

**Bylaws of the
Southern Indiana REALTORS® Association, Inc.
Revised and Adopted July 6, 2021**

Chartered May 12, 1970, Southern Indiana Board of REALTORS®, Inc., and January 1, 1990, Southern Indiana REALTORS® Association, Inc., The Southern Indiana REALTORS® Association, Inc. (SIRA) shall adopt nearly verbatim, with review and advice of SIRA legal counsel, the Model Bylaws recommended by the National Association of REALTORS®, Inc., hereafter referred to as "NAR." Future required revisions by NAR shall automatically be included verbatim or with minor variations at the review and advice of SIRA legal counsel. The Indiana Association of REALTORS® hereafter shall be referred to as "IAR."

Article I – Name

Section 1. Name. The name of this organization shall be the Southern Indiana REALTORS® Association, Incorporated, hereinafter referred to as "SIRA."

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

Article II – Objectives

The objectives of SIRA 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 NAR.

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 IAR and 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 NAR.

Article III – Jurisdiction

Section 1. The territorial jurisdiction of SIRA as a Member of NAR is Clark, Crawford, Floyd, and Harrison, Orange and Scott Counties, Indiana.

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 NAR, in return for which SIRA 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 Indiana 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 N. 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 SIRA 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 N.

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) 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 REALTOR® Members. An individual is a primary member if SIRA pays State and National dues based on such Member. An individual is a secondary Member if State and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR® member of SIRA in order for licensees affiliated with the firm to select SIRA as their "primary" Board.

(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 pursuant to Article 17 of the Code of Ethics and the payment of SIRA 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 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 individual, 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 SIRA.

(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 SIRA, 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.

Article V - Qualification and Election

Section 1. Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of NAR, the Constitutions, Bylaws, and Rules and Regulations of SIRA, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of SIRA, State and National Associations, and if a REALTOR® Member, will abide by the Code of Ethics of NAR 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 NAR, as from time to time amended, and (2) that applicant consents that SIRA 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 SIRA 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 SIRA Bylaws 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 SIRA 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 the state or a state contiguous thereto (unless a secondary member), 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 of SIRA, the Bylaws of the State Association, 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 SIRA, and shall agree that if elected to membership, he/she will abide by such Constitutions, 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 Board 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 Board 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 that an existing member initiates bankruptcy proceeding, 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 unprofessional conduct is intended to mean that SIRA may only consider:

- A. 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.
- B. 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 date.

NOTE: Article IV, Section 2, of the NAR Bylaws prohibits SIRA from knowingly granting REALTOR® Membership to any applicant who has an unfulfilled sanction pending which was imposed by another 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 SIRA or a Designated REALTOR® Member of another Board (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, shall complete a course of instruction covering the Bylaws of SIRA, the Bylaws of the State Association, 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 SIRA and shall agree in writing that if elected to membership he will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

(c) SIRA 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 this or any other REALTOR® 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 Code of Ethics,

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. 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 the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. Election

The procedure for election to membership shall be as follows:

(a) Staff (Membership Director or other staff authorized by the CEO) shall determine an applicant's eligibility for REALTOR® or affiliate membership. Eligibility for membership may include, but not limited to, credit reports, criminal background, sex offender registry, as permitted by law and approved by SIRA General Counsel. Applicants for REALTOR® membership shall produce sufficient evidence of a valid Indiana real estate or appraisal license.

(b) Applicants subject to rejection for membership shall be noticed to SIRA General Counsel and Board of Directors. If the Board of Directors believes that denial of membership to the applicant may become the basis for litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Board for a Declaratory Judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

Section 4. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed 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 30 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.

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 association (with the exception of REALTOR© members granted REALTOR© Emeritus status by the National Association of REALTORS©)

shall be required to complete 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, IAR, NAR, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by 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 this requirement 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 (2) months (January and February) of the year following the end of any two (2) 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.

