

**Northern Wasatch ASSOCIATION OF REALTORS®
Serving Davis, Weber, Morgan Counties**

BYLAWS

Revised August 2018

ARTICLE I - NAME

Section 1. Name. The name of this organization shall be the Northern Wasatch Association of REALTORS®, Incorporated, a non-profit 501(c)(6) corporation hereinafter referred to as the "Association".

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

ARTICLE II - OBJECTIVES

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

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

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

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

Section 5. To unite those engaged in the real estate profession in this community with the Utah Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

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

ARTICLE III - JURISDICTION

Section 1. The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS ® is all of Weber and Morgan Counties and that portion of Davis County north of the north city limits of Farmington City, as allocated by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS ®.

This paragraph is not intended in any manner to limit the territory within which members may do business under the Real Estate Laws of the State of Utah.

Section 2. Territorial jurisdiction is defined to mean:

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

ARTICLE IV - MEMBERSHIP

Section 1. There shall be six 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 Utah or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in a Board of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership. as described in Section 1(b) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the 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. (Amended 1/01)~~

NOTE: REALTOR® Members may obtain membership in a "secondary" Board 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.~~

Franchise REALTOR® Membership

~~(3)~~ Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local board, state association and National Association.

(4) **Primary and secondary REALTORS® Members.** An individual is a primary member of the Association and National dues based on such Member. An individual is a secondary member if state and National dues are remitted through another Association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as the "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 association) pursuant to Article 17 of the Code of Ethics and the payment of Association 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~~

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

(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 objective of the Association.

(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 Association, or for the public.

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

(g) **Lifetime Members.** Lifetime members shall be those individuals so recognized by the Northern Wasatch Association of REALTORS® who have been a member of NWAOR for thirty five (35) years, who thereafter shall be exempted from paying a portion of Northern Wasatch Association of REALTORS® dues only. This exemption does not include any fees paid by the Northern Wasatch Association of REALTORS® to NATIONAL ASSOCIATION OF REALTORS®, Utah Association of REALTORS® and/or the Wasatch Front Regional Multiple Listing Service.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1. Application. An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Association, State and National Associations, and if a

REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Association, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification.

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Association that he/she is actively engaged in the real estate profession, and maintains a current valid real estate brokers or salespersons license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member) within the Association's jurisdiction, has no record of recent or pending bankruptcy, has no record of official sanctions involving unprofessional conduct, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® , and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Association, and shall agree that if elected to membership, he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

NOTE 1: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® 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 Association or a Designated REALTOR® Member of another Association (if a secondary member) and must maintain a current valid real estate brokers or salespersons license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Association, and shall agree in writing that if elected to membership he will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® , and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

(c) The Association 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

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other association or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2(a) NOTE 1 provided all other qualifications for membership have been satisfied). Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved, or within (90) days in the event that the applicant has unsatisfied discipline pending in another association (as described in this section). Provisional members shall be considered REALTORS ® and shall be subject to all of the same privileges and obligations of REALTOR® membership.

If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to pending ethics or arbitration proceeding (in accordance with established procedures of the association 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 Association shall determine whether the applicant is applying for the appropriate class of membership. The Association shall give written notice to the REALTOR® Members of such application and invite written comment. If one or more of the REALTOR® Members objects to the approval of the application, basing such objection on lack of qualification as set forth in these Bylaws, the Board of Directors shall invite any objecting Member to appear and substantiate his objections. Objections which are not substantiated shall be totally disregarded. The Board of Directors may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting Member, and (2) giving the applicant a full opportunity to appear before the Committee and establish his qualifications. The Board of Directors shall thereafter make a written report of its findings. The Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws of the Association.

(b) The Board of Directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he shall be declared elected to membership and shall be advised by written notice.

(c) The Board of Directors may not reject an application without providing the applicant, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

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

Section 4. Status Changes.

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Association within thirty (30) days. A REALTOR® (non-principal) who becomes a principal in the firm with which he 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 REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within thirty (30) days of the date they advised the Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

(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 Board of Directors and shall be based on the new membership status for the remainder of the year.

