the Board of Director's consideration of the application.

In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Association dues, and the individual remains with the designated REALTOR®'S firm, the dues obligation of the "Designated" REALTOR® (as defined 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.

**Section 4. NONPAYMENT OF FINANCIAL OBLIGATIONS. (Rev. 4/19)**

If the annual dues are not paid by a date determined each year by the Board of Directors, the dues shall be declared delinquent. There shall be a late fee as determined by the Board of Directors for payments received after the due date. On a date determined each year by the Board of Directors, REALTOR® membership shall automatically terminate. In the event the membership of a real estate salesperson or licensed or certified appraiser (as described in Article X Dues and Assessments, Section 2(a)) is terminated, a notice shall be sent to the terminated member's Designated REALTOR®, indicating termination of the individual's membership and giving the Designated REALTOR® 15 days to remit the applicable non-member assessment, advising him/her of Article X, Section 2(a) of the WeSERV Bylaws. (Rev. 10/19)

If the Designated REALTOR®'s membership is terminated for failure to pay the non-member

assessment and that individual is also a REALTOR® MLS Participant with the WeSERV MLS, (ARMLS) they will have 15 days from the date of termination to remit the non-member assessment or make an application as a nonmember MLS Participant if he/she wishes to have their MLS access continue as a nonmember participant. (Rev. 10/19)

If the non-member assessment is not received within 15 days of the date of termination of the Designated REALTORS®' membership, and no application is received to continue access as a nonmember MLS Participant within 15 days of the date of termination of the Designated REALTORS®' membership, notice of termination of MLS Participatory rights will be sent to that individual. If non-member MLS Participant application and fees are not received within two days of delivery of the notice to the individual, or if a new MLS Participant is not named, MLS Participatory rights will terminate, and MLS access will terminate for individuals affiliated with the former participant.

If fees, fines, or other assessments including amounts owed to the Association are not paid within one (1) month after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Two (2) months after the due date, membership of the nonpaying member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination. (Rev. 4/19)

**Section 5. DEPOSITS AND EXPENDITURES.** Deposits and expenditures of funds shall be in accordance with Rules and Regulations established by the Board of Directors. (Rev. 10/19)

**Section 6. NOTICE OF DUES, FEES, FINES, ASSESSMENTS, AND OTHER FINANCIAL OBLIGATIONS OF MEMBERS.** All dues, fees, fines, assessments, or other financial obligations to the Association or Association multiple listing service shall be noticed to the delinquent Association member in writing setting forth the amount owed and due date.

## **ARTICLE XI – OFFICER AND DIRECTORS**

**Section 1. OFFICERS.** The officers of the Association shall be president, president-elect, executive vice president, treasurer, and (non-voting ex-officio) secretary. (Rev. 10/19)

**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 by them by the Board of Directors and stated in the association's Rules and Regulations. It shall be the particular duty of the secretary to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Arizona Association of REALTORS®. (Rev.

10/19)

**Section 3. BOARD OF DIRECTORS.** The governing body of the Association shall be a Board of Directors consisting of the officers set forth in Article XI, Section 1 above, immediate past president(s), regional chapter vice presidents, affiliate director(s), and REALTOR® directors-at-large not to exceed a total of fifty (50) members of the Board of Directors. The total number of members of the Board of Directors shall be determined by the Board of Directors and set forth in the Association's Rules and Regulations. (Rev. 10/19)

**A. GOOD STANDING.** All directors must remain in good standing with the Association, including dues, fines, and ethical requirements. (Rev. 10/19)

**B. TERM LIMITS.** No director at large shall serve for more than two consecutive full terms. No affiliate director of the board shall serve over one full term consecutively. (Adopted 10/19)

**C. LIMITATION.** No more than one-quarter of the directors from the same firm may serve on the Board of Directors at the same time at the time of election to ensure full representation of membership. (Adopted 02/20)

