

**BYLAWS  
of the  
RHODE ISLAND ASSOCIATION OF REALTORS®, INC.**

**Approved: August 10, 1977  
Latest Revision: October 20, 2011**

**ARTICLE I**

**Name and Objectives**

**Section 1.** The name of this organization shall be: RHODE ISLAND ASSOCIATION OF REALTORS®, INCORPORATED, hereinafter referred to as the ASSOCIATION.

**Section 2.** The objectives of this ASSOCIATION shall be

- (a) to unite Member Boards of REALTORS®, hereinafter referred to as Boards, and their members in the State of Rhode Island for the purpose of exerting effectively a combined influence upon matters affecting real estate and to elevate the standards of the real estate business throughout the state and the professional conduct of persons engaged therein;
- (b) to designate, for the benefit of the public, individuals authorized to use the terms REALTORS® and REALTORS® as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

**ARTICLE II**

**Membership**

**Section 1.** The members of this ASSOCIATION shall consist of eight classifications: (1) Member Boards, (2) Board Members, (3) REALTOR® Members, (4) Institute Affiliate Members, (5) Affiliate Members, (6) Honorary Members, (7) Secondary Association Members, and (8) REALTOR® Emeritus Members. Board Members shall be REALTOR® Members of the ASSOCIATION.

**Section 2.** A Member Board shall be any Board/Association within the State of Rhode Island, all the REALTOR® Members of which hold membership in this ASSOCIATION and in the NATIONAL ASSOCIATION OF REALTORS®.

**Section 3.** A Board Member shall be any REALTOR® of a Member Board, as previously defined, who is a licensed or certified appraiser or is licensed to practice real estate under Rhode Island law or whose real estate practice does not require a license as defined by the Rhode Island Real Estate License Law (Chapter 5-20.5-2 "Persons Exempt" of the General Laws).

**Section 4.** 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 5.** Affiliate Members shall be individuals or firms who are Affiliate Members of Member Boards.

**Section 6.** Honorary Members shall be individuals other than those engaged in the real estate business who have contributed notably to this ASSOCIATION.

**Section 7.** A Secondary Member shall be a Board Member whose primary office location and Board affiliation is in another state or in another Member Board within the state.

**Section 8.** REALTOR® Emeritus status shall be as granted by the NATIONAL ASSOCIATION OF REALTORS® to an individual who has maintained REALTOR® or REALTOR-ASSOCIATE® membership or both for a cumulative period of 40 years.

**Section 9.** Any member whose license is suspended or revoked by the licensing authority shall no longer be a member in good standing and shall no longer be eligible to hold membership in the ASSOCIATION.

## **ARTICLE III**

### **Dues**

**Section 1.** The annual dues of each Member Board as defined in ARTICLE II of these Bylaws shall be an amount as established by the Board of Directors equal to (1) the number of REALTOR® Members who hold primary membership in the Board, plus (2) the number of real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with REALTOR® Members of the Board who are not themselves REALTOR® or Institute Affiliate Members. In calculating the dues payable by a Member Board, nonmembers, defined in the preceding sentence, shall not be included in the computation of dues if dues have been paid in another Board in the State or a state contiguous thereto, provided the Board notifies the ASSOCIATION in writing of the identity of the Board to which dues have been remitted. Board of Directors, shall have the authority to increase member dues without membership approval as long as the dues increase does not exceed 10% on an annual basis.

**Section 2.** The annual dues of each Affiliate and Institute Affiliate Member shall be as established pursuant to Article II, Section 2 (a) of the NATIONAL ASSOCIATION'S Bylaws.

**Section 3.** ASSOCIATION dues shall be waived for those REALTORS® who have attained REALTOR® Emeritus status, as recognized by the NATIONAL ASSOCIATION OF REALTORS®.

**Section 4.** ASSOCIATION dues shall be waived for the year in which a REALTOR® or a spouse of a REALTOR® is called to active military duty for six months or longer.

**Section 5.** Upon payment to the ASSOCIATION of the dues required under Section 1 and 2 of this Article, each REALTOR® and Institute Affiliate Member of Member Boards within the State shall be deemed a REALTOR® or Institute Affiliate Member, as the case may be, in good standing of the ASSOCIATION. Upon payment of dues required under any Section of this Article, the individual making such payment shall be deemed a Member, as designated, in good standing of the ASSOCIATION.

