

TO: NDAR Members

A comprehensive review was conducted to assure NDAR's Bylaws are compliant with NAR's Mandatory Bylaws Language for State Associations, and to compare to Model Bylaws (which serves as an example, but not a requirement), and to identify areas where updated language is appropriate or necessary. The Executive Committee reviewed recommended changes and presented proposed amendments to the Board of Directors. The Board of Directors approved forwarding these revisions for a vote of the membership.

NAR Mandatory Language is shown in **Red Text** and is required to be verbatim. Therefore, the language in red text is not included as revisions on which you are voting, but rather, is shown in red to inform members about which language is mandatory, and cannot be revised, per NAR.

Proposed revisions are **highlighted in yellow** and either **underscored** or **struckthrough**.

In reference to local boards/associations, all were changed to "association".

*As used herein, the term "association(s)" refers to local boards and associations. When "Association" is capitalized, reference is to the North Dakota Association of Realtors®.

North Dakota Association of REALTORS® Proposed Bylaws Revisions

ARTICLE I - NAME AND OBJECTS

Section 1. **Name**

The name of the organization shall be: North Dakota Association of REALTORS®, Incorporated, hereinafter referred to as the Association.

Section 2. **Objects**

The objects of this Association shall be to unite local **associations** ~~Boards~~ of REALTORS®, hereinafter referred to as **associations** ~~Boards~~, their Members and Individual Members in the State of North Dakota for the purpose of exerting effectively a combined influence upon matters affecting real estate, to elevate the standards of the real estate business throughout the state and the professional conduct of persons engaged therein.

Article II - MEMBERSHIP

Section 1. **Member Classifications**

- A. Member ~~Board~~ association - A Member ~~Board~~ association shall be an association chartered by the National Association of REALTORS® within the state of North Dakota. All the REALTOR® and REALTOR-ASSOCIATE® members who hold primary membership in the association shall hold membership in this Association and the NATIONAL ASSOCIATION OF REALTORS®.**

~~Any Board within the State of North Dakota, of which, all of their REALTORS® and REALTOR® Associates hold membership in this Association and in the National Association of REALTORS®. (Deleted due to reference in above mandatory language)~~

Association members shall be either REALTOR®, REALTOR-ASSOCIATE®, or Institute Affiliate members of a Member association in good standing.

~~A. Member at Large (Deleted due to NAR mandatory language below addressing Members at Large.)~~

B. REALTOR® Member - A REALTOR® member shall be any individual engaged in the real estate profession as a principal, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s), and licensed or certified individuals affiliated with said REALTOR® member whose place of business is located in an area outside the jurisdiction of any Member association who meets the qualifications for REALTOR® membership established in subsection (a) below. Secondary REALTOR® membership shall also be available to individuals who hold primary membership in an association in another state and who desire to obtain direct membership in the State Association without holding membership in a local association in the state.

C. Individual - 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).

D. 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 II 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 II, Section 2 of the Bylaws.

E. REALTOR-ASSOCIATE® Members shall be individuals who are engaged in the real estate profession other than as principals, partners, corporate officers or branch office managers and do not qualify for or seek REALTOR® membership. Salespersons or licensed or certified appraisers who are employed by or affiliated as independent contractors with a REALTOR® Member of this Association shall be eligible for REALTOR-ASSOCIATE® membership. REALTOR-ASSOCIATE® membership shall also be available to individuals who hold primary membership in an association in another state and who desire to obtain direct membership in the state association without holding membership in a local association in the state.

F. Institute Affiliate Members - Institute Affiliate members shall be individuals who hold a professional designation awarded by a qualified 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® or REALTOR-ASSOCIATE® membership, subject to payment of applicable dues for such membership.

G. Business Partners - An individual or institution, who is a Business Partner of a Member Board. A Business Partner membership may be granted by the Association and by Local associations to individuals or firms with industry interests, business practices, and/or philanthropic endeavors that support the purpose,

mission, and efforts of the Association and/or Local association. Business Partners are subject to payment of applicable dues for membership and must adhere to these Bylaws, policies, and governing documents of the Association.

