

**Bylaws of the
Lakeshore REALTORS® Association, Inc.**

Adopted date of January 1, 2022
Amended January 27, 2025

Article I - Name

Section 1. Name. The name of this organization shall be the LAKESHORE REALTORS® ASSOCIATION, Incorporated, hereinafter referred to as "LRA."

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

Article II – Objectives

The objectives of the Board are:

Section 1. To unite those engaged in the recognized branches of the real estate profession 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 NAR.

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

Section 4. To further the interests of home and other real property ownership.

Section 5. To unite those engaged in the real estate profession in this community with the WISCONSIN REALTORS® ASSOCIATION, hereinafter referred to as WRA and the NAR, thereby furthering their own objectives throughout the state and nation and obtaining the benefits and privileges of membership therein.

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

Article III – Jurisdiction

Section 1. The territorial jurisdiction of the Board as a Member of the NAR is:

The Counties of Ozaukee and Sheboygan, State of Wisconsin

Section 2. Territorial jurisdiction is defined to mean:

The right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in these Bylaws and those of the NAR, in return for which the LRA agrees to protect and safeguard the property rights of the NAR in the terms.

Article IV – Membership

Section 1. There shall be seven classes of members as follows:

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

- (1) Individuals who, as sole proprietors, partners, corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting 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 Wisconsin 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 Wisconsin or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® membership (except as provided in the following paragraph) in a Board of REALTORS® within the Wisconsin or a state contiguous thereto, unless otherwise qualified for Institute Affiliate membership, as described in Section 1(b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV.

NOTE: REALTOR® Members may obtain membership in a “secondary” Association in another state.

- (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 set out in Article V.
- (3) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchises located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to board-mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office with the LRA board, WRA and NAR.
- (4) Primary and secondary REALTOR® Members. An individual is a primary member if the LRA pays WRA and NAR dues based on such Member. An individual is a secondary Member if WRA and NAR dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® member of the LRA for licensees affiliated with the firm to select the LRA as their “primary” Association.
- (5) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate (or to mediate if required by the LRA) pursuant to Article 17 of the Code of Ethics and the payment of LRA dues as established in Article X of the Bylaws. The “Designated REALTOR®” must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of the Bylaws.
- (6) Chief Elected Officer of the WRA. The current chief elected officer of the WRA shall be a member in good standing without further payment of dues. At the direction of the LRA, the current chief elected officer of the WRA may be the delegate who casts the vote for the LRA at the Annual Meeting of the NAR.

(b) Institute Affiliate Membership: Institute Affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NAR 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 individuals, if otherwise eligible, may elect to hold REALTOR® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership

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

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

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

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

(g) Retired Members. Retired members shall be any individuals who submit a written election to the LRA Board of Directors for such membership, have ceased the active practice of real estate and have been REALTOR® Members of the LRA for at least ten (10) years prior to such election. Retired members shall not be eligible for membership in the WRA or NAR.

Article V – Qualifications and Election

Section 1. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant: (1) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NAR, hereinafter referred to as Code of Ethics, the Constitutions, Bylaws, and Rules and Regulations of the LRA, WRA and NAR and, if a REALTOR® members, will abide by the Code of Ethics of the NAR, including the obligation to arbitrate (or to mediate if required by the LRA) 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 NAR, as from time to time amended, and (2) that applicant consents that the LRA, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the LRA by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification

(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 LRA, through its Membership Committee or otherwise, that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within Wisconsin or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving professional misconduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the LRA, the Bylaws of the WRA, and the Constitution and Bylaws and Code of Ethics of the NAR, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the LRA Membership Committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

*No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the Applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not

involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the LRA establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for LRA and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

****No record of official sanctions involving professional misconduct is intended to mean that the Board may only consider:**

judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

Criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

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

NOTE 2: Article IV, Section 2, of the NAR Bylaws prohibits Member Associations from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics.