**Section 6.** By February 1 of each year, each Member Board shall file with the ASSOCIATION, in such format as shall be determined by the ASSOCIATION, a list of its REALTOR® Members (as defined in ARTICLE II, Section 1(c), Constitution, NATIONAL ASSOCIATION OF REALTORS®), and the real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with such REALTOR® Members, certified by the President and Secretary of the Board, and that Member Board shall pay dues for the current year on the basis of such list; provided, however, that adjustments shall be made each month for Members dropped or enrolled by the Member Board during the preceding month. On a monthly basis, the Member Board shall report to the ASSOCIATION the names and addresses of REALTOR® Members dropped or enrolled during the preceding month. Any Member Board or other Member delinquent in payment of dues by more than 90 days may be dropped from membership in the ASSOCIATION by the Board of Directors.

**Section 7.** A Member Board shall have its dues reduced by an amount equal to an amount to be established annually by the Board of Directors times the number of REALTOR® Members who maintain principal places of business within the jurisdiction of another Member Board, providing (1) ASSOCIATION dues are paid by the Member Board having jurisdiction over his/her principal place of business, and (2) the Member has notified in writing, or in any form required by the ASSOCIATION, the ASSOCIATION and each Member Board of which he/she is a Member, as to the Member Board paying ASSOCIATION dues computed on the basis of his/her membership in said Member Board.

**Section 8.** Any Board Member with dues paid in full, but delinquent in payment of other financial obligations to the ASSOCIATION, will have online forms library privileges suspended until the financial obligations which are 90 days in arrears are paid.

## **ARTICLE IV**

### **Officers**

**Section 1.** The elective Officers of the ASSOCIATION shall be a President, a President-Elect, a Vice President, a Treasurer, and a Secretary, who hold primary REALTOR® membership in any Member Board and who are members in good standing of the ASSOCIATION. In the absence or disability of the President, the President-Elect shall perform his/her duties. All Officers and Directors of the ASSOCIATION shall be sworn into their office at a designated installation ceremony of the ASSOCIATION. An elective term is defined as the term of office consisting of the period of time immediately following the installation of Officers of the NATIONAL ASSOCIATION OF REALTORS® and running until the next installation of Officers of the NATIONAL ASSOCIATION OF REALTORS®.

In the event that the current President is unable to attend the NATIONAL ASSOCIATION OF REALTORS®' Annual Governance meeting, the President-Elect shall serve as state representative.

- (a) The term of office of the President shall be limited to an elective term, except where the President-Elect is not able to assume office; in that case, the President shall be eligible to serve a second consecutive elective term.
- (b) No person shall hold the Office of the President or President-Elect for more than two successive elective terms.
- (c) No person shall concurrently serve as an Officer of the ASSOCIATION and as an Officer of their Member Board.

**Section 2.** The duties of the Officers shall be such as their titles by general usage would indicate and as outlined below, and such as may be assigned to them respectively by the Board of Directors from time to time, and such as are required by law.

- (a) **President.** The President shall preside at all meetings of the Board of Directors and General Membership Meetings. With the approval of the Board of Directors, the President shall appoint and be an ex-officio member of all committees except as limited by Article VIII, Section 2 (a). The President shall have such other duties as may be prescribed by the Board of Directors or the Bylaws.
- (b) **President-Elect.** The President-Elect shall perform duties as assigned by the President. The President-Elect as authorized by the Board shall perform all duties of the President in case of the President's temporary absence or inability to act. Should the President's absence or inability to act become permanent, the President-Elect shall ascend to the Presidency.
- (c) **Vice President.** The Vice President shall exercise such duties as shall be assigned and defined by the Board of Directors in the event of the President's or President-Elect's temporary absence or inability to act. In the event that the President-Elect's absence or inability to act becomes permanent, the Vice President shall ascend to the office of President-Elect. Further, this person shall perform such other duties as may be assigned by the Board of Directors.
- (d) **Treasurer.** The Treasurer shall see that adequate and correct books and records of accounts of the properties and business transactions of the ASSOCIATION are maintained and shall oversee the preparation of monthly financial statements submitted to the Board of Directors for approval. The Treasurer shall also oversee the deposits of the funds of the ASSOCIATION in such bank or banks as the Board of Directors may designate, as well as prepare and file such reports and financial statements and returns as may be required by law. In the event that the Treasurer's absence or inability to act becomes permanent, a special meeting of the Nominating Committee will be called to appoint a Treasurer to complete the unexpired elective term, subject to the qualifications for the office specified and the approval of the Board of Directors. The term of office of the Treasurer shall not be limited to an elective term, but shall not exceed three elective terms.
- (e) **Secretary.** The Secretary shall ensure that the minutes of all meetings of the Board of Directors are kept and shall perform such other duties as may be assigned by the Board of Directors. In the event that the Secretary's absence or inability to act becomes permanent, the office of Secretary shall remain unfilled for the balance of the elective term.