- H. **Honorary Member** - An individual who has contributed in a notable and lasting manner towards the betterment of the Association. Nomination for such a membership is made to the Association's Board of Directors by a Member **association or any member in good standing. Board or by the Association's Member Involvement Committee.**
- I. **North Dakota REALTOR® Emeritus Life Member** - An individual who meets the qualifications **as which have been established by the policy of the Association's Board of Directors.**
- J. **Provisional Members –Provisional membership may be granted as described in Article 2, Section 2c.**

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 through its membership committee or otherwise that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within 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 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 committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

*No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the association 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 association 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 proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

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

- a. Judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (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 the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

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 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 broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct*, shall complete a course of instruction covering the Bylaws 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 membership committee** **the Board of Directors** and shall agree in writing that if elected to membership he/she will abide by such *Constitution, Bylaws, Rules and Regulations*, and the Code of Ethics.

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

- A. Judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (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 the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date. (Adopted 5/07)
- 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 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 this or any other REALTOR® association or REALTOR® 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; **see Article II, Section 4(a) Note 2**) 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. (Amended 11/09)

- D. The board of directors (or its appointed designee) shall review and act on all applications for membership. An application may not be rejected without providing the applicant with an opportunity to appear before the board of directors to make such statements as he/she deems relevant. If the board of directors determines that the application should be rejected, it shall record its reasons with the CEO. 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 violates no rights of the applicant.
- E. 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.
- F. 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 III 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 II, Section 2 of the Bylaws.
- G. Any REALTOR® member of the association may be disciplined by the board of directors for violations of these Bylaws, 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.**
- H. 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/her 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.

In any action taken against a REALTOR® member for suspension or expulsion under Section 2(h) 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 II, Section 4(h) shall apply.

I. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership and provisional and REALTOR-ASSOCIATE® membership 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 (1) year or less.

Failure to satisfy this requirement within 60 days or alternatively, the date that provisional membership was granted, will result in denial of the membership application or termination of provisional membership.

Note: The New Member Code of Ethics Orientation This orientation program must **shall** meet the learning objectives and minimum criteria established from time to time by the National Association of REALTORS®.

J. Continuing Member Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021 and for successive three-year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, 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 three (3) year cycle shall not be required to complete additional ethics training until a new three (3) year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year (3) cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three year (3) 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.

ARTICLE III - DUES

Application Fee.

The Board of Directors may adopt an application fee for REALTOR® membership in reasonable amount, not exceeding three (3) 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 1. The Amount of the Dues

A. **Member Association Dues.** The annual dues of each Member association shall be (1) an amount as established by the board of directors times the number of REALTOR® and REALTOR-ASSOCIATE® members who hold primary membership in the association, plus (2) an amount as established by the board of directors times the number of real estate salespersons and licensed or certified appraisers employed by or affiliated as independent contractors with REALTOR® members of the association who are not themselves REALTOR®, REALTOR-ASSOCIATE®, or Institute Affiliate members. In calculating the dues payable by a Member Board, nonmembers, as defined in the preceding sentence, shall not be included in the computation of dues if dues have been paid in another association in the state or a state contiguous thereto, provided the association notifies the State Association in writing of the identity of the association to which dues have been remitted.

B. **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.

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 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 (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 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.

REALTOR® Members Dues. The annual dues of REALTOR® members other than the designated REALTOR® shall be as established annually by the board of directors.

- C. The annual dues of each REALTOR® or REALTOR-ASSOCIATE® member holding secondary membership directly in the state association shall be determined annually by the Board of Directors.
(a) Member - The annual dues are paid, on behalf of the Member, in the manner as set forth in A of this Section.
(b) Member at Large Associate - The annual dues are paid, on behalf of the Member at Large Associate, in the manner as set forth in C of this Section.
- D. Business Partner - The annual dues shall be ~~in such amount as~~ determined annually by the Board of Directors.
- E. Institute Affiliate Member Dues. The annual dues of each Institute Affiliate member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.**

Section 2. ~~The~~ Payment of ~~the~~ Dues

~~On or before December 31, of any given year, eEach Member Board association shall annually file with the state Association, by such date and in such format as determined by the Associations shall file with the Association, in such format as determined by the Association,~~ a list of its members (as defined in Article III, Section 1(c) of the Constitution of the National Association of REALTORS®) and of real estate licensees affiliated with a designated REALTOR® Member of a Member Board who are not themselves either a REALTOR® or REALTOR® Associate or Institute Affiliate Member of the Member Board.

Likewise, a Member at Large shall file with the Association, a list of the REALTOR® and REALTOR® Associates affiliated with the Member at Large, and a list of the real estate licensees affiliated with the Member at Large who themselves are not a REALTOR® or REALTOR® Associate or Institute Affiliate Member .