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 SIRA 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 10 days of the date they advised SIRA of their change in status, their new membership application will terminate automatically unless otherwise so directed by the 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 10 days of the date SIRA is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors. The Board of Directors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with SIRA'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 month in which the member is notified of election by SIRA and shall be based on the new membership status for the remainder of the year.

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 SIRA may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and SIRA's Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of NAR. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by SIRA, 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 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 term REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of SIRA, IAR, and NAR.

Section 3. Any REALTOR® Member of SIRA 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 NAR, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of NAR as set forth in the Code of Ethics and Arbitration Manual of NAR.

Section 4. Resignations of Members shall become effective when received in writing by SIRA, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of SIRA or any of its services, departments, divisions, or subsidiaries, SIRA 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, the complaint shall be processed until the decision of the association with respect to disposition of the complaint is final by this association (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to 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 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 association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (Amended 1/00 and 11/11)

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

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the 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 SIRA, 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 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 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 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 Board of Directors.

Section 12. Certification by REALTOR®. "Designated" REALTOR® Members of the Board shall certify to SIRA during the month of December on a form provided by SIRA, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another Board based on said non-member licensees, the Designated REALTOR® shall identify the Board to which dues have been 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 SIRA of any additional individual(s) licensed or certified with the firm(s) within 10 days of the date of affiliation or severance of the individual.

Section 13. 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 CEO 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 and President Elect, they may not participate in the proceedings and shall be replaced by the by another member of the board of directors selected by the highest-ranking officer not named in the complaint.

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

Article VII - Professional Standards and Arbitration

Section 1. The responsibility of SIRA and of SIRA 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 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.

Section 2. It shall be the duty and responsibility of every REALTOR® Member of SIRA to abide by the Bylaws and the Rules and Regulations of SIRA, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NAR, and to abide by the Code of Ethics of the NAR, 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 Board as from time to time amended.

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 NAR and to the Rules and Regulations prescribed by its Board of Directors. SIRA shall have the authority to control, jointly and in full cooperation with NAR, 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 SIRA 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 NAR.

Article IX- State and National Memberships

Section 1. SIRA shall be a Member of NAR and JAR. By reason of SIRA's Membership, each REALTOR® Member of the Member Board shall be entitled to membership in NAR and JAR without further direct payment of NAR and/or JAR dues. SIRA shall continue as a Member of

the State and National Associations, unless by a majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case the State and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2. SIRA recognizes the exclusive property rights of NAR in the terms REALTOR® and REALTORS®. SIRA 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. SIRA adopts the Code of Ethics of NAR and agrees to enforce the Code among its REALTOR® Members. SIRA and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NAR and IAR.

Article X - Dues and Assessments

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership and which shall become the property of SIRA 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 by the Board of Directors, plus an additional amount, which may be reviewed annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to SIRA 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 Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies SIRA in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of SIRA.

(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 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

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 SIRA on a form approved by SIRA a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, renting, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®. Designated REALTORS® shall notify the Association within three (3) days of any change in 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 SIRA who during the same calendar year applies for REALTOR® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® membership during the preceding calendar year.

(b) REALTOR® Members. The annual dues of REALTOR® Members other than the Designated REALTOR® may be reviewed annually by the Board of Directors.

(c) Institute Affiliate Members. The annual dues of each Institute Affiliate Member may be reviewed as stated in Article II of the Bylaws of the NAR.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$75.00). The National Association shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$25.00 to the account of 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 Affiliate Member may be reviewed annually by the Board of Directors.

(e) Public Service Members. The annual dues of each Public Service Member may be reviewed annually by the Board of Directors.

(f) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

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

Section 3. Dues Payable. Dues for all Members shall be payable annually in advance on the 25th day of January. 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 nonpayment of SIRA 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 SIRA or the SIRA'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 Board of Directors. Two (2) months after the due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Three (3) months after the due date, membership of the nonpaying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Member who has had his/her membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Board 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. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors.