**Section 3.** The Board of Directors employs a Chief Administrative Officer of the ASSOCIATION, under the supervision of the President and the Executive Committee, who performs such duties as may be delegated to him or her by the Board of Directors. The Chief Administrative Officer employs such other persons as may be necessary to conduct the activities of the ASSOCIATION.

**Section 4.** The Board of Directors may retain outside legal and other professional counsel and fix the terms of compensation thereof.

**Section 5.** Upon MAJORITY VOTE of the Board of Directors, an Officer may, at the discretion of the Board of Directors, be removed from office during his/her term of office.

## **ARTICLE V**

### **Board of Directors**

**Section 1.** The government of the ASSOCIATION shall be vested in a Board of Directors, consisting of the Officers and the following:

- (a) The President of each Member Board during his/her term of office will be counted toward the RIAR Director allocation of the respective Member Board.
- (b) Each Member Board shall have three (3) elected Directors to serve two elective terms (a two-year term). At the discretion of the Member Board, a Director may be reappointed by the Member Board to serve additional two-year terms. Additional Director appointments: Each Member Board shall be granted one additional Director appointment for each 25% of the total RIAR REALTOR® membership as determined by the previous December 31 membership, to serve two elective terms. Where the December 31 membership review finds membership to drop below the 25% increment, any Director so affected will be allowed to complete the elective term.
- (c) The National Directors shall be the President, who shall be deemed the NATIONAL ASSOCIATION OF REALTORS®' state-allocated Director, and the Immediate Past President and President-Elect, who shall each serve an elective term as defined by Article IX, Section 5, of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

- (d) Any firm or firms having common ownership shall be reasonably limited to no more than 20 percent of the cumulative number of Directors who may vote on the Board in order to provide appropriate representation of a diverse membership. In the event this occurs, each Board where the Principal Broker has their primary affiliation and is so affected must provide another candidate to replace this Director(s), subject to the approval of the Board of Directors.
- (e) The President of State-Wide MLS, Inc. will serve as a RIAR Director.
- (f) Representatives: The President of an Institute, Society and Council of a duly authorized State Chapter approved and chartered by NAR, or a division or subsidiary of RIAR, shall have the right to serve on the Board of Directors with full voting rights. The chapter must be in good standing with NAR and its National affiliates and maintain a base membership of 1% of the total RIAR REALTOR® membership as of December 31 of the previous year.
- (g) Upon MAJORITY VOTE of the Board of Directors, a Director may, at the discretion of the Board of Directors, be removed from directorship.
- (h) Past RIAR Presidents, who are members in good standing of the ASSOCIATION, shall retain full voting privileges as Directors of the ASSOCIATION, until absent for three meetings during a calendar year, after which the privilege of voting will no longer be retained.

**Section 2.** Only Board Members shall be eligible to serve as members of the Board of Directors, but any member may attend a Board of Director's meeting with no voting privileges. If the Board of Directors goes into executive session, all non-voting members will be excused.

**Section 3.** The Board of Directors shall administer the finances of the ASSOCIATION and shall have sole authority to appropriate money. The accounts of the ASSOCIATION shall be audited annually by a certified public accountant. Directors shall at all times act in the best interest of the ASSOCIATION and shall disclose any personal or professional interest, financial or otherwise, when an item concerning such interest is under discussion. A majority vote of the Board of Directors, excluding that affected Director, shall decide if that Director shall be allowed to vote on the discussion item.

**Section 4.** The Board of Directors shall meet not less than four times each elective term on a date, and at a place to be determined by it. In advance of each *regularly* scheduled Board of Director's meeting, each voting Director will be mailed an agenda and packet of meeting material.

**Section 5.** There shall be an Executive Committee of the Board of Directors, composed of the Immediate RIAR Past President, RIAR President, RIAR President-Elect, RIAR Vice President, RIAR Treasurer, RIAR Secretary, MLS President, and the President of each Member Board. This Committee shall make recommendations to the Board of Directors, shall transact business between meetings of the Board of Directors within a budgeted amount of \$5,000 per year, and shall report in full to the Board of Directors at its next meeting.