The lists shall be certified by the ~~Member association's President and Secretary association executive or their designee~~ of the Member Board or, as it may apply, by the Member at Large.

Upon the filing of the respective lists, the Member association and the Member at Large shall pay the dues to the association as indicated in this Article under Section 1. ~~On a quarterly calendar basis the Member Board and the Member at Large shall file with the Association a list of adds and drops with their being corresponding adjustments being made in the annual dues.~~ **Each Member Board or Member at Large shall file in a timely manner with the Association a report of added and dropped members and shall remit dues associated with such new members. The Association shall establish the frequency and format for such reports and payments.**

Section 3. Member in Good Standing

When payment of the appropriate dues ~~are~~ **is** made to the Association and in the manner prescribed, Members shall be deemed to be in good standing with all of the rights and privileges of their membership classification. Dues not paid to the Association on or before December 31, in any given year, will result in the member being dropped as a member of the Association.

ARTICLE IV - OFFICERS

Section 1. **Elective Elected Officers**

The elective ~~elective~~ **elect** officers of the Association shall be a President, President Elect, ~~and a Vice President, a Secretary and a Treasurer.~~ In the absence of the President, the President Elect shall perform his/her duties. All officers shall serve for one year or until their successors are elected and qualified.

Section 2. **Duties**

The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them respectfully by the Board of Directors from time to time, and such as are required by law.

Section 3. **Surety Bond**

The Chief Executive Officer shall provide a surety bond in such amount as the Board of Directors may determine, ~~the~~ the cost to be paid by the Association.

Section 4. **Chief Executive Officer**

The Board of Directors may employ a Chief Executive Officer who shall be the chief administrative officer of the Association, who may be elected to serve as the elected Secretary, subject to the President and the Executive Committee, and who shall perform such other duties as may be delegated to ~~them~~ **him/her** by the Board of Directors. ~~He/she shall provide a surety bond in such amount as the Board of Directors may determine the cost to be paid by the Association. (Note: This is deleted as it is duplicate language from Section 3 .~~ The Chief Executive Officer, with the approval of the Board of Directors, may employ such other persons as may be necessary to conduct the activities of the Association.

Section 5. **Professional Counsel**

The Board of Directors may retain legal and other professional counsel, ~~and fix the terms of compensation thereof.~~

ARTICLE V - BOARD OF DIRECTORS

Section 1.

Members

The government of the Association shall be vested in a Board of Directors. Only Members of the Association, as listed in Article II, Section 1, B., C., and D, are eligible to sit on the Board of Directors. The Members of the Board of Directors shall be:

- A. All elected officers of the Association as listed, and for a term, as set forth in Article IV, Section 1.
- B. Director at Large. ~~Effective 9-1-98, there will be 1~~ **One Director at Large shall be appointed for a one-year term by the President and ratified by the Board of Directors, for a one-year term only.**
- C. ~~Effective 12-1-21,~~ Each **board/local** association is entitled to two members plus an additional member for each fraction of 15% of the membership. Membership counts **to determine local association representation to be shall be** taken July 1 of each year and **are to be effective for the 2022 following** calendar year. **Representation shall be Breakdown** as follows:
 - If 15% or below – 2 Representatives
 - 16% - 30% – 3 Representatives
 - 31% - 45% – 4 Representatives
 - 46% - 60% – 5 Representatives
 - 61% -75% – 6 Representatives
- D. Those individuals who represent North Dakota as Directors of the National Association of REALTORS®. ~~(They NAR Directors~~ shall serve in staggered terms and in such number and for such period of time as determined by the National Association of REALTORS®.)
- E. The Immediate Past-President of the Association.
- F. Members of NDAR not serving as NDAR Director or director ex-officio but who serve in any capacity on the NAR Executive Committee (as defined within NAR's Constitution and Bylaws, Article V Section 1. (A)) shall serve during the term of their national position as an ex-officio member of the NDAR Board of Directors. Those members serving in the capacity of Vice President and Liaison or higher for NAR shall ~~also~~ serve as an ex-officio member of the NDAR Board of Directors for the year **preceding of** their national term.
- G. Ex-officio members (these individuals do not have power to vote nor do they need to meet the membership eligibility requirements **to serve on the Board of Directors of the regular Board.**)
 - 1. The association executive from each Member **Board. association.**
 - 2. The President or (designated alternate) from any North Dakota society, council, or institution.
 - 3. The Director (or designated alternate) from the North Dakota Real Estate Commission.