#### **Section 4. ELECTION OF OFFICERS AND DIRECTORS**

The method and procedures for conducting the election of officers, regional chapter vice presidents, directors at large, and affiliate director shall be established by the Board of Directors and stated in Association Rules and Regulations. Any changes to the election methods and procedures will take place the following election year. (Rev. 10/19)

#### **Section 5. STATE AND NATIONAL DIRECTORS**

The method and procedures for appointing Arizona Association of REALTORS® Quota Directors and National Association of REALTORS® Quota Directors shall be established by the Board of Directors and stated in Association Rules and Regulations. (Adopted 10/19)

#### **Section 6. VACANCIES**

If the current President should be absent, or if the office of President should become vacant between elections, the President-Elect shall preside, if present, or shall fill the vacancy and shall complete not only the vacant term but also the term as president for which the president-elect was elected. If the office of President-Elect becomes vacant between elections, the Vice-President shall succeed and complete that term. If the office Vice-President or Treasurer becomes vacant between elections, or if a position on the Board of Directors becomes vacant between elections, then a nominating committee of at least five (5) REALTOR® members shall be appointed by the President with the approval of the Board of Directors for the purpose of filling the vacant positions. The Nominating Committee shall select one candidate for each office as necessary, and the selected individual shall serve out the remainder of the vacant term. Vacancies among the officers and directors shall be filled by a simple majority vote of the Board of Directors until the next annual election. (Rev. 7/13, 9/18, 10/19)

**Section 7. REMOVAL OF OFFICERS AND DIRECTORS.** In the event that an officer or director is deemed to be incapable of and/or ineffective at 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 requesting the removal of an officer or director, signed by a simple majority of all directors, will be filed with the president, or, if the president is the subject of the petition, with the president-elect, or next highest officer, and will specifically set forth the reason(s) the individual is deemed to be incapable of further service. (Rev. 7/13, 4/17)

B. Not less than 20 days after or more than 45 days following receipt of such petition, a special meeting of the Board of Directors will be held for the sole purpose of considering the charge against the officer or director and rendering a decision on such petition. (Rev. 4/17)

C. The affirmative vote of a super majority (2/3) of those directors present and voting at such a meeting, at which a quorum is present, will be required to remove such officer or director from office, and any such removal will become effective immediately upon the adjournment of the special meeting. (Rev. 4/17)

**Section 8. CHIEF EXECUTIVE OFFICER.** There shall be a chief executive officer, appointed by the Board of Directors, who shall be the chief administrative officer and secretary of the Association. The chief executive officer in his role is also a non-voting ex-officio member of the Board of Directors. The chief executive officer shall have the authority to hire, supervise, evaluate, and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. The chief executive officer shall not hold an active Arizona real estate license. (Rev. 10/19)

## **ARTICLE XII - MEETINGS**

**Section 1. ANNUAL MEETINGS.** The annual meeting of the Association shall be held each year; the date, place, and hour to be designated by the Board of Directors. (Rev. 10/19)

**Section 2. MEETING OF DIRECTORS.** The Board of Directors shall designate a regular time and place for meetings. Two (2) absences from a regularly scheduled meeting in a one-year term will result in the automatic removal of the Director. Reinstatement can be appealed to the Board of Directors in extraordinary circumstances for consideration. (Rev. 1/13, 10/19)

**Section 3. SPECIAL MEETINGS OF DIRECTORS.** Non-regularly scheduled meetings (Special meetings) of the Board of Directors may be called from time to time. Two (2) absences in a one-year term from special meetings will result in the automatic removal of the Director. (Adopted 10/19)

**Section 4. OTHER MEETINGS.** Meetings of the members may be held at such other times as the president, or the Board of Directors may determine, or upon written request of at least five (5) percent of the members eligible to vote.