**Section 6.** There shall be a Chief Administrative Officer Review Committee of the Board of Directors, composed of the Immediate RIAR Past President, who will serve as Chair, RIAR President, and RIAR President-Elect. This Committee shall annually review the performance of the Chief Administrative Officer.

**Section 7.** Special meetings of the Board of Directors may be called at any time upon three days written notice by the President or by any five Directors.

**Section 8.** A majority of the Directors shall constitute a quorum of the Board of Directors.

**Section 9.** The Board of Directors shall have the authority to promulgate a Policy and Procedure Manual governing the various activities of the ASSOCIATION.

**Section 10.** Vacancies in the Board of Directors created by other than an expiration of an elective term shall be filled by the Member Board for the unexpired elective term with the approval of the Board of Directors. However, vacancies on the Board of Directors for representatives of Institutes, Societies, or Councils of duly authorized State Chapters shall be filled by their respective organizations with the approval of the Board of Directors.

**Section 11.** Any member whose ASSOCIATION's past due accounts are more than 90 days in arrears shall not serve as a Director or Officer of the ASSOCIATION until such past due accounts are paid in full.

## **ARTICLE VI**

### **Indemnification/Insurance**

**Section 1.** The ASSOCIATION shall, except to the extent prohibited by law, indemnify any Director or Officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil,

criminal, administrative or investigative by reason of the fact that such person is or was a Director or an Officer, employee or agent to the ASSOCIATION, or is or was serving at the request of the ASSOCIATION as an Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interest of the ASSOCIATION, and, with respect to any criminal action or proceeding, such person had no proceeding, such person 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 nolo contendere or its equivalent, shall not of itself, create a presumption that the person did not act in good faith and in a manner in which such person reasonably believed to be in or not opposed to the best interest of the ASSOCIATION, and with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful. Procedures for indemnification shall be adopted by the Board of Directors and specified in the ASSOCIATION Policy and Procedure Manual.

**Section 2.** Professional Liability Insurance shall be maintained for all voting Officers and Directors, who are members in good standing of the ASSOCIATION, to cover them in their scope of activities for the ASSOCIATION. The cost is to be paid by the ASSOCIATION.

## ARTICLE VII

### Annual/Special Membership Meetings

**Section 1.** The ASSOCIATION shall hold an annual membership meeting, which includes the election and installation of the Officers and Directors; the time and place to be designated by the Board of Directors, with written notice of the substance of the meeting sent to each member at least 30 days in advance.

**Section 2.** The ASSOCIATION may hold an annual convention which shall be open to all members upon payment of a registration fee to be determined by the Board of Directors.

**Section 3.** Special membership meetings may be called by the Board of Directors. Any call for such meeting shall state the purpose, time, and place of the meeting, and shall be issued in writing at least seven (7) days in advance.

**Section 4.** A majority of those present shall constitute a quorum for the transaction of all business at membership meetings of the ASSOCIATION.

## ARTICLE VIII

### Committees

**Section 1.** The President, subject to the approval of the Board of Directors, shall appoint the following committees, the members of which shall serve for an elective term, or until their successors are appointed and qualified, except when the description of committee's authorities and duties provide otherwise.

#### Committees:

- |  |                                   |
|--|-----------------------------------|
| a. Bylaws  | i. Past Presidents' Council       |
| b. Chief Administrative Officer Review Committee | j. Professional Standards         |
| c. Education/Member Services                     | k. Public Relations               |
| d. Finance                                       | l. REALTOR® of the Year Committee |
| e. Forms   | m. RPAC Fundraising               |
| f. Government Affairs Committee                  | n. RPAC Trustees                  |
| g. Grievance Committee                           | o. RVP Nominating Committee       |
| h. Nominating Committee                          |                                   |

**Section 2.** The President, with the approval of the Board of Directors, may appoint such other committees or task forces as he/she deems advisable.

- (a) The President shall be an ex-officio member of all committees with the exception of Grievance, Professional Standards, and REALTOR® of the Year Committees.
- (b) The President shall appoint a chair and the President-Elect shall appoint a vice chair of each committee from the members of the committee or from outside the committee or an additional appointee.
- (c) An affiliate may be a chair or vice chair of a committee with the approval of the Board of Directors.
- (d) Committee chairs shall be responsible for selecting their committee members.

