

## Byelaws of



## Byelaws 1 (Membership-General)

**MEMBERSHIP - Ongoing general criteria of membership****Compliance with these Byelaws****1.1**

It is a condition of membership that all Members, their staff etc., and all Individual Members (so far as the context permits) of the Association comply with the Byelaws of the Association, as amended from time to time, and it is incumbent upon those Members and people to keep themselves up to date and familiar with the Byelaws. Categories of membership shall be those agreed by The National Federation of Property Professionals (NFOPP) board from time to time to include Licensed Principal Partners or Directors, Licensed Individual Members and Individual Members, as well as any transitional memberships during implementation of any changes made to membership categories. Requirements of Membership shall, at all times be those advised upon application to NFOPP

**Annual renewals****1.2**

A renewal invitation for a PPD Member or for an Individual's annual membership is not an automatic right endowed by prior membership and is issued each year at the discretion of the Association.

**Membership year****1.3**

- 1) Membership shall be renewable on an annual basis at the invitation of the Association and appropriately completed renewal papers and payments must be received in a timely manner by the Association. Failure to do so will result in membership being terminated.
- 2) Licensed Members employed by a Licensed PPD shall have their individual membership renewed at the same time as the PPD member where the PPD members makes payment for renewal of individual members

**Main or Head Office****1.4**

A PPD Member's Main office will be the Head office, or principal office of the PPD Member administering/controlling and/or involved in, the business of residential letting and property management and will be so registered on the Association's database or records.

**Branch Offices****1.5**

A PPD Member's branch offices are those offices from where any residential letting and/or management function or activity takes place; for example, those: -

- a) Which are offering or purporting to be offering to the public, through promotion, advertising or other similar activities or material, the availability or performance of residential letting and/or management service(s) from or through that particular office; and/or,
- b) Where there is/are staff routinely employed or based whose role is mainly to promote and carry out residential letting and/or management services for and on behalf of that particular branch or its clients or customers.

All such offices must be registered with the Association.

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### **Staff with a “suitable qualification”**

#### **1.6**

Each registered branch office of a Member, as an ongoing requirement of membership shall have at least at least one member of staff holding a “suitable qualification” (as set out in the appropriate list in Appendix A to these Byelaws) working in a branch office. The member of staff so qualified must be available for at least 70% of the opening hours of that branch office. N.B. A Licensed office will require at least one individual member of ARLA based at that office

#### **1.7**

Should the number of qualifying members of staff fall below the minimum required for any reason, a Member Firm or office must replace such person with another qualifying member of staff.. Should a branch office not have a suitably qualified individual member of AR LA within that branch office that branch office will not be eligible to be a Licensed branch office

### **Prompt provision of information about staff and offices**

#### **1.8**

A PPD Member has an obligation promptly, in a timely manner, to provide the Association with relevant information from time to time relating to qualifying staff and the existence, or otherwise, of branch offices in order that these rules may be monitored and the Association’s records be kept accurate and up to date.

### **Designatory letters/symbols/logo of the Association**

#### **1.9**

A current PPD Member shall be entitled to use the designatory letters/symbols/logo of the Association on, for example, its notepaper, business cards, in newspaper advertisements, property particulars or other appropriate places relevant to its main or registered branch offices. Such use will be under licence from the Association solely whilst the Member is in membership and only in the manner and format laid down by the Association from time to time (See Byelaw 6). Certain categories of Membership will be excluded from using the logo. Where this exclusion applies, the Association will advise the member.

### **Membership Certificates and Window Stickers**

#### **1.10**

PPD Members should display in a prominent position in the reception or similar public areas of each registered office, their current Certificate of Membership and promotional window stickers and must promptly remove such certification and stickers when they cease to be Members, or upon expiry of the period covered by the Certificate.

### **Internal Complaint procedure**

#### **1.11**

A PPD Member must maintain and operate (appropriate to its size and structure) a prescribed procedure to deal with formal complaints from clients and customers and an explanation of that process must be provided in written form to a complainant, upon request. [An example template is provided in Appendix C to these Byelaws, for the use of Members.]