**Section 4. NOTICE OF MEMBERSHIP MEETINGS.** Notice shall be defined as a posting on the WESERV website fourteen (14) days prior to all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting, including date and time. (Rev. 10/19)

**Section 6. QUORUM.** A quorum for the transaction of business at a membership meeting shall consist of sixty (60) members or one (1) percent of the members eligible to vote; whichever is less. A quorum for the transaction of business at a Board of Directors meeting shall be a majority. At all committee meetings, a quorum shall consist of three (3) or more members except where it conflicts with these Bylaws. (Rev. 7/13)

**Section 7. ELECTRONIC TRANSACTION OF BUSINESS.** To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means. (Adopted 1/05)

**Section 8. ACTION WITHOUT MEETING.** Unless specifically prohibited by the Articles of Incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, including email, setting forth the action so taken, shall be signed by all of the Directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the chief executive officer to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date. (Adopted 1/05, Rev. 10/19)

### **ARTICLE XIII – REGIONAL CHAPTERS, COMMITTEES, COUNCILS, FORUMS, WORKGROUPS, AND TASKFORCES**

**Section 1. REGIONAL CHAPTERS, COMMITTEES, COUNCILS, FORUMS, WORKGROUPS, AND TASKFORCES** The Association shall have regional chapters, committees, councils, forums, work groups, and task forces as established by the Association’s Board of Directors as stated in the Association Rules and Regulations. The duties of the regional chapters, committees, councils, forums, workgroups, and task forces shall be assigned by the Association’s Board of Directors, as stated in the Association Rules and Regulations. (Rev. 12/12, 9/18, 10/19)

**Section 2. AUTHORITY OF THE REGIONAL CHAPTERS, COMMITTEES, COUNCILS, FORUMS, WORKGROUPS, TASKFORCES, AND INDIVIDUAL MEMBERS** The regional chapters, committees, councils, forums, workgroups, task forces and individual members, unless duly authorized by the Board of Directors, do not have the authority to bind or sign contracts, enter into any legal or financial obligation or endorsements. (Adopted 10/19)

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

The fiscal and elective year of the Association shall be the same as the calendar year. The elective

year shall begin on January 1<sup>st</sup>. (Rev. 1/96, 10/19)

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

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors regional chapters, committees, councils, forums, workgroups, and task forces, in all instances wherein its provisions do not conflict with these Bylaws. (Rev. 10/19)

## **ARTICLE XVI - AMENDMENTS**

**Section 1.** Notwithstanding Article XII, Section 5, these Bylaws may be amended by:

A. A two-thirds vote of the officers and directors qualified to vote at any meeting when at least 75% of the Board of Directors are present. The Board of Directors must be given a fourteen (14) day notice that there will be a change in the Bylaws. (Rev. 10/19)

B. A vote of the members at a duly called membership meeting in accordance with Article XII, Section 5.

C. As required by NAR mandates and shall be ratified at the next Board of Directors meeting.

**Section 2.** Notice to every member eligible to vote at all meetings, when amendments are to be considered, shall be given at least fourteen (14) days prior to the time of the meeting. The notice shall be defined as the posting of the proposed amendments on the WeSERV website. The substance of such proposed amendments shall be stated in the call of the meeting. (Rev. 10/19)

**Section 3.** Amendments to these Bylaws affecting the admission or qualification of Designated REALTOR®, REALTOR®, Affiliate and Institute Affiliate members, the use of the term 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®.

## **ARTICLE XVII – GOVERNING RULES AND REGULATIONS**

**Section 1. GOVERNING RULES AND REGULATIONS.** The Board of Directors may periodically adopt such Rules and Regulations they deem necessary in the best interests of the Association. Such Rules and Regulations shall not be in conflict with the Association's articles of incorporation or Bylaws. Rules and regulations may be adopted during any directors' meeting without advance notice, and they may be amended during any directors' meeting without advance notice. (Rev. 10/19)

**Section 2. EFFECTIVE DATE OF RULES AND REGULATIONS CHANGES.** All rules and regulation changes shall become effective as designated by and upon approval of the Board of Directors except those changes regarding elections and awards. Any changes in the election or awards criteria shall become effective January 1st of the following year after approval by the Board of Directors. (Rev. 10/19)



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

**Section 1. AUTHORITY.** The Association of REALTORS® shall cooperate in maintaining for the use of its Members the Arizona Regional Multiple Listing Service, Inc.; hereinafter referred to as ARMLS, which is a lawful corporation in the State of Arizona, and in which West and Southeast REALTORS® of the Valley, Inc., owns issued and outstanding shares.