- (e) In the event that a committee and its members are not selected, the Board of Directors shall act in the capacity of that committee.

**Section 3.** Committees shall have such duties as their titles indicate and as the Board of Directors may assign. All actions of committees shall be subject to the approval of the Board of Directors except for Professional Standards Committee, Grievance Committee, Nominating Committee and REALTOR® of the Year Committee.

## **ARTICLE IX**

### **Election of Officers/Board of Directors**

**Section 1.** The election of Officers and Directors shall be held at the annual membership meeting of the ASSOCIATION.

**Section 2.** At a meeting of the Board of Directors not less than two (2) months before the Annual Membership Meeting, the Board of Directors, shall approve a Nominating Committee, composed of one Board Member and one alternate Board Member appointed by each Member Board. (The alternate Board Member shall serve only in the absence of the member.) The current state President and President-Elect shall be deemed voting members of the Nominating Committee. The four most recent voting Past Presidents of the ASSOCIATION, available to serve, shall be members of the Nominating Committee, with the most Immediate Past President of the ASSOCIATION serving as Chairman, with the right to vote in the event of a tie.

- (a) The Nominating Committee shall interview the potential officer candidates at the Nominating Committee meeting.
- (b) The Nominating Committee shall name at least one candidate for each office. For each vacancy on the Board of Directors and for elective offices, the Nominating Committee shall present the candidate as submitted by the Member Board or as otherwise submitted.
- (c) The report of the Nominating Committee, listing candidates for Officers and Directors to be elected from among the REALTOR® Membership of the Member Boards, shall be included in the notice of the Annual Meeting that is sent to each member at least 30 days in advance of the meeting.
- (d) Additional nominations for an officer position may also be made by any fifty (50) Board Members of a Member Board, provided such nominations are in writing, signed by the persons making them, and delivered to the Vice President not less than five (5) days prior to the date of the Annual Meeting or the Special Meeting in lieu thereof.
- (e) A candidate for a RIAR Officer or Director shall not be a member or alternate of the Nominating Committee.
- (f) All Nominating Committee members shall sign a confidentiality agreement.

**Section 3.** In the event the President-Elect is unable to assume the office of President, the Nominating Committee shall be charged with the responsibility of selecting a nominee for the office of President and, if vacated, President-Elect. In this case, the President and/or President-Elect will be elected at the Annual Meeting.

## **ARTICLE X**

### **Selection of State REALTOR® of the Year**

**Section 1.** The REALTOR® of the Year Committee shall meet annually to select the State REALTOR® of the Year. The Committee shall be composed of the current Member Board REALTORS® of the Year, with the current State REALTOR® of the Year serving as Chairperson. All REALTOR® of the Year Committee members shall sign a confidentiality agreement.

**Section 2.** All Member Board REALTORS® of the Year are eligible for selection as State REALTOR® of the Year, **except** the following:

- (a) At the time the State REALTOR® of the Year Committee meets, the following current sitting State Officers will be ineligible: President, President-Elect, and Immediate Past President of the ASSOCIATION.
- (b) Prior State REALTORS® of the Year.

## **ARTICLE XI**

### **Right to Vote**

At all meetings of the ASSOCIATION, each Board Member in good standing shall be entitled to vote, but no one shall be entitled to vote by proxy. Other members shall not be entitled to vote.

## **ARTICLE XII**

### **Fiscal Year**

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

## ARTICLE XIII

### Code of Ethics

**Section 1.** The *Code of Ethics* and the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS® are adopted as the *Code of Ethics* and the *Code of Ethics and Arbitration Manual* of the RHODE ISLAND ASSOCIATION OF REALTORS®. The *Code of Ethics* and the *Code of Ethics and Arbitration Manual* and the Rules and Regulations of the ASSOCIATION shall, in the future be deemed to be amended and changed whenever said *Code of Ethics* and the *Code of Ethics and Arbitration Manual* is amended or changed by the NATIONAL ASSOCIATION.

**Section 2.** Applicants for REALTOR® membership 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 who have completed comparable orientation in another association, provided that membership has been continuous, or that any break in membership is for one year or less.

Note: This orientation program must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS® and comply with Member Boards' policies and procedures.

**Section 3.** 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, or 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 and comply with Member Boards' policies and procedures. REALTOR® Members who have completed training as a requirement of membership in another association and 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.