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### **1.12**

A Member must comply promptly and fully with any investigation of and subsequent findings of a complaint or breach of these Byelaws and Rules of membership. (Failure to co-operate or comply will result in sanctions being applied.)

### **Notification of a CHANGE in CONTROL of a PPD Member's Firm**

### **1.13**

A PPD Member is required to notify the Association of any material changes in management control or ownership of 25% or more of issued share capital or of any significant change of equity partners or upon merger, amalgamation or acquisition within a maximum of 28 days after such a change takes effect. (Ideally, the Association would prefer to be notified or consulted in advance of any such change so it can give guidance as to any affect such change might have on membership status.)

**[For the avoidance of doubt** , a material change of the nominated franchisee or of the structure of ownership of an existing franchise operation that is a PPD Member, will constitute a “change of control” under Byelaw 1 clause 1.14 & 1.15.

### **1.14**

Where the Association considers there has been a material change of control of the Member as indicated in 1.14 above, it may, at its discretion, invoke 1.22 below.

### **RISK MANAGEMENT – Operational Service Standards – Check visits**

#### **Reason/rationale for such visits**

### **1.15**

In order to comply with obligations placed on the Association under its Client Money Protection Bonding Scheme, its duty both to its own membership and the public to robustly monitor compliance with its Byelaws and rules, and to demonstrate its commitment to high standards the Association may, at any time, carry out or authorise a visit or inspection as part of the random spot checks carried out by the Association from time to time upon a PPD Member or, as a result of information coming to the attention of the Association.

#### **Duty to co-operate and provide information/records**

### **1.16**

It is a condition of membership that any ARLA branch office co-operates with such a visit or inspection and in this regard will be required to produce, or make available, at a time and place duly notified, such records and documents (howsoever maintained or stored) as necessary for inspection and review by a person appointed by the Association in order that an appropriate report on compliance with these Byelaws and rules may be produced. [For the avoidance of doubt, such visits may be separate from any visit or inspection relating to Byelaw 3 (Client Accounting).]

#### **Notification of such visits**

### **1.17**

The relevant selected Member PPD branch office (and where appropriate the Main or Head office of the Member Firm) will be provided with at least a minimum of 10 working days notice of the intention of the Association to carry out such a visit.

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### Scope of visits

#### 1.18

Such visits or assessments will normally involve an appraisal and review of a selection of property files, office systems, procedures and controls operated by the PPD Member office with regard to: -

- a) The Association's Byelaws (including any relevant annexed Appendices or Schedules),
- b) Any relevant statutory approved codes,
- c) Applicable legislation,
- d) Taking account of lawful and/or contractual obligations and/or responsibilities set out in pertinent documents such as Terms of Business, Tenancy Agreement etc.

To ensure consistency, such visits and assessments will be performed to a standard format.

### Output of such visits/inspections

#### 1.19

The report prepared as a result of such a visit will be provided to the Association and to the PPD Member concerned (where appropriate also to the Main or Head office of the Member).

### Actions or Undertakings following the Report

#### 1.20

The Association will liaise with the PPD Member to follow up any recommendations, suggestions or action points highlighted by the report that might help the Member improve or enhance its services to clients and consumers or, to more easily comply with (a) to (d) of 1.19 above.

## SUSPENSION, CESSATION and/or TERMINATION of membership

### Suspension (continuing conditional membership)

#### 1.21

The Association may suspend a Member from membership if it is suspected or believed on reasonable grounds or evidenced by any report, assessment or evaluation or other information provided to (or coming to the notice of) the Association, that a Member is/was in breach of (or, as a result of a series of cumulative breaches) any of the Byelaws of the Association or has failed to promptly comply with a requirement or recommendation of the Association, its advisers or other appointees made under these Byelaws; including any failure to pay fees, subscriptions, financial sanctions, awards or other sums, awards etc.