Section 2.

Finances - The Board of Directors shall administer the finances of the Association and shall have sole authority to appropriate **money association funds.**

Section 3.

Meetings – The Board of Directors shall meet in conjunction with the annual membership meeting. Special meetings of the Board of Directors may be called at any time upon written notice by the President or by a majority of the Executive Committee or by a majority of the Board of Directors.

Section 4. **Executive Committee** - There shall be an Executive Committee of the Board of Directors (composed of the President, President Elect, Vice President, Immediate Past President, and one Director appointed by the President). **The Executive Committee shall make recommendations to the Board of Directors, shall transact business of an emergency nature between meetings of the Board of Directors, and shall report such actions in full to the Board of Directors at its next meeting.**

~~Section 5. Special Meetings (Moved to Section 3 above)~~

Section **45.** **Quorum** - Fifty percent of the Directors shall constitute a quorum of the Board of Directors.

Section **5.6.** **Board of Directors Conduct of business by electronic means** - To the fullest extent permitted by the law, the Association may conduct business by electronic means.

ARTICLE VI - MEETINGS

Section 1. **Annual Membership Meeting**

The Association shall ~~hold~~ **have** an Annual Membership Meeting ~~for its Members~~ **prior to October 31 of each year in the month of September** at a time and place ~~as has been~~ designated by the Board of Directors. The meeting ~~will always~~ **may** be held in conjunction with the Annual Convention of the Association. **Special meetings may be called by the Board of Directors of the Association.** Members, as listed in ~~Article II, Section 1. B, C, D, and I~~ and who are considered to be in good standing per Article III, Section 3, are entitled to fully participate and vote on all matters which come before the Annual Membership Meeting without any further restriction as to qualifications.

A. Voting procedures for REALTOR® Members.

Voting in Person - REALTOR® and REALTOR® Associate members who are present at the annual or special membership meeting and who are members in good standing ~~(Article III Section 3)~~ shall be entitled to vote at such meetings.

Absentee Voting - REALTORS® and REALTOR® Associates who are members in good standing ~~(Article III Section 3)~~ and who are not present at the annual or special membership meeting may vote by absentee ballot. Absentee ballots will be published to members by the Association with descriptions of the substance of any proposals at least 30 days prior to a membership meeting.

1. Absentee Ballots.

Absentee ballots must be received by the Association office 10 days prior to the annual membership meeting or special membership meeting ~~called by the President.~~

Section 2. **Annual Convention**

The Association ~~shall~~ **"may"** have an Annual Convention in conjunction with the Annual Membership meeting. ~~The convention shall be open to all Members upon the payment of registration fees as established, have been approved by the Board of Directors.~~

Section 3. **Special Meetings**

~~From time to time,~~ **Special** meetings of the Membership may be called by the Board of Directors. The notice of any such meeting shall be in writing and will state the purpose, time, place, and be issued at least ~~five (5) ten (10)~~ days in advance. All Members, who are entitled to participate in the Annual Membership Meeting, are also entitled to fully participate and vote on matters before the Special Meeting without any further restriction as to qualification.

Section 4. **Quorum**
A quorum, for any meeting of the General Membership, shall consist of a minimum of one Director (or certified alternate) from at least five half of the Member Boards associations of the Association.

Section 5. **Meetings Conduct of business by electronic means**
To the fullest extent permitted by the law, the Association may conduct business by electronic means.

ARTICLE VII COMMITTEES

Section 1(a). Committees - The Board of Directors shall appoint such committees necessary to carry out the objectives of the Association and shall prescribe the authority of each such committee(s).

Section 2. The president, with the approval of the board of directors, may appoint such other committees as he/she deems advisable. The president shall be an ex officio member of all committees.

Section 3. Committees shall have such duties as their titles indicate, and as the Board of Directors may assign. All actions of committees shall be subject to the approval of the Board of Directors. Exceptions may be granted by the Executive Committee to waive approval of committee actions. In addition, Board approval shall not be required for actions taken by those NDAR entities which operate within their own Bylaws and policies, such as, but not limited to, RPAC Trustees and Issues Mobilization.