(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 LRA or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct*, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the LRA, the Bylaws of the WRA, and the Constitution and Bylaws and Code of Ethics of the NAR, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

***No record of official sanctions involving unprofessional conduct is intended to mean that the LRA may only consider:**

judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under the law under which the applicant was convicted, and (2) no more than ten (10) years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date

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

1. All final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other Association or Association MLS
6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other Associations or where the applicant for membership has unsatisfied discipline pending in another Association (except for violations of the NAR Code of Ethics; see Article V, Section 2(a), NOTE 2), provided all other qualifications for membership have been satisfied. The LRA may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all the same privileges and obligations of REALTOR® membership. If a member resigns from another Association with an ethics complaint or arbitration request pending, the LRA may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the LRA to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. Election

The procedure for election to membership shall be as follows:

- (a) The LRA chief staff executive, hereinafter referred to as LRA Association Executive shall determine whether the applicant is applying for the appropriate class of membership. Applicants for Realtor® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable LRA dues. Provisional members shall be considered REALTORS® and shall be subject to all the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the LRA Board of Directors. If the LRA Board of Directors determines the individual does not meet all of the qualifications for membership as established in the LRA's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program, Fair Housing Training and New Member Code of Ethics training) within the determined 120 days from the LRA's receipt of their application, membership may, at the discretion of the LRA Board of Directors, be terminated.
- (b) Dues shall be computed from the date of application and shall be non-refundable unless the LRA'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 LRA services and any application fee.
- (c) The LRA Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the LRA Board of Directors, to call witnesses on his/her behalf, to be represented by counsel and to make such statements as s/he deems relevant. The LRA Board of Directors may also have counsel present. The LRA Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.
- (d) If the LRA Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the LRA Association Executive. If the LRA 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 LRA of a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual.

Section 4. New Member Code of Ethics Orientation

Applicants for Realtor® Membership shall attend a New Member Orientation hosted by LRA and complete the New Member Code of Ethics online training offered by NAR of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for Realtor® membership who have completed comparable orientation in another Association, provided the Realtor® membership has been continuous or that any break in membership is for two years or less.

Failure to satisfy both of these requirements within 120 days of the date of application will result in the suspension of the provisional membership and the benefits that go along with membership including access to Metro MLS. Suspension will remain in effect until such time as the New Member Code of Ethics is completed or up to 14 days. If not completed within 14 days after notification of this requirement, the provisional membership will be terminated. Failure to attend the mandatory onsite orientation after two opportunities of it being offered and/or completing the New Member Code of Ethics within the timeframe established above, will result in the applicant needing to reapply for membership, including paying the associated new member fees for both the WRA and LRA. If the applicant does not attend the next scheduled Orientation and Fair Housing session, their application for LRA Membership will be denied. Re-application by an applicant thus denied will not be considered until any outstanding fees are paid and not earlier than six (6) months from the date of notification.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NAR.

Section 5. Continuing Member Code of Ethics Training

Effective January 1, 2017, through December 31, 2018, and for successive two-year periods thereafter, each REALTOR® member of the LRA (with the exception of REALTOR® members granted REALTOR® Emeritus status by the NAR 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 LRA or another Association, the WRA, the NAR, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NAR 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 two (2) year cycle shall not be required to complete additional ethics training until a new two (2) 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 two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) 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.

Section 6. Status Changes

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

A REALTOR® (or REALTOR-ASSOCIATE®, where applicable) who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed

within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the LRA Board of Directors.

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

- (b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.
- (c) Dues shall be prorated from the first day of the quarter in which the member is notified of election by the LRA Board of Directors and shall be based on the new membership status for the remainder of the year.

Section 7. New Member and Continuing Member Fair Housing Training

Effective January 1, 2025, through December 31, 2027, 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 Fair Housing training of not less than two (2) hours 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®, the NATIONAL ASSOCIATION OF REALTORS®, or the Institutes, Societies, and Councils, which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. Fair Housing training approved by a state licensing authority for an existing Fair Housing requirement to maintain licensure shall also fulfill this requirement, provided it also meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed Fair Housing training as a requirement of membership in another association shall not be required to complete additional Fair Housing training until a new three-year cycle commences.

Article VI – Privileges and Obligations

Section 1. The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws, shall be specified in this Article.

Section 2. Any Member of the LRA may be reprimanded, fined, placed on probation, suspended, or expelled by the LRA Board of Directors for a violation of these Bylaws and Board Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the LRA. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the LRA, such Members are encouraged to abide by the principles established in the Code of Ethics of the NAR and conduct their business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation of the LRA Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the LRA 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 object gives and purposes of the local LRA, the WRA, and the NAR.