Code of Ethics: Professional Standards and Training

Section 5. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less. Failure to satisfy this requirement within **90** ~~60~~ days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

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

Section 6. Continuing Member Code of Ethics Training.

Effective January 1, **2017**, through December 31, **2018**, and for successive **two** ~~four~~ 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 ~~quadrennia~~ ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any **two** ~~four~~ year cycle shall not be required to complete additional ethics training until a new **two** ~~four~~ year cycle commences.

Failure to satisfy ~~this requirement~~ **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 year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.** ~~for which REALTOR® membership shall be suspended until such time as the training is completed.~~

~~Members suspended for failing to meet the requirement for the first four (4) year cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.~~

Discipline of REALTOR® Members

Any REALTOR® member of the association may be disciplined by the board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the association, provided that discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the National Association of REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

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

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

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

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

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

Section 6. REALTOR® Members. REALTOR® Members whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association, may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VII, and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

(a) If a REALTOR® Member is a principal in a firm, partnership, or corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall

suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Association, whichever may apply. If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

(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 provisions 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 Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR, REALTOR-ASSOCIATE, or the REALTOR logo; to serve as President of the local association; or to be a participant in the local association's Multiple Listing Service.

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

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

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

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

Section 12. Lifetime Members. Lifetime Members shall have such privileges and obligations as enjoyed by them at the time of their selections except as provided in Article IV (1)(g).

Section 13. Certification by REALTOR®. "Designated" REALTOR® Members of the Association shall certify to the Association during the month of May, on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTOR'S® office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the 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 Association 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 Association of any additional individual(s) licensed or certified with the firm(s) within 15 days of the date of affiliation or severance of the individual.

Section 14. 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 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 association. Disciplinary action may include any sanction authorized in the association'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 Board of Directors selected by the highest ranking officer not named in the complaint.*

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

Enforcement of the Code

Section 1. The responsibility of the Association and of Association Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto, shall be governed by the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as

adopted by the Association, and as from time to time amended **amended from time to time**, which **is** by this reference **incorporated into these bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.** ~~is made a part of these Bylaws.~~

Section 2. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Policies and Procedures of the Association, the Constitution and Bylaws of the Utah Association of REALTORS®, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the *Code of Ethics and Arbitration Manual* of this Association as from time to time amended.

Section 3. The responsibility of the Board and of 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 Board, which by this reference is made a part of these Bylaws.

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

Realtor Trademark

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

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

Section 2. REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business with 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® principal ~~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.** ~~of the Association.~~

(a) In the case of a REALTOR® **principal** 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 NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIP

Section 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the Utah Association of REALTORS®. By reason of the Association's Membership, each REALTOR® Member of the Member Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Utah Association of REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations, unless by a majority vote of all its REALTOR® Members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

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

Section 3. The Association adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® Members. The Association and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association ~~and the Utah Association of REALTORS®.~~

ARTICLE X - MEMBER DUES AND FEES

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

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

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

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

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

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

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

(b) The annual dues of each REALTOR® Member other than the Designated REALTOR® shall be in such amount as established annually by the Board of Directors.

(c) Institute Affiliate Members. The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

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

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

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

(f) Honorary Members. The annual dues of each Honorary Member shall be in such amount as established annually by the Board of Directors.

(g) Student Member. Dues payable, if any, shall be at the discretion of the Board of Directors.

(h) Lifetime Members. Dues payable shall be as otherwise provided herein. (See Article IV Section 1 (g)).

Section 3. Dues Payable. Local, State and National dues for all members shall be payable annually in advance in accordance with the Policies and Procedures and billing schedule set forth by the Board of Directors.

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

Section 4. Deposit. All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 5. Expenditures. The Board of Directors shall administer the day to day finances of the Association.