Section 6. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. Notice of all dues, fees, fines, assessments, or other financial obligations to SIRA or SIRA's Multiple Listing Service shall be provided to the delinquent SIRA 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), Past Presidents of the National Association or recipients of the

Distinguished Service Award shall be as determined by the Board of Directors.

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

Article XI - Officers and Directors

Section 1. Officers. The Officers of SIRA shall be:

- President of the Board of Directors
- President Elect of the Board of Directors
- Secretary/Treasurer (One Position)

The Officers shall be elected for a term of one year, except the President Elect, who shall serve one year as President Elect, and then serve as President the following year. The Secretary/Treasurer is a combined position and he/she shall serve a two (2) year term. The election of Officers shall be held at the Annual Meeting of SIRA, which is held in the 4th Quarter of each year. All Officers shall assume their responsibilities effective with the Installation of Officers ceremony. The date, time and place of the Installation ceremony are to be determined by the Chief Executive Officer (CEO) with approval by the Board of Directors.

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 CEO to keep the records of SIRA and to carry on all necessary correspondence with NAR and IAR. The CEO shall be in charge of SIRA properties, have supervision of the entire staff, and perform such other duties as may be designated by the Board of Directors.

Section 3. Board of Directors. The governing body of SIRA shall be a Board of Directors consisting of the President, the President Elect, Secretary/Treasurer and nine (9) elected Directors. Five (5) of these nine (9) Directors will be elected during even numbered years to serve for two (2) years, and four (4) of these nine (9) will be elected during odd numbered years to serve for two (2) years.

(b) A maximum of two (2) members from one (1) company to serve on the Board of Directors

shall be observed.

- (i) In the event of an agent transfer that creates more than two (2) Directors from one (1) company, the agent transferring shall immediately resign from the Board of Directors.
- (ii) In the event of a company merger that creates more than two (2) Directors from one (1) company, and in the absence of a consensus of those affected regarding which Director(s) shall resign, the decision on which Director(s) from that company who will resign will be by random drawing, prior to the next regularly scheduled Board of Directors meeting.
- (iii) In the event a director resigns, the Executive Committee shall pull previously submitted applications and submit their recommendations to the Board of Directors for replacement.

(c) Any member applying for consideration as a member of the Board of Directors shall hold primary membership in SIRA.

(d) Any member applying for consideration as a member of the Board of Directors shall have currently or previously served on SIRA committee(s) for a minimum of two (2) years, but not necessarily consecutively.

(e) Term Limits. No director shall serve for more than two (2) consecutive two (2) year elected terms.

Section 4. Election of Officers and Directors.

(a) At least two (2) months before the annual election, a nominating committee of five (5) REALTOR® members shall be appointed by the President with the approval of the Board of Directors. The nominating committee shall select one (1) candidate for each office and one (1) candidate for each place to be filled on the Board of Directors. The report of the nominating committee shall be presented for approval to the Board of Directors at their regular meeting to become the Official Slate. The Official Slate shall be noticed in *Property Writes* at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination by petition signed by at least fifty-one (51%) percent of the REALTOR® members eligible to vote. The petition shall be filed with the chief executive officer at least two (2) weeks prior to the election. The chief executive officer shall send notice of the additional nominations to all members eligible to vote before the election.

(b) The election of Officers and Directors shall take place at the Annual Meeting of SIRA. Election shall be by voice vote on the Official Slate or ballot (when necessary if a majority cannot be determined by voice vote) and all votes shall be cast in person. The ballot shall contain the names of all candidates and the offices for which they are nominated.

(c) In the event that a director with one (1) more year remaining in his/her term is nominated to become the President Elect, the name of a candidate will be placed on the ballot to serve his/her remaining one (1) year term.

Section 5. Vacancies.

(a) A vacancy may occur by death, resignation, or expiration of term.

(b) A vacancy shall occur whenever a Board of Director is absent from three (3) regular Board of Directors meetings in a calendar year for any cause other than illness, or an excuse deemed valid by the Board of Directors.

(c) Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors to serve out the remainder of the term.