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

Failure to meet the requirement for the second (2005 – 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of the REALTOR® Member who is still suspended as of that date will be automatically terminated.

## ARTICLE XIV

### Professional Standards

A Member Board, prior to referring an ethics complaint or arbitration request for review to the State ASSOCIATION, should exhaust all efforts to impanel an impartial tribunal to conduct either the original hearing or the appeal or the procedural review. These efforts may include the appointment of knowledgeable members of the Board on an ad hoc basis to serve on either a Hearing Panel or on behalf of the Board of Directors. If, because of notoriety, etc., the Board cannot impanel an impartial tribunal, the Board may refer the matter to the State ASSOCIATION and the State ASSOCIATION may delegate to another Board or a regional enforcement facility, the authority to hear the case on behalf of the State ASSOCIATION. No Board or regional enforcement facility, however, may be required to accept this delegation of authority. If no other entity is amenable to conducting the review, the State ASSOCIATION shall be responsible for conducting the hearing.

**Section 1.** Allegations of ethical violations and contractual disputes (and specific non-contractual disputes as defined in the NAR *Code of Ethics*) between REALTORS® and between REALTORS® and their customers or clients may be submitted to an ethics or arbitration panel at the ASSOCIATION level under the following circumstances:

- a) Allegations of unethical conduct made against a REALTOR® who is directly a member of the State ASSOCIATION and not a member of any Member Board.
- b) Allegations of unethical conduct made against a REALTOR® in the instance in which the Member Board because of size or other valid reason, determines that it cannot provide a due process hearing of the matter and petitions the ASSOCIATION to conduct a hearing.

- c) Contractual disputes (and specific non-contractual disputes as defined in the NAR *Code of Ethics*) between REALTORS® who are not members of the same Board where the matter has been referred to the ASSOCIATION by both Member Boards.
- d) Contractual disputes (and specific non-contractual disputes as defined in the NAR *Code of Ethics*) between REALTORS® who are directly members of the ASSOCIATION and are not members of any Board.
- e) Contractual disputes (and specific non-contractual disputes as defined in the NAR *Code of Ethics*) between a REALTOR® who does not hold membership in any Board, but is directly a member of the ASSOCIATION, and a REALTOR® who is a member of a Board.
- f) Contractual disputes (and specific non-contractual disputes as defined in the NAR *Code of Ethics*) between REALTOR® Members of the same Board where the Board with good and sufficient reason is unable to arbitrate the controversy. (Explanation: This provision is not designed to relieve a Member Board of its primary responsibility to resolve differences arising between members of the same Board. The section recognizes that in some Boards with limited membership, usual arbitration procedures may be impossible.)
- g) Contractual disputes between a customer or client and a REALTOR® where the Board with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a direct member of the ASSOCIATION.
- h) The ASSOCIATION provides interboard and interstate arbitration in the New England states as long as all respective states and Member Boards mutually agree.

**Section 2.** Professional Standards hearings and the organization and procedures thereto shall be governed by the NAR *Code of Ethics* and the *Code of Ethics and Arbitration Manual* as adopted by the ASSOCIATION, as from time to time amended, by which this reference is made a part of these Bylaws, except as may be superseded by Rhode Island State law, as amended from time to time.

**Section 3.** If a REALTOR® Member (as defined in Article II, of these Bylaws) resigns from the Board or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

- a) If a REALTOR® Member (as defined in Article II, of these Bylaws) resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

## **ARTICLE XV**

### **Use of the Terms REALTOR®, REALTORS®**

**Section 1.** Use of the terms REALTOR®, or REALTORS®, by members shall at all times be subject to the provision of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. 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 State ASSOCIATION shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their business so long as they remain REALTOR® Members in good standing. No other class of members shall have this privilege.

**Section 3.** A REALTOR® Member who is a principal of a real estate firm, partnership or corporation may use the terms REALTOR® or 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® or Institute Affiliate Members.

**Section 4.** The right to use the term REALTOR® or REALTORS® in connection with a firm, partnership, corporation or branch office shall be limited to office locations 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 which no principal, partner, corporate officer, or branch manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

**Section 5.** An Institute Affiliate Member shall not use the terms REALTOR® or REALTORS® and shall not use the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

## **ARTICLE XVI**

### **Divisions**

**Section 1.** The Board of Directors may establish such Divisions of this ASSOCIATION as they may deem proper.

**Section 2.** Divisions shall represent major fields of activity, or administrative and business problems in the real estate business. Divisions shall, with the approval of the Board of Directors, adopt and amend bylaws, elect governing bodies and officers, prescribe qualifications for membership, and establish and collect dues which shall be segregated in the books of account for their own use. The Constitution, Articles of Incorporation and Bylaws of the Division shall specifically make appropriate provisions for such approval.