Section 3. Any REALTOR® Member of the LRA may be disciplined by the LRA Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the LRA, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NAR as set forth in the Code of Ethics and Arbitration Manual of the NAR.

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

Section 5. If a member resigns from the LRA or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the LRA with respect to disposition of the complaint is final by the LRA (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 Associations 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 LRA with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent's resignation or membership termination, any discipline ratified by the LRA Board of Directors shall be held in abeyance until such time as the respondent rejoins an Association of REALTORS®.

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

Section 6. REALTOR® Members. REALTOR® Members, whether primary or secondary, in good standing are entitled to vote and hold elective office in the association and may use the term REALTOR®. For purposes of this section, the term "good standing" means the member satisfies the "Obligations of REALTOR® Members", is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR's trademark rules.

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, 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, or unless the REALTOR® who is suspended or expelled removes him/herself from any form or degree of management control must be certified to the LRA by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the LRA. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed or affiliated as independent contractors with the disciplined Members 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, or management control is relinquished, or unless the REALTOR® member (non-principal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® member in good standing in the LRA, whichever may apply.

If a REALTOR® Member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.

(b) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(a) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® Member and they shall be advised that the provision in Article VI, Section 6(a) shall apply.

Section 7. Institute Affiliate Members. Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the LRA Board of Directors consistent with the Constitution and Bylaws of the NAR.

NOTE: Local Associations establish the rights and privileges to be conferred on Institute Affiliate members except that no Institute Affiliate member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as president of the local Association; or to be a participant in the local Association's multiple listing service.

Section 8. Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the LRA Board of Directors.

Section 9. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the LRA Board of Directors.

Section 10. Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

Section 11. Student Members. Student Members shall have rights and privileges and be subject to obligations prescribed by the LRA Board of Directors.

Section 12. Retired Members. Retired Members shall have the right to attend meetings and shall have such other rights, privileges and obligations as prescribed by the LRA Board of Directors.

Section 13. Certification by REALTOR®. "Designated" REALTOR® Members of the LRA shall certify to the LRA during the month of October on a form provided by the LRA, a complete listing of all individuals licensed or certified in the REALTOR®'S office(s) and shall designate a primary LRA for each individual who holds membership. Designated REALTORS® shall also identify any non-member-licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Association based on said non-member licensees, the Designated REALTOR® shall identify the LRA to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(a) of the Bylaws. "Designated" REALTOR® Members shall also notify the LRA of any additional individual(s) licensed or certified with the firm(s) within 30 days of the date of affiliation or severance of the individual.

Section 14. Harassment. Any member of the LRA may be reprimanded, placed on probation, suspended or expelled for harassment of an LRA or MLS employee or LRA officer or director after an investigation in accordance with the procedures of the LRA. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the president, and president-elect and/or vice president and one member of the board of directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for the LRA. Disciplinary action may include any sanction authorized in the LRA's Code of Ethics and Arbitration Manual. If the complaint names the president, president-elect or vice president, they may not participate in the proceedings and shall be replaced by the immediate past president or, alternatively, by another member of the LRA board of directors selected by the highest-ranking officer not named in the complaint.

NOTE: Suggested procedures for processing complaints of harassment are available online at <http://www.REALTOR.org>, or from the Member Policy Department.

Article VII – Professional Standards and Arbitration

Section 1. The responsibility of the Board and of Board members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the Arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the Code of Ethics and Arbitration Manual of the NAR, as from time to time

amended, which by this reference is made a part of these Bylaws, provided, however, that any provision deemed inconsistent with Wisconsin law shall be deleted or amended to comply with Wisconsin law.

Section 2. It shall be the duty and responsibility of every REALTOR® member of the LRA to safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by the governing documents and policies of the LRA, the WRA, and the NAR, as well as the Code of Ethics of the NAR, including the duty to mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

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

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

Section 4. Mandatory Bi-annual Training. All LRA Officers and Directors, except Affiliate Directors, shall complete a WRA sponsored Professional Standards training course. This training is to be taken by attending the next such training session offered and biannually thereafter. Except Affiliate Directors, all directors, officers and LRA Mediators and all LRA Members of the Professional Standards Workgroup shall complete a WRA sponsored Professional Standards training course. This training is to be taken prior to serving in the capacity to which appointed, preferably by attending the next such training session offered for Region 7 area REALTORS® AND BIANNUALLY THEREAFTER.