### Notification of suspension

#### 1.22

Where a Member has their membership suspended, for whatever reason, the Association will inform them in writing of this action. Such notification will be sent to the Main or Head office as registered on the Association's database or records. This notification will: -

- (a) Outline the reason(s) for the suspension and,
- (b) Set any appropriate timescale, as the Association feels reasonable for the Member to rectify or remedy the breach or infringement or make any appropriate payment in order that the Member



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complies with the requirements or recommendations of the Association, its advisers or other appointees.

(Where the Member is a PPD with more than one branch office, the Association reserves the right to communicate the Member's suspension, but not the reason, to each branch office.)

### **Period of suspension**

#### **1.23**

The maximum single period for which the membership of a Member may, at any one time, remain in suspension is 60 days from the date of issue of the written notification referred to in 1.22 above. (The Association, at its sole discretion and in exceptional circumstances can extend this period.)

### **Reference, by ARLA, to membership status during a period of suspension**

#### **1.24**

During any period of suspension, a Member's contact and other details will be isolated from the member search section of the Association's website and from the Association's internal membership and/or distribution database. (Any enquiry therefore by a member of the public or other relevant person, body, authority or organisation as to the membership status of the particular Member will result in them being informed of the period of the Member's suspension, but not the reasons.)

### **Action following suspension**

#### **1.25**

Following the expiry of the maximum period of suspension, or, any earlier deadline set out in the written notification referred to in 1.22 of this Byelaw, the Association will,

- I. Reinstatement of the membership where it (the Association) is satisfied that the Member has rectified or remedied the relevant breach and/or complied with the requirements of the Association, or,
- II. Reinstatement of the membership subject to any special conditions or undertakings which the Association feel appropriate in the circumstances, or,
- III. Expel from membership of the Association.

### **Cessation of Membership**

#### **1.26**

A PPD Member shall automatically cease to be a member if it ceases to carry out the business of a residential letting and/or managing agent, or has a receiver, administrator, liquidator or trustee in bankruptcy appointed over it or any of its assets or makes a voluntary arrangement with creditors.

### **Sale, Disposal, Merger etc involving a PPD Member**

#### **1.27**

Membership of the Association is not a transferable asset or benefit and so shall cease upon the sale, disposal, merger or otherwise transfer or acquisition of the PPD Member's business and/or portfolio, including a change of control as set out in clause 1.14 of this Byelaw. (Membership may be offered, at the discretion of the Association, to the acquiring or new company or persons on such terms or conditions as may be decided on a case-by-case basis.)



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### **Resignation from the Association by a PPD Member**

#### **1.28**

A PPD Member may resign Membership by giving a minimum of one month's written notice delivered to the registered office of the Association and the said notice shall be submitted to the next meeting of the Divisional Council of the Association and be duly recorded. No reference may be made to previous membership of the Association once Membership has ceased. [Subject to the normal application process, a firm may reapply for membership no sooner than 6 months following the expiry of the written notification referred to above.]

### **Termination of Membership by the Association**

#### **1.29**

The Association will deliver or send written notification to a Member, addressed to the Main or Head office as registered on the Association's membership database or records, that its membership has been terminated and will provide a brief summary of the reasons for such action. The Association may, at its discretion, inform all registered branch offices of the Member of the termination of membership. No reference may be made to previous membership of the Association once Membership has ceased. [Subject to the normal application process, a Member may reapply for membership no sooner than 12 months following the expiry of the written notification referred to above.]

### **Refund of/liability for: subscriptions, fees, charges etc., upon cessation of membership**

#### **1.30**

For the avoidance of doubt; subject only to the discretion of the Association, upon cessation or termination of membership, however enacted, no refund of subscriptions; fees or charges will be made and the Member shall remain liable for any such monies due, plus any fines, penalties or similar financial sanctions incurred whilst in membership.

### **Removal of reference to Membership**

#### **1.31**

When a Member ceases to be a Member, for whatever reason, that Member shall cease without delay to use the Association's designatory letters, symbols and logos; all brochures, leaflets or other material, window stickers, wall plaques, certificates and other places or material where the Association's logo is depicted or where membership may have been displayed or made reference to, must be promptly removed and/or deleted.