Section 6. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the Association shall be noticed to the delinquent Association 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 NATIONAL ASSOCIATION OF REALTORS®), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. Officers. The officers of the Association shall be: President, President-Elect, 1st Vice President, 2nd Vice President and Treasurer. The Board of Directors may employ an Executive Officer who will serve as the Secretary.

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Executive Officer to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Utah Association of REALTORS®. The Executive Officer is an ex officio (non-voting) member of the Executive Committee and the Board of Directors.

Section 3. Board of Directors.

a. The governing body of the Association shall be the Board of Directors consisting of the elected officers (Immediate Past President, President, President-Elect, 1st Vice President, 2nd Vice President, Treasurer) and at least six (6) additional REALTOR® members of the Association.

b. The number of Directors shall be in relationship to the number of members of the Association. There shall be one Director for each 50 members as of April 1st of each year, not to exceed 14.

c. Directors shall be elected to serve staggered terms of 3 years. Each year forward, at least three new Directors will be elected to fill vacancies. If a replacement for an unfilled Director term is needed, it shall be filled by a simple majority vote of the Board of Directors to fill the remaining term. Appointed Directors will not be eligible for nomination and election as an Officer of the Association.

d. The President, President-Elect, 1st Vice President, 2nd Vice President, Treasurer, immediate past President, and the Executive Officer shall constitute the EXECUTIVE COMMITTEE of the Board of Directors. This committee shall be empowered to take actions and transact business of an emergency nature between meetings of the Board of Directors and shall report such actions and transactions in full to the Board of Directors at its next scheduled meeting.

Section 4. Election of Directors.

a. At the June meeting of the Board of Directors, the President shall appoint, subject to the approval of the Board of Directors, a Nominating Committee of between 8-10 REALTOR® members one of whom is the immediate Past President of

the Association who shall act as Chair of the Committee. The Executive Officer and President-Elect will be ex officio members of this committee. The duty of the Nominating Committee will be to select two REALTOR® members in good standing for each vacancy to be filled as a Director whose terms expire at the end of the present year.

b. August 1st of each year, after the names nominated have agreed to serve, a report of the Nominating Committee shall be mailed or delivered by means of email, faxes and/or the "Voice" to all members, announcing the candidates and the date for the General Membership Meeting for accepting any nominations from the floor and any Bylaw changes if needed. Additional candidates may be placed in nomination only by REALTOR® members at such meeting of the Northern Wasatch Association of REALTORS®. This meeting needs three weeks notice, therefore, it will be held no later than August 31st. The duty of the Nominating Committee will be to select two REALTOR® members in good standing for each vacancy to be filled as a Director whose terms expire at the end of the present year, plus to nominate any current Board member whose term is expiring and who wishes to run for an additional term.

c. September 15th of each year the ballots will be delivered or made available electronically to all REALTOR® members of the Association in good standing and entitled to vote. The election shall be by secret ballot. The ballot shall contain the names of all candidates. All ballots must be properly executed and submitted within the time specified in order to be counted. Detailed procedures to secure the handling of ballots shall be in conformity with such additional rules and regulations as the Board of Directors may adopt. There will be no ballots accepted by telephone email or fax.

d. No later than the first week of October, an Election Committee of not less than three, which has previously been appointed by the President and approved by the Board of Directors, shall meet and count the ballots and shall certify the results to the President and the Executive Officer of the Association. The candidates for the expiring terms receiving the highest number of votes cast will be declared elected. In case of a tie vote, the selection shall be made by lot under the direction of the Election Committee.

e. Within fifteen (15) days after the election, the outgoing directors, and the hold-over directors, shall meet and shall elect, by secret ballot, a president, a president-elect, a 1st vice president, a 2nd Vice President and a treasurer for the ensuing year. All officers shall be selected from Directors that have been duly elected from the membership election process. In the absence of unforeseen events, the President-elect shall succeed to the presidency the following year and the 1st Vice President shall succeed to the President Elect, subject to ratification by the Board of Directors.

f. In the event an appointed Director desires to seek election to the Board of Directors, that person shall be placed on the ballot by the Nominating Committee for the next general election. In the event an appointed Director is elected, they shall serve the three year term of that Directorship and shall be eligible to run for an office of the Board of Directors. The vacated appointment shall either be filled by another appointee, or left vacant, at the discretion of the Board of Directors. In the event the appointed Director is not elected, they shall continue to fill the remainder of their appointed term.

g. The election results shall be announced immediately after the election and the new officers and Directors shall be installed at a regular meeting of the Northern Wasatch Association prior to December 31st.