Article VIII – Use of the Terms REALTOR® and REALTORS®

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

Section 2. REALTOR® members of the LRA shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

Section 3. A REALTOR® member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS®, only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® members or Institute Affiliate members, as described in Section 1(b) of Article IV.

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

Section 4. Institute Affiliate members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NAR.

Article IX – State and National Memberships

Section 1. The LRA shall be a member of the NAR and the WRA. By reason of the LRA's membership, each REALTOR® Member of the LRA shall be entitled to membership in the NAR and the WRA without further payment of dues. The LRA shall continue as a member of the WRA and NAR, unless by a majority vote of all its REALTOR® Members, decision is made to withdraw, in which case the WRA and NAR shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2. The LRA recognizes the exclusive property rights of the NAR in the terms REALTOR® and REALTORS®. The LRA shall discontinue use of the terms in any form in its name, upon ceasing to be a Member of the NAR, or upon a determination by the Board of Directors of the NAR that it has violated the conditions imposed upon the terms.

Section 3. The LRA adopts the Code of Ethics of the NAR and agrees to enforce the Code among its REALTOR® Members. The LRA and all its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NAR and WRA.

Article X – Dues and Assessments

Section 1. Application Fee. The LRA Board of Directors may adopt an application fee for REALTOR® membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership and which shall become the property of the LRA upon final approval of the application.

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

(a) REALTOR® Members. The annual dues of each designated REALTOR® member shall be in such amount as established annually by the LRA board of directors, plus an additional amount to be established annually by the LRA board of directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® member, and (2) are not REALTOR® members of any Association in the state or a state contiguous thereto or Institute Affiliate members of the LRA. In calculating the dues payable to the Association by a designated REALTOR® member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the designated REALTOR® has paid dues based on said non-member licensees in another Association in the state or a state contiguous thereto, provided the designated REALTOR® notifies the LRA in writing of the identity of the Association to which dues have been remitted. In the case of a designated REALTOR® member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of the LRA.

(1) For the purpose of this Section, a REALTOR® Member of a REALTOR® Association shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of 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 NAR. 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 license with the REALTOR®, OR BY ANY ENTITY IN WHICH THE ESTATE BUSINESS (EXCEPT AS PROVEIDE FOR IN Section 2(a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch manager of the entity.

A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the LRA on a form approved by the LRA a list of the licensees affiliated with that entity and shall all of the licensees who engage in the activities of leasing, managing, counseling or appraising real property. The

individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of the Section and shall not be included in calculating the annual dues of the Designate REALTOR®.

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

(b) REALTOR® Members: The annual dues for each REALTOR® Member shall be in such amount as established annually by the LRA Board of Directors.

(c) Institute Affiliate Members: The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NAR.

NOTE: The Institutes, Societies, and Councils of the NAR shall be responsible for collecting and remitting dues to the NAR for Institute Affiliate members (\$75). The NAR shall credit \$25 to the account of a local Association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that Association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25 amount will be credited to the COB, unless the Institute Affiliate member directs that the dues be distributed to the other Association. The NAR shall also credit \$25 to the account of the WRA for each Institute Affiliate member whose office address is located within the territorial jurisdiction of the WRA. Local and State Associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate members, but may provide service packages to which Institute Affiliate members may voluntarily subscribe.

(d) Affiliate Members: The annual dues of each Affiliate Members shall be in such amount as established annually by the LRA Board of Directors.

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

(f) Honorary Members: The annual dues of each Honorary Member, if any, shall be at the discretion of the LRA Board of Directors.

(g) Student Members: The annual dues of Student Members, if any, shall be at the discretion of the LRA Board of Directors.

(h) Retired Members: The annual dues of Retired Members, if any, shall be at the discretion of the LRA Board of Directors.

Section 3. Dues Payable. Dues for all members shall be payable annually in advance on the first day of December. Dues for new members shall be computed from the first day of the month in which a member is notified of election and shall be prorated for the remainder of the year.

(a). In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for non-payment of LRA Board dues, and the individual remains with the designated REALTOR®'s firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2(a)) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination.