ARTICLE VIII ELECTION OF OFFICERS AND DIRECTORS and NATIONAL DIRECTORS

Section 1. ~~Nominations~~ **Nominating** Task Force

The Task Force shall nominate at least one candidate for each office and position on the Board of Directors, which is filled by election of the membership. Additional candidates, who must be members in good standing, may be placed into nominations by submitting a nominating petition, provided by the Association that contains signatures of at least 50 75 NDAR REALTOR® members in good standing with no more than 50% of such signatures from members of any one local association. Such petition must be received at the Association office no later than 45 days before the election.

Nominations by the Nominating Task Force and by petitions shall be disseminated to the general membership at least 30 days prior to the election. ~~The election is held during the Annual Membership Meeting of the Association.~~(redundant -is stated below in Election of Officers)

National Directors - ~~As the need should arise, the~~ Task Force shall additionally nominate candidates for the position of **NAR** Director to the National Association of REALTORS®.

Section 2. Election of **Officers**

The election of the Officers and Directors for the Association shall be done held at a the Annual **General** Membership Meeting with those Members being eligible to vote being those members

listed in Article II, Section 1, B, C, F and I. ~~The winner of any contested election shall be the one who has received the most votes. The candidate in a contested election receiving the most votes shall be declared the winner. In the event of a tie, a run-off election between the candidates receiving the tie votes shall be held.~~)

The election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors.

Election of Directors to National Association of REALTORS®

The nomination of a candidate ~~as a for a~~ Director of the National Association of REALTORS® shall be ~~done~~ by a majority vote of the Board of Directors at any regular or special meeting of the Board of Directors. ~~The winner of any contested election shall be the one who has received the most votes. The candidate in a contested election receiving the most votes shall be declared the winner.~~ In the event of a tie, a run-off election between the **candidates receiving the** tie votes shall be held.

ARTICLE IX - VACANCIES ON THE BOARD OF DIRECTORS

Section 1. **Absence by Officers and Directors**

By a two-thirds vote, the Board of Directors shall declare vacant any Membership or Board of Directors elected position on the Board of Directors when such individual has been absent, without reasonable excuse, two consecutive meetings of the Board.

Section 2. **Vacancies**

A. **Elected** Elective Officer Vacancies

If the office of the President becomes vacant, the President-Elect shall complete the remaining term and **additionally then continue on to** complete the term for which they were originally elected. If the office of the President-Elect becomes vacant, it shall remain vacant until the election at the next Annual Membership Meeting when both the position of President and President-Elect will be filled by a vote of the Members. When the office of Vice President becomes vacant, the President, with the approval of the Board of Directors, shall appoint a member to fill the unexpired term.

B. Board of Directors Vacancies

When a position of Director **representing each a local Board association becomes vacant, such local association Board** shall appoint a member to fill the unexpired term.

ARTICLE X - FISCAL AND ELECTED YEAR

Section 1. **Fiscal Year**

The fiscal year of the Association shall be a calendar year.

Section 2. **Elective Year**

The elective year of the Association shall be December 1 to November 30.

ARTICLE XI - CODE OF ETHICS

Section 1. Code of Ethics

The Code of Ethics of the National Association of REALTORS® is adopted as the Code of Ethics of the Association and shall be considered a part of its Rules and Regulations, and the Code of Ethics and the Rules and Regulations of the Association shall, in the future, be deemed to be amended and changed whenever said Code of Ethics is amended or changed by the National Association of REALTORS®.

ARTICLE XII - PROFESSIONAL STANDARDS - Referral to State Association

(This Article applies only to the Bismarck-Mandan Board)

The following Boards have, by contract, relinquished the Code Enforcement Procedures and Professional Standards Administration to the State Association: Badlands Board, Bismarck-Mandan Board, Williston Board, Minot Board, Grand Forks Association, Jamestown High Plains Association, and the Fargo-Moorhead Association.

Enforcement of the Code.

The responsibility of the Association and of Association 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 governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as from time to time amended, which by this reference is made a part of these Bylaws.

As indicated under the Article Title, this section had applied only to BMBOR. Now that BMBOR has also relinquished Pro Standards Admin to NDAR, the language below is no longer needed.

Section 1.

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

Section 1. Allegations of ethical violations and contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® and between REALTORS® and their customers or clients may be submitted to an ethics or arbitration panel at the State Association level under the following circumstances:

(a) Allegations of unethical conduct made against a REALTOR® or REALTOR-ASSOCIATE® who is directly a member of the State Association and not a member of any local Board Association.