Section 6. Removal of Officers and Directors. 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 fifty-one percent (51%) of the voting membership or a majority (51%) 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 SIRA 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 SIRA 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. The Officer/Director will have the opportunity to address the meeting and then be dismissed from the discussion and voting.

Section 7. Chief Executive Officer. There shall be a non-voting CEO appointed by the Board of Directors, who shall be the chief administrative officer of the Board. The CEO shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors.

Section 8. Compensation and Restrictions.

(a) All members of the elected Board of Directors shall serve without compensation, except that necessary travel expenses of the President and President Elect shall be reimbursed. Such travel shall be approved by the CEO.

(b) No elected Board of Directors member shall serve as a paid employee of SIRA, nor shall any

immediate or close relative of the CEO be in the employment of SIRA.

Article XII- Meetings

Section 1. Annual Meetings. The annual meeting of SIRA shall be held in the 4th Quarter of each year with the date, place, and hour to be designated by the Board of Directors and/or the Chief Executive Officer.

Section 2. Meetings of Directors. The Board of Directors shall designate a regular time and place of meetings. Absence from three (3) regular meetings in a calendar year without an excuse deemed valid by the Board of Directors shall be construed as resignation.

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 fifty-one percent (51%) of the Members eligible to vote.

Section 4. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting, and only agenda items will be the specific(s) for the called meeting.

Section 5. Quorum. A quorum for the transaction of business by the active membership shall consist of fifty-one percent (51%) of the Members eligible to vote. A quorum for the transaction of business conducted by the Board of Directors shall consist of sixty percent (60%) of the Board of Directors.

Section 6. Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct a meeting or business by electronic means, including but not limited to electronic signatures.

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 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 of the Directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the CEO to be filed in the corporate records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date.

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:

Bylaws, Finance, Grievance, Nominating, Professional Standards, MLS Policy, RPAC Campaign,

RPAC Trustees

The Finance Committee shall consist of current President, President Elect, Secretary/Treasurer, and two (2) REALTOR® members selected by the Board of Directors. The CEO and CPA shall serve on the committee as consultants without voting privileges.

In addition, the President shall appoint from among the REALTOR® members, subject to confirmation by the Board of Directors, task force areas and work groups as needed. For example, these may include but are not limited to: Cultural Diversity, Community Relations, Membership Policy, MLS Forms, etc. Other standing committees which may include, but are not limited to: Legislative, Public Relations, Membership, REALTOR® Protection, Education, Equal Opportunity, RPAC Fundraising, International, Commercial, Affordable Housing, Community Service, REALTOR® of the Year, etc.

Section 2. Special Committees. The President and/or CEO shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

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 these Bylaws.

Section 4. President. The President and President Elect shall be ex-officio members 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. Attendance by Electronic Means. Members of a committee 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 Committee Chairperson and shall constitute presence at the meeting.

Article XIV - Fiscal and Elective Year

Section 1. The fiscal year of the Board shall be January 1st through December 31st.

Section 2. The elective year of the Board shall be January 1st through December 31st.

Article XV - Rules of Order

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

Section 2. All notification in *Property Writes* shall be deemed official notification to the membership.

Section 3. When a quorum is present, a majority vote, that is a majority of the votes cast, is sufficient for the adoption of any motion that is in order, except those that require two-thirds vote by these Bylaws. On a tie vote, the President may cast a vote to break the tie.

Article XVI – Amendments

Section 1. These Bylaws may be amended by the majority vote of the Board of Directors 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. Meetings at which amendments are to be considered shall be noticed to every Board of Director member eligible to vote at least one (1) week 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 SIRA 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 of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Community Foundation of Southern Indiana or, within its discretion, to any other non-profit tax-exempt organization.

Article XVIII - Multiple Listing

Section 1. Authority. SIRA shall maintain for the use of its Members a Multiple Listing Service which shall be subject to the Bylaws of the Board of REALTORS® and such rules and regulations or handbook as may be hereinafter adopted.