Section 4. Nonpayment of Financial Obligations. If dues, fees, fines, or other assessments including amounts owed to the LRA or the LRA's multiple listing service are not paid within one (1) month after the due date, the nonpaying member is subject to suspension at the discretion of the LRA board of directors. Two (2) months after the due date, membership of the nonpaying member may be terminated at the discretion of the LRA 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 LRA 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 LRA or any of its services, departments, divisions, or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 5. Fines:

- (a) New Member Orientation- As stated in Article V, Section 5, Failure of an applicant to attend an LRA's orientation after receipt of a second notice to do so, shall result in the need for the applicant to reapply for membership and pay the associated new member fees to both the LRA and WRA. The local fee shall be in an amount established by the LRA Board of Directors and is due and payable by the applicant prior to their being permitted to complete the LRA membership process. If the applicant does not pay the fine thus assessed within thirty (30) days of notification and attend the next scheduled Orientation and Fair Housing session, their application for LRA membership will be denied. Re-application by an applicant thus denied will not be considered until any outstanding fine is paid and not earlier than six (6) months from the date of the fine notification.

Section 5. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the LRA Board of Directors.

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 LRA and LRA's Multiple Listing Service shall be noticed to the delinquent LRA member in writing setting forth the amount owed and due date.

Section 7. The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the NAR), past presidents of the NAR or recipients of the Distinguished Service Award shall be as determined by the LRA board of directors.

NOTE: A Member Associations' dues obligation to the NAR is reduced by an amount equal to the amount which the Association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the NAR), past presidents of the NAR, and recipients of the Distinguished Service Award of the NAR who are REALTOR® members of the Association. The dues obligation of such individuals to the local Association should be reduced to reflect the reduction in the Association's dues obligation to the NAR. The Association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association's obligation to the WRA with respect to such individuals. Association Boards should determine whether the dues payable by the Association to the WRA are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the Association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the local Association.

Article XI – Officers and Directors

Section 1. Officers.

(a) The elected officers of the LRA shall be a President, a Vice President (who shall also be the President-Elect), a Secretary (Records Clerk), and a Treasurer, all of whom shall be currently serving as members of the LRA Board of Directors and who have been Members of the LRA Board of Directors for at least one year. They shall be elected for terms of one year, except for the Vice President (President-Elect) who shall serve consecutive one-year terms as Vice President (President-Elect) and President, respectively. The President casts a vote in all necessary matters only in the event of a tiebreaker.

Section 2. Duties of Officers. The duties of the officers shall be such as their title, by general usage, would indicate and such as may be assigned to them by the LRA Board of Directors.

These duties include, without reservation, the following:

- 1) The Vice President (President-Elect) shall attend those meetings with the President, as the President may designate for preparation of the President-Elect to assume the President office and thereby assure continuity in this office.
- 2) The Secretary (Records Clerk) shall keep the records of the LRA and carry on all necessary correspondence with the NAR and the WRA, except those duties as the LRA Board of Directors may assign to the Association Executive.

Section 3. Board of Directors The governing body of the LRA shall be a board of 12 directors to include the officers, the Immediate Past President, two (2) Affiliate Member Directors, and the remaining REALTOR® Directors. REALTOR® and Affiliate Directors shall be elected to serve for terms of two (2) years. No Director shall be eligible to be elected for more than three (3) successive terms. For the 2022 election year only, board members may run for a term of one or two years. This change in terms goes into effect as of the passing of these bylaws. Thereafter, as many directors shall be elected each year to two-year terms as are required to fill vacancies.

- (a) The maximum number of Directors associated with any firm (firm being defined as all those Licensees operation under one Broker's License) shall be three (3); of the three (3) Directors, a maximum number of two (2) can be Officers.
- (b) Should a currently serving REALTOR Director choose to transfer firms during their term to a firm which already has 3 serving REALTOR Directors, the Director transferring may finish their existing term, but will not be eligible to run for a second term, if being elected at that time would maintain 4 simultaneously serving Directors from the same firm.

Section 4. Elections of Directors.