## **ARTICLE XVII**

### **Intra-State Election of Region 1 Regional Vice President**

**Section 1.** Any Past President of the ASSOCIATION wishing to apply for NATIONAL ASSOCIATION OF REALTORS® Region 1 Regional Vice President (RVP) must report their intended candidacy to the Chief Administrative Officer of the ASSOCIATION.

**Section 2.** In the event of a contested candidacy, there shall be a RVP Nominating Committee comprised of one ASSOCIATION Past President appointed by each of the Member Boards, or in the event that an ASSOCIATION Past President is not available from a Member Board, that Member Board shall select a delegate. The RVP Nominating Committee shall be Chaired by the Immediate Past President.

- (a) Candidates shall be responsible for completing and submitting a copy of the current NATIONAL ASSOCIATION OF REALTORS® Officer Candidate Form.
- (b) The RVP Nominating Committee shall interview the potential candidates at a RVP Nominating Committee meeting.
- (c) The decision made by the RVP Nominating Committee will be final, and communicated to the New England REALTORS® Committee (NERC) in accordance with procedures established in the *Guidelines and Procedures for Conducting the Affairs of the New England REALTORS® Committee*.
- (d) A candidate for RVP shall not be a member of the RVP Nominating Committee.

## **ARTICLE XVIII**

### **State-Wide Multiple Listing Service, Inc.**

**Section 1.** Authority. The Board of REALTORS® shall maintain for the use of its Members a Multiple Listing Service which shall be a lawful corporation of the State of Rhode Island all of the shares of stock of which are solely and wholly owned by the RHODE ISLAND ASSOCIATION OF REALTORS®. The ASSOCIATION has general oversight responsibility on behalf of the State-Wide Multiple Listing Service, Inc. to ensure that its bylaws, policies, practices, rules and procedures are compliant with the requirements of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 2.** Purpose. The purpose of the State-Wide Multiple Listing Service, Inc., is to provide a means by which authorized Participants make blanket unilateral offers of compensation to other Participants; by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the Cooperating Broker's performance as a procuring cause of the sale, lease or exchange.

**Section 3.** Governing Documents. The RIAR Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Bylaws, Rules, Regulations, Policies, Practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 4.** Participants. Participation in the State-Wide Multiple Listing Service is available to any firm, partnership to any firm, partnership, or corporation of any REALTOR® Principal of this or any other Board or Association without further qualification except payment of required dues and fees and agreement to abide by these Bylaws and the Bylaws and Rules and Regulations of the Service. However, under no circumstances is any individual or firm, regardless of membership status, entitled to State-Wide Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid Rhode Island real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate Rhode Island regulatory agency to engage in the appraisal of real property. Use of information developed by or published by the State-Wide Multiple Listing Service is strictly limited to the activities authorized under a Participants 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 the Service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for State-Wide Multiple Listing Service participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the State-Wide Multiple Listing

Service and/or to accept offers of cooperation and compensation made by listing brokers or agents in the State-Wide Multiple Listing Service. "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 State-Wide Multiple Listing Service 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 State-Wide Multiple Listing Service 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 State-Wide Multiple Listing Service to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the State-Wide Multiple Listing Service in which participation is sought. This requirement does not permit State-Wide Multiple Listing Service 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. State-Wide Multiple Listing Service 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 State-Wide Multiple Listing Service has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants.