Section 5. UAR Board of Directors. The number of Utah Association of REALTORS® directors representing the Association at the Utah Association of REALTORS® shall be based on the criteria established by the Utah Association of REALTORS®. The President of the Northern Wasatch Association of REALTORS® shall automatically serve as a UAR Director during his/her tenure as President. There shall be a REALTOR® member who serves as a member of the Board of Directors of the Utah Association of REALTORS® for each 1,000 members, or fraction thereof, of the Northern Wasatch Association of REALTORS®. At the time that the Association has over 1,000 members by July 31 of any year, there will be an additional UAR voting member allowed. This member will be chosen by secret ballot voted by the current Northern Wasatch Association of REALTORS® Board of Directors during October of each year that another member is required, or voted from the membership at a general election.

Section 6. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors to fill the remaining term of the Director being replaced. Appointed Directors will not be eligible for nomination and election as an Officer of the Association.

Section 7. Removal of Officers and Directors. With the exception of Article XII, Section 2 (herein), in the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and 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 or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.

(c) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Association unless the President's continued service in office is being considered at the

meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

ARTICLE XII - MEETINGS

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

Section 2. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings. Absence, from four regular meetings during a calendar year will be construed as a resignation. Each Director shall be permitted a total of three (3) absences in any calendar year. The fourth absence, shall be construed a resignation from the Board. It shall not count as an absence if the Director is absent because of official Association business. If a Director is more than 15 minutes late for any regular meeting or leaves more than 15 minutes before the time the meeting is adjourned, it shall be considered an absence.

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

Section 4. Notice of Meetings. Notice of General Membership meeting will be given at least one (1) week preceding all meetings by: notice in the "Voice" newsletter, notice to Brokers through FAX or E-mail to all members with addresses if the Association has the program available. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 5. Quorum. A quorum for the transaction of business shall consist of a majority of those REALTOR® Members present and eligible to vote.

ARTICLE XIII - COMMITTEES

Section 1. Standing Committees. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

Affiliate	Government Affairs/RPAC
Budget & Finance	Education/Technology
Community Outreach	Business/Strategic Planning

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

Section 2. Committee Service. All committee members serve at the discretion of the Board of Directors. Any committee member, may be removed from any or all committee(s): by the Board of Directors, if the committee member within a three year period of serving on the committee (1) has been found in violation of the code of ethics; or (2) has been the subject of any disciplinary action from the Division of Real Estate; or (3) has been found liable for any anti-trust or anti-competitive behavior in a court of law; or (4) has violated any rules, by-laws, polices, or procedures of the Northern Wasatch Association of REALTORS®, as determined by the Board of Directors.

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

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

Section 5. Quorum. A quorum for the transaction of business shall consist of a majority of committee members in good standing who are present and eligible to vote.

Section 6. Attendance. Any Committee Member, who fails to attend three (3) regular or special meetings of the committee, shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointees. This attendance policy shall be enforced according to the discretion of the committee chair.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1. The fiscal year and elective year shall both be from January 1 to December 31.

ARTICLE XV - RULES OF ORDER

Section 1. Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, 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 by a majority vote of the members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

Section 2. Notice of all meetings at which amendments are to be considered shall be made according to Article XII, Section 4, Notice of Meetings.

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 Association shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVII - DISSOLUTION

Section 1. Upon the dissolution or winding up of affairs of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Utah Association of REALTORS® or, within its discretion, to any other non-profit tax exempt organization. (Revised 9/03)

Approved by NWAOR