At least two (2) months before the annual election, the Immediate Past President shall serve as the Chair of the nominating workgroup and include at least 2 additional REALTOR® members selected by the Chair, with the approval of the LRA board of directors. The nominating workgroup shall invite members to run for any available open director positions, verify eligibility of those interested and ascertain whether there are any issues that would prohibit that member from serving such as outstanding fines or unsettled professional standards issues. The information of eligible candidates shall be mailed or, when permitted by Wisconsin law, electronically transmitted to each member eligible to vote at least three (3) weeks preceding the election. Additional candidates may be placed in nomination by petition signed by at least 5 REALTOR® members eligible to vote. The petition shall be filed with the Association Executive at least two (2) weeks before the election. The Association Executive shall send notice of such additional nominations to all members eligible to vote before the election

- (b) Election shall be by ballot and all votes shall be cast in person except when assembly is limited or prohibited by law, or such assembly places an undue burden on voting members. In that case, electronic votes shall be accepted. The ballot shall contain the names of all candidates and confirmation of the president-elect as president.
- (c) The president, with the approval of the board of directors, shall appoint an election committee of 3 REALTOR® members to conduct the election. In case of a tie vote, the issue shall be determined by lot.
- (d) The **election of Officers** shall be by majority vote of those LRA Directors' present at the November LRA Board of Directors' meeting and may be conducted by secret ballot upon the request of any LRA Director. LRA Directors elected at the October meeting whose term will not begin until January will be eligible to vote. LRA Directors' whose terms expire in December of the year in which the elections take place are **NOT** eligible to vote.

Section 5. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors with the new Director fulfilling the completion of the vacated term. After the appointed term is complete, that position must be open for election; there is no right of first refusal.

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

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

(b) Upon receipt of the petition, and not less than twenty (20) days for more than forty-five (45) days thereafter, a special meeting of the LRA voting membership of the LRA Board shall be held, and the sole business of the meeting shall be to consider the charge against the LRA Officer or LRA Director, and to render a decision on such petition. The LRA Office or LRA Director charged shall be given the opportunity to reply to the charge against him/her at the meeting.

(c) The special meetings shall be noticed to all LRA voting Members at least ten (10) days prior to the meeting and shall be conducted by the LRA President of the Board unless the LRA President's continued service in office is being considered at the meeting. In such case, the LRA President-Elect will conduct the meeting of the hearing by the Members. Provided a quorum is present (Quorum to mean a simple majority of total LRA Board Membership), a three-fourths vote of LRA Members present and voting shall be required for removal from office.

Section 7. NAR or WRA Director. Any LRA member elected to be on the NAR or WRA Board of Directors shall be a voting member of the LRA Board of Directors with the same rights and responsibilities as the LRA's elected Directors.

Section 8. Affiliate Directors. The Affiliate Directors shall be nominated and elected as stated in Section 3 of this Article.

(a) Affiliate Directors shall be voting Members of the Board of Directors, except in matters involving a REALTOR® Member where such participation is not allowed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®.

(b) Affiliate Directors may serve as Secretary (Records Clerk) or Treasurer of the LRA Board but may not serve as President or Vice President (President-Elect).

Section 9. MLS Liaison. The MLS liaison shall be an ex officio member of the board, without voting privileges or fiduciary responsibility. The liaison is encouraged to participate in all board meetings and functions. The liaison may also run for Director and if elected may serve in any Officer position.

Section 10. Association Executive. There shall be an Association Executive, hired by the LRA board of directors, who shall be the Chief Executive Officer of the LRA. The Association Executive shall have the authority to manage the administrative work of the association, to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the LRA board of directors.

Article XII – Meetings

Section 1. Annual Meetings. The annual meeting of the LRA shall be held during October each year, the date, place, and hour to be designated by the LRA Board of Directors.

Section 2. Meetings of Directors.

(a) Time and Place: The LRA Board of Directors shall designate a regular time and place of meeting.

(b) Absence:

(1) Absence from three regular meetings per fiscal year shall be construed as resignation.

(2) A LRA Director who is unable to attend a scheduled LRA Board of Directors meeting shall notify the LRA President and Association Executive prior to the meeting.

Section 3. Other Meetings. Meetings of the LRA Members may be held at other times as the LRA President or the LRA Board of Directors may determine, or upon the written request of at least 10% of the LRA Members eligible to vote.

Section 4. Notice of Meetings. Notice shall be given to every LRA Member entitled to participate in the meeting at least ten (10) days preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 5. Quorum.

- (a) LRA Board of Directors Meetings. A simple majority of LRA Officers and LRA Directors (one more than one-half) shall constitute a quorum for the transaction of business.
- (b) LRA Membership Meetings. Attendance by 10% of the LRA Members eligible to vote shall constitute a quorum for the transaction of business.

Section 6. Electronic Transaction of Business. To the fullest extent permitted by law, the LRA board of directors or membership may conduct business by electronic means.