#### **1.32**

The Association reserves the right, in circumstances it feels appropriate and reasonable, to vary or amend these clauses or any part of them on a case-by-case basis.

### **Publication of Members no longer in Membership**

#### **1.33**

The Association reserves the right to publicise or inform, as deemed appropriate, relevant third parties or authorities, other professional associations or similar bodies (including the Association's own membership) of the fact that a particular member corporate or individual is no longer a Member of the Association, irrespective of how that cessation or termination of membership was brought about. In cases where a Member is expelled from membership of the Association such expulsion may, at the discretion of the Association, be referred to specifically in the exercise of this clause.



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### Some issues relating to INDIVIDUAL MEMBERS

#### Use of designatory letters

##### 1.34

An Individual Member may put on all business communications after their name MARLA, FARLA, MARLA (Hon), FAR LA(Hon) dependent upon their category of membership. The use of such wording shall cease forthwith after Individual Membership ceases.

#### Entitlement (or not) to use ARLA logo

##### 1.35

Individual Membership of the Association of Residential Letting Agents (ARLA) does not entitle any such individual to make use of, or reproduce the ARLA logo in any manner other than during any period of employment with a PPD ARLA Member.

#### Duty not to mislead

##### 1.36

An Individual Member working for a **non**-PPD member shall not behave in such a way that misleads anyone (particularly a member of the public) into believing that the Individual Member is employed by an ARLA PPD member.

##### 1.37

An Individual Member working for a **non**-PPD member shall not behave in such a way that misleads anyone (particularly a member of the public) into believing that the company they are working for is an ARLA PPD Member and therefore covered by the ARLA Client Money Protection (CMP) Bonding Scheme

#### Conduct and behaviour

##### 1.38

An Individual Member shall conduct themselves at all times in accordance with the Association's core value, e.g. "*promoting the highest standards in residential lettings*". This means they are expected to act with integrity; be open and transparent in their dealings; always be honest; know and act within their limitations; be accountable for their actions; treat others with respect; be objective at all times and set a good example.

#### Change in circumstances

##### 1.39

An Individual Member is required to promptly inform the Association of any change in circumstances that might affect their entitlement to Individual Membership (or any particular category) including change of employment, whether or not that is between PPD members.

#### Compliance

##### 1.40

Individual Members must abide at all times with these Byelaws and by the ARLA Code of Practice insofar as they may be applied to Individual Members and within the limitations or restrictions imposed on their operating standards, if they are employed by a **non**-ARLA PPD member. An Individual member who is a PPD must comply with the bye laws of the Association to include the provision of Audited Accounts, Professional Indemnity Insurance and Client Money Protection



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### **Withdrawal of Individual Membership by the Association**

#### **1.41**

The Association reserves the right to withdraw, at any time upon one months written notice, Individual Membership previously granted where it believes the behaviour or activities of the member is not consistent with the professional standards promoted by the Association; has or is likely to bring the Association into disrepute or that the member has provided materially misleading information about their employment or qualifications. [Subject to the normal application process, a person may reapply for membership no sooner than 12 months following the expiry of the written notification referred to above.] No reference may be made to previous membership of the Association once Membership has ceased.

### **Resignation from the Association by an Individual Member**

#### **1.42**

An Individual Member may resign Membership by giving a minimum of one month's written notice delivered to the registered office of the Association and the said notice shall be submitted to the next meeting of the Council of the Association and be duly recorded. [Subject to the normal application process, a firm may reapply for membership no sooner than 6 months following the expiry of the written notification referred to above.] No reference may be made to previous membership of the Association once Membership has ceased.

#### **1.43**

In case of either 1.41 or 1.42 then clause 1.30 of this Byelaw shall apply.

### **Lapsed membership – All Categories**

#### **1.44**

Where membership of the Association “lapses” through non-payment of subscriptions; that Member shall be deemed to have resigned one month after the date that the renewal subscription was due.