**Section 2. PURPOSE.** A Multiple Listing Service is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law): by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses and other valuations of real property for bona fide clients and customer; 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). (Rev. 2/97)

**Section 3. GOVERNING DOCUMENTS.** The Board of Directors shall cooperate with the other shareholders in causing the Arizona Regional Multiple Listing Service, Inc., to conform its Corporate Charter, Constitution, Bylaws, Rules, Regulations and Policies, Practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 4. PARTICIPATION.** Any REALTOR® member of this or any other Association who is a principal, partner, corporate officer, branch office manager, or designated staff member(s) acting on behalf of a principal, without further qualification, except as otherwise stipulated in these Bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid Arizona Real Estate Broker's license and offer or accept compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation," or "membership" or any right of access to information developed or published by an association multiple listing service where access to such information is prohibited by law. (Rev. 11/08)

A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the membership committee that he/she has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS Rules and Regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a participant, he/she will

abide by such Rules and Regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by an association multiple listing service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

**Section 5. ACCESS TO COMPARABLE AND STATISTICAL INFORMATION.** Association members who are actively engaged in real estate brokerage, management, 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 ARMLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of Association members and individuals affiliated with Association members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm

except as otherwise provided in these Rules and Regulations. Association members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

**Section 6. SUBSCRIBERS.** Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS participant or the Participant's licensed designee.

## **ARTICLE XIX – FINANCES**

**Section 1. PROPERTY OF THE ASSOCIATION.** Any and all payments and contributions made to the Association by members or by applicants for such membership and any other receipts or income shall be the sole property of the Association, and no member shall have any interest therein.

**Section 2. ADMINISTRATION OF FUNDS.** The governing Rules and Regulations adopted by the Board of Directors shall set standards for the management of the finances of the Association, including delegation of authority to the CEO and/or other officers as the Board of Directors deems appropriate. The Board of Directors shall have oversight procedures and processes in place to ensure that such standards established in governing Rules and Regulations are adhered to. (Rev. 7/12, 10/19)

## **ARTICLE XX - INDEMNIFICATION**

**Section 1. OCCASION FOR INDEMNIFICATION.** The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigation, by reason of the fact that the individual is or was an Officer, Director, Committee Chair or Committee Member or Employee. Any person who is threatened or is named as a defendant in a lawsuit because of his or her capacity as a WeSERV Officer, Director, Committee Chair or Committee Member or Employee is to tender immediate notice of service of process to the WESERV board. Until such time as the notice is given and the Board of Directors approves the Counsel retained, there will be no retroactive reimbursement of expenses." (Rev. 10/19)

**Section 2. DERIVATIVE ACTIVITIES.** The indemnification specified in Section Article XX, Section 1 above, in the case of an action or suit by or in the right of the Association, shall extend to expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense and/or settlement of such action or suit if such person acted in good faith and in a manner the individual reasonably believed to be in or not opposed to the best interests of the Association, provided, however, that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of

liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

**Section 3. OTHER ACTIONS.** The indemnification specified in Article XX, Section 1 above, in the case of any and all actions, suits and proceedings other than those specified in Section 2 above, shall extend to expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding if the individual acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of no lo contend ere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believes to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

#### **ARTICLE XXI - DISSOLUTION**

**Section 1.** Upon the dissolution, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Arizona Association of REALTORS® or, within its discretion, to any other non-profit, tax-exempt organization.

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