Section 7. Action without Meeting. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the LRA board of directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the LRA 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 LRA directors. All the approvals evidencing the consent shall be delivered to the LRA Association Executive to be filed in the corporate records. The action taken shall be effective when all the LRA directors have approved the consent unless the consent specifies a different effective date. Any changes adopted should be discussed and added to the following month's Director's meeting minutes.

Article XIII – Committees

Section 1. Workgroups

At the October LRA Board of Directors meeting, all LRA Directors shall each select at least one workgroup to chair/co-chair, and working in conjunction with the LRA Association Executive, shall contact and invite members at large to participate as part of the workgroup. The workgroup will cease functioning once the duties and obligations for its initial purpose have been fulfilled, thus allowing new members to join when a new workgroup is needed.

Section 2. Special Workgroups. The LRA President shall appoint, subject to confirmation by the LRA Board of Directors, special committees as deemed necessary. Any committee with members is merely an advisory committee (not a board committee) and doesn't exercise delegated LRA Board of Directors powers.

Section 3. Organization. All committees shall be of such size and shall have duties, functions, and powers as assigned by the LRA President or the LRA Board of Directors except as otherwise provided in these Bylaws.

Section 4. President. The LRA President shall be an ex-officio member of all standing committees and shall be notified of their meetings.

Section 5. Action without Meeting. Any committee may act by unanimous consent in writing without a meeting. 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 of the members of the committee.

Section 6. Remote Attendance. Members of a workgroup may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the LRA President and shall constitute presence at the meeting.

Article XIV – Fiscal and Elective Year

Section 1. The elective and accounting period of the LRA Board shall follow the calendar year.

Article XV – Rules of Order

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

Article XVI – Amendments

Section 1. These Bylaws may be amended at any meeting of the Board of Directors by an affirmative vote of two-thirds of the Directors present and voting, provided a quorum is present, and the substance of any proposed amendments have been sent to each Director at least seven days in advance of the meeting. The notice may be sent by mail, email or personal delivery to the address(es) on file with the NAR.

a) When Bylaws amendments are mandated by NAR policy, these Bylaws may be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by NAR and not require a membership vote. The LRA shall provide notice of that change in a regular or special membership communication.

Section 2. Notice of all LRA General meetings at which amendments are to be considered shall be mailed - emailed to every member eligible to vote at least ten (10) days prior to the meeting.

Section 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the LRA shall become effective upon their approval as authorized by the Board of Directors of the NAR.

Article XVII – Dissolution

Section 1. Upon the dissolution or winding up of affairs of this LRA, the LRA Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the WRA, or, within its discretion, to any other non-profit, tax-exempt organization.

Article XVIII – MLS Participation

Section 1. Participation. Any REALTOR® of this or any other Association who is a principal, partner, corporate officer, or branch office manager 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 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 the Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

NOTE: Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm 'offers or accepts cooperation and compensation' means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going basis during the operation of the Participant's real estate business.

The 'actively' requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies Wisconsin law

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

ARTICLE XIX - INDEMNIFICATION

1.1 Mandatory Indemnification. The LRA shall, to the fullest extent permitted or required by sections 181.0871 to 181.0883, inclusive, of the Wisconsin Nonstock corporation Law ("Statute"), including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the LRA to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any Director or Officer is a party because such Director or Officer is a Director or Officer of the LRA and was acting within the scope of his or her duties as such. The LRA may indemnify its employees and authorized agents, acting within the scope of their duties as such, to the same extent as Directors or Officers hereunder. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses to which such Director or Officer may be entitled under any written agreement, board resolution, insurance policy, the Statute or otherwise. All capitalized terms used in this Article XIX and not otherwise defined herein shall have the meaning set forth in section 181.0871 of the Statute.

1.2 Permissive Supplementary Benefits. The LRA may, but shall not be required to, supplement the right to indemnification set forth in Section 11.1 of these bylaws by purchasing insurance covering any one or more of its Directors, Officers, employees or agents, whether or not the LRA would be obligated to indemnify or advance Expenses to any such person under Section 1.1, and/or by entering into individual or group indemnification agreements with any one or more of such persons.

1.3 Indemnification Provisions Constitute a Contract. The foregoing indemnification provisions of this Article constitute a contract between the LRA and the respective officers, directors and other persons described above and for whose benefit indemnification is provided under this Article.