**Section 5.** Board of Directors. The control and administration of the affairs of the Service shall be vested in a Board of Directors, of which no more than 49 percent may be comprised of Non-Participants. The Board of Directors of the State-Wide Multiple Listing Service, Inc., shall be composed of two members from each participating Member Board of the ASSOCIATION, appointed by the RIAR President and confirmed by the ASSOCIATION's Board of Directors. Any State-Wide Multiple Listing Service Director whose ASSOCIATION's past due accounts are more than 90 days in arrears shall not serve as a Director or Officer until such past due accounts are paid in full. For the Purpose of this paragraph, a participating Member Board is defined as a Board which has signed a Participation Agreement. Directors shall serve a term of two years except as otherwise herein stated. No member of the Board of Directors may be appointed for more than two successive terms of appointment except in the event the RIAR President requests a Director who has served two (2) successive terms to remain to serve as President for a 5th year. Vacancies of the Board of Directors created by other than expiration of a term shall be filled by the President of this ASSOCIATION for the unexpired term and confirmed by the ASSOCIATION's Board of Directors. The term of office for each member of the Board of Directors shall commence on the date of appointment and shall terminate on the date his/her successor may be appointed. The Board of Directors of this ASSOCIATION may cause each seat in the State-Wide Multiple Listing Service, Inc., Board of Directors to be vacated for cause, in which event new appointments shall be made in the manner prescribed herein. The President and President-Elect of the ASSOCIATION and the Immediate Past President of the State-Wide Multiple Listing Service (if his/her term has expired) shall serve as ex-officio members of the Board of Directors.

## **ARTICLE XIX** **Rules of Order**

**Section 1.** *Robert's Rules of Order, latest edition, shall be recognized as the authority governing all meetings and conferences when not in conflict with the Bylaws of the ASSOCIATION.*

**Section 2.** The Parliamentarian shall serve as a non-voting member of the Board of Directors. The Parliamentarian shall speak and work to the pleasure of the President.

## **ARTICLE XX** **Amendments**

**Section 1.** These Bylaws may be amended at any meeting of the general membership by the affirmative vote of a majority of the members present and voting, provided that a quorum is present, and provided further that written notice of the substance of any proposed amendment shall first have been sent to each member at least 30 days in advance of the meeting.

**Section 2.** Amendments to these Bylaws affecting the admission or qualifications of REALTOR® Members and Institute Affiliate Members, the use of the terms REALTOR®, REALTORS®, or an alteration in the territorial jurisdiction of a Board shall become effective upon the approval of the Board of Directors of the NATIONAL ASSOCIATION.

**Section 3.** Any Bylaw requirements mandated by NAR shall become effective upon the approval of the RIAR Board of Directors.

## **ARTICLE XXI**

### **Harassment**

Any member of the ASSOCIATION may be reprimanded, placed on probation, suspended or expelled for harassment of an ASSOCIATION or MLS employee or ASSOCIATION Officer or Director after an investigation in accordance with the procedures of the ASSOCIATION. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contacts, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, President-Elect, and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with counsel for the ASSOCIATION. Disciplinary action may include any sanction authorized in the NATIONAL ASSOCIATION OF REALTORS®' *Code of Ethics and Arbitration Manual*. If the complaint involves the President, President-Elect, or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

## **ARTICLE XXII**

### **Whistleblower Policy**

**Section 1.** Purpose. The purpose of this Whistleblower Policy is to: (1) encourage staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the ASSOCIATION/MLS; (2) specify that the ASSOCIATION will protect the person from retaliation; and (3) identify where such information can be reported.

**Section 2.** Encouragement of reporting. The ASSOCIATION encourages complaints, reports or inquiries about illegal practices or serious violations of its policies, including illegal or improper conduct by the ASSOCIATION itself whether by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the ASSOCIATION has existing complaint mechanisms should be addressed through channels described in those mechanisms, such as raising matters of alleged discrimination or harassment, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

**Section 3.** Protection from retaliation. The ASSOCIATION prohibits retaliation by or on behalf of the ASSOCIATION against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The ASSOCIATION reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

**Section 4.** Where to report. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the RIAR Chief Administrative Officer or the RIAR President; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to the RIAR President-Elect. The ASSOCIATION will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the ASSOCIATION may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

## **ARTICLE XXIII**

### **Conflict of Interest Statement**

No Director in his or her capacity as a RIAR and/or State-Wide Multiple Listing Service Director shall accept personally and/or for any immediate family any gifts, gratuities, or benefits of any kind from individuals and/or firms that do business, or seek to do business, with said entity. No Director shall engage in a business transaction with RIAR and/or State-Wide Multiple Listing Service without disclosure to the Chief Administrative Officer and the President of that entity, and the approval of that entity's Board.

## **ARTICLE XXIV**

### **Dissolution**

**Section 1.** Upon the dissolution or winding up of the affairs of the ASSOCIATION, the Board of Directors, after providing for payment of all obligations, shall equally distribute any remaining assets to all local chapters of Habitat for Humanity in Rhode Island or, within its discretion, to any other non-profit and tax-exempt organization.