(b) Allegations of unethical conduct made against a REALTOR® or REALTOR-ASSOCIATE® in the instance in which the local Board Association, because of size or other valid reason, determines that it cannot provide a due process hearing of the matter and petitions the State Association to conduct a hearing.

(c) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are not members of the same Board Association where the matter has been referred to the State Association by both local Board Association.

(d) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are directly members of the State Association and are not members of any Board Association.

(e) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between a REALTOR® who does not hold membership in any Board Association but is directly a member of the State Association, and a REALTOR® who is a member of a Board Association.

(f) Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTOR® Members of the same Board where the Board with good and sufficient reason is unable to arbitrate the controversy. (Explanation: This provision is not designed to relieve a local Board of its primary responsibility to resolve differences arising between members of the same Board. The section recognizes that in some Boards with limited membership, usual arbitration procedures may be impossible.)

(g) Contractual disputes between a customer or a client and a REALTOR® where the Board with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a direct member of the State Association.

Section 2. — Hearings - Professional Standards hearings 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 from time to time amended, which by this reference is made a part of these Bylaws.

Section 3. — If a REALTOR® Member (as defined in Article II, Section 4, of these bylaws) 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®.

If a REALTOR® Member (as defined in Article II, Section 4, of these bylaws) resigns or otherwise causes membership to terminate, the duty to submit to arbitration ~~or mediation~~ (from Model Bylaws) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

ARTICLE XIII - REALTOR® Trademark

~~USE OF THE TERMS REALTOR®, REALTORS®, AND REALTOR® ASSOCIATE~~

Use the terms REALTOR®, REALTORS®, or REALTOR-ASSOCIATE® 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 State Association shall have authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms within those areas of the state not within the jurisdiction of a Member Board. 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.

REALTOR® members of the State Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their business so long as they remain REALTOR® Members in good standing. No other class of members shall have this privilege.

A REALTOR® member who is a principal of a real estate firm, partnership or corporation may use the terms REALTOR® or REALTORS® only if all the principals of such firm, partnership or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® or Institute Affiliate members.

REALTOR-ASSOCIATE® members of the State Association shall have the right to use the term REALTOR-ASSOCIATE® so long as they remain REALTOR-ASSOCIATE® members in good standing and the REALTOR® member with whom they are associated or by whom they are employed is also a REALTOR® member in good standing.

An Institute Affiliate member shall not use the terms REALTOR®, REALTORS®, or REALTOR-ASSOCIATE® and shall not use the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XIV DISTRICTS JURISDICTIONS

Section 1. Jurisdictions Districts
The Board of Directors shall, for administrative purposes, divide the state into jurisdictions districts. Each jurisdiction district will be served by one Local Board association.

ARTICLE XV - RULES OF ORDER

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

ARTICLE XVI - AMENDMENTS

Section 1. Procedure
These Bylaws may be amended at any meeting of the membership by the affirmative vote of two-thirds of the members present and absentee ballot voting, provided that a quorum is present. Notice of the substance of any proposed amendment shall be published to members at least 30 days prior to a membership meeting. Additional amendments made at the membership meeting require a two-thirds majority vote for passage.

Absentee ballots must be received at the Association office from the REALTOR® or REALTOR® Associate members at least 10 days prior to the 10th day preceding the opening day of such membership meeting.

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.

Proposed amendments to the Bylaws shall be presented by the Bylaws Task Force to the Board of Directors for review and approval prior to presentation of amendments for a vote of the membership.

Mandatory Amendments issued by the National Association of Realtors - When Bylaws amendments are mandated by NAR policy, these Bylaws shall be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by the NATIONAL ASSOCIATION OF REALTORS®. The Association shall provide notice of such mandatory amendments in a regular or special membership communication.

Section 2. Approval
Amendments to these Bylaws affecting the admission or qualifications of REALTOR® and REALTOR®-Associate, Members and Institute Affiliate Members, the use of the terms REALTOR®, REALTORS®, or REALTOR® Associate, or any alteration in the territorial jurisdiction of a Board local association shall become effective upon the approval of the Board of Directors of the National Association of REALTORS®. *(Updated 1-15)*

ARTICLE XVII - DISSOLUTION

Section 1.

Dissolution

Upon the dissolution ~~or winding up of the affairs~~ of the Association, the Board of Directors, after providing for payment of all obligations, shall distribute any remaining assets to the North Dakota Community Foundation, Inc., or within its discretion, to any other non-profit and tax-exempt organization.