1.4 Effect of Invalidity. The invalidity or unenforceability of any provision of this Article shall not affect the validity or enforceability of any other provision of this Article or of these bylaws.

Membership Policy Statements Approved by the Board of Directors NATIONAL ASSOCIATION OF REALTORS®

(The following policy statements are informational, and not part of the Bylaws.)

Statements of Membership Policy Related to Implementation of Board of Choice

That, effective upon approval by the Board of Directors, the following statements of membership policy and amendments to the Model Board Bylaws to implement the board of choice proposal be adopted.

The primary board of affiliation elected by a REALTOR® must be in the state where the REALTOR® is licensed and maintains his/her principal place of business. Licensees affiliated with a REALTOR® firm may choose as their “primary” board any board in the state where the firm maintains a “Designated” REALTOR(S).

Membership shall be available in a secondary board on terms and conditions no more stringent than the requirements established in the board’s Bylaws for REALTOR® and (REALTOR-ASSOCIATE® where applicable) membership. The privileges of membership shall be the same including the right to vote and hold office. Membership will be granted to individuals who hold REALTOR® or REALTOR-ASSOCIATE® membership in their primary board without any requirement that the Designated REALTOR® they are licensed or affiliated with hold membership in the secondary board. However, MLS services will only be available if the Designated REALTOR® participates in the MLS. Board dues shall not include a national allocation since NAR dues have been paid through the member’s primary board. A state allocation may only be included if the member’s primary board is located in a different state.

REALTORS® shall be entitled to purchase services from boards other than their primary board without the necessity of holding membership in those boards. Service fees will be determined by the individual boards. However, the board may require that a REALTOR® (principal) be licensed in the state as a condition of MLS participation.

Concerning Board of Choice Across State Lines

That the membership choices currently provided under Board of Choice be expanded across state lines as follows:

Members may join a primary board across contiguous state lines. State association membership would be in the state where primary board membership is held. To become effective July 1, 1996, with optional local board adoption sooner

Portability of Membership Records (Files)

In order to facilitate timely processing of applications for membership and to assist associations in determining an applicant’s qualification for REALTOR® or REALTOR-ASSOCIATE® membership, associations shall, based on a request from another association, share information about current or former members. Minimum “core” member information shall include:

1. Previous applications for membership

All findings of Code of Ethics violations of other membership duties within the past three (3) years (when available) Pending complaints alleging violations of the Code of Ethics or alleging violations of other membership duties Incomplete or (pending) disciplinary measures Pending arbitration requests (or hearings) Unpaid arbitration awards or unpaid financial obligations to the association or its MLS

An association may, at its discretion, consider information received from other associations when determining whether an applicant satisfies the association’s membership requirements as established in the association’s bylaws (not to exceed NAR’s Membership Qualification Criteria).

Clarification of the Term “Principal”

The term “principal” as used in the NAR Constitution and Bylaws and in other relevant policies, includes licensed or certified individuals who are sole proprietors, partners in a partnership, officers or majority shareholders of a corporation, or office managers (including branch office managers) acting on behalf of principals of a real estate firm.

Secondary Membership in a Board/Association

When a member has joined a primary association and paid local, state and national dues, secondary membership may be held in a local association in another state (provided the applicant meets all of the qualifications for

membership) without holding membership in that state association, or alternatively, secondary membership may be held directly in the state association without holding a membership in a local association in the state.

Membership Requirements Related to Multiple Office Locations

When considering an applicant for REALTOR® membership who is a principal in a real estate firm, associations have an obligation to determine that all of the principals of the real estate firm who are actively engaged in the real estate business in the state are either applying for or already hold REALTOR® membership (or Institute Affiliate membership, if applicable) in a board or association.

If an association (local, state, national) is notified by another association that a REALTOR® member has an office location elsewhere in the state that is not functioning as a “REALTOR®-office” (i.e., licensees affiliated with the office are not members or are not accounted for under the DR dues formula) the association where the REALTOR® holds primary membership shall be responsible, in cooperation with the state and national associations, for ensuring compliance with applicable membership policies (i.e., that said licensees hold membership in the REALTOR®’s primary association – or some other association in the state where the firm maintains a designated REALTOR® presence – or that dues have been paid to an association based on non-member licensees affiliated with the office).