



NORTHERN RHODE ISLAND BOARD OF REALTORS®

BYLAWS

Proposed Bylaw Changes for 10/5/22 annual meeting

Additions are indicated by red, underlined text

Strikeouts are indicated with ~~strikeouts~~

ARTICLE V - Qualification and Election

Section 1. Application

- (A) 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~~ themselves with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Board, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Board, State and National Associations, and if a REALTOR® Member will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate or to mediate if required by the Association controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the *Code of Ethics and Arbitration Manual* of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Board, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above. (9/15)

Section 2. Qualification

- (A) An applicant for REALTOR® Membership who is a principal, sole proprietor, partner, corporate officer, branch office manager or trustee of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that ~~they are~~ he 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 a an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state of Rhode Island 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 and Rules and Regulations of the Board, 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 Board, and shall agree that if elected to membership, ~~they he~~ he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. Active members in good standing from other Boards may be waived from the course of instruction and nondiscriminatory written examinations thereon as may be required by the Board of Directors.

* **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, branch office manager or trustee, 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 in 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 proceedings, the member may be placed on a "cash basis" from the date that the 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 Board may only consider judgements 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.

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

NOTE 2: Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS for violation of the Code of Ethics. (Adopted 1/01)

(B) Individuals who are actively engaged in the real estate profession other than as principals, sole proprietors, partners, corporate officers, branch office managers or trustees 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 Board 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, has no record of official sanctions involving unprofessional conduct, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and the 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, and shall agree in writing that if elected to membership **they he/she** will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics. (9/00)

(C) The Board/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 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; See Article V, Section 2(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 **they 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. (6/96) (Amended 11/09)

Section 3. Election.

The procedure for election to membership shall be as follows:

(A) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the association's bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within 90 days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. (adopted 9/30/21)

(B) Dues shall be computed from the first day of the month of application and shall be non-refundable unless the association's Board of Directors terminates the individual's membership in accordance with subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee.

- (C) The Board of Directors may not terminate/reject any application/provisional membership without providing the applicant/provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on **their his/her** behalf, to be represented by counsel, and to make such statements as **they he/she** deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings. (9/98)
- (D) If the Board of Directors determines that application/provisional membership should be terminated/rejected, it shall record its reasons with the **Chief Executive Officer Executive Vice President**. If the Board of Directors believes that termination/rejection of the applicant/provisional member may become the basis of litigation and a claim of damage by an applicant/provisional member, it may specify that termination/rejection shall become effective upon entry in a suit by the Board for a declaratory judgement by a court of competent jurisdiction of a final judgment declaring that the termination/rejection violates no rights of the individual. (adopted 9/98; amended 1/05)

Section 6. Status Changes.

- (A) A REALTOR® who changes the conditions under which **they/them he** holds membership shall be required to provide written notification to the Board within 10 days. A REALTOR® (non-principal) who becomes a principal in the firm with which **they/them have he has** been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of 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 (ten) days of the date they advised the Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors. (9/15)

ARTICLE VI - Privileges and Obligations

Section 3. REALTOR® Members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the association and may use the terms REALTOR®. For purposes of this section, the term “good standing” means the member satisfies the “Obligations of REALTOR® members”, is current with all financial and disciplinary obligations to the Association and MLS, has completed any new member requirements and complies with NAR’s trademark rules. (*amended 2/22/2022*)

- (A) If a REALTOR® Member is a sole proprietor, principal in a firm, partnership, corporation or trust or an officer in a corporation, and is suspended or expelled, the firm, partnership, corporation or trust 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, corporation or trust is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, corporate officers, or trustees 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, corporation or trust is severed, or unless the REALTOR® who is suspended or expelled removes **themselves himself** from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Board by the Member who is being suspended or expelled and by the individual who is assuming management control and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, trustees or other individuals affiliated with the firm shall not be affected and the firm partnership, corporation or trust may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the Board. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS®, other than principals who are employed 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, corporation, or trust is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever **their his** connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Board, whichever may apply. (9/98)

If a REALTOR® Member who is other than a sole proprietor, principal in a firm, partnership, corporation, or trust is suspended or expelled, the use of the terms REALTOR® and REALTORS® by the firm, partnership, corporation, or trust shall not be affected. (6/86)

Section 12. REALTOR® Emeritus Members.

REALTOR® Emeritus Members shall be REALTORS® who have been designated REALTOR® Emeritus **by the under the provisions of Article III Section 10 of the Constitution and Bylaws of the** NATIONAL ASSOCIATION OF REALTORS®. They shall

continue to have all the REALTOR® privileges of an Active Member of ~~their his/her~~ Board. (6/83)

ARTICLE X - Dues, Fees, and Finances

Section 4. Non-payment of Financial Obligations.

If dues, fees, fines, sponsorships, and other assessments including amounts owed to the Board are not paid within thirty (30) days after the due date, the nonpaying Member is subject to suspension at the discretion of the Board of Directors. Sixty (60) days after due date, membership of the nonpaying Member may be terminated at the discretion of the Board of Directors. Seventy-five (75) days after 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 ~~their his~~ membership terminated for nonpayment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or other rules and regulations of the Board or any of its services, departments, subsidiaries or divisions 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. (9/13)

~~A member who has not paid past due fees or other assessments to the Board shall not serve as a director or officer of the Board until such fees, fines and assessments are paid in full, or for five years from the last due date, whichever occurs first.~~

ARTICLE XI - Officer and Directors

Section 1. Officers.

The elective officers of the Board shall be a President, a President Elect, a Treasurer and a Corporate Secretary. ~~They shall serve for terms of one (1) year, the term elected and until their successors are duly elected and installed into office. (9/15)~~ In order to become an Officer of the Board, one must have served as a Director of the Board. (9/15) The Officers of the Board are volunteers and receive no compensation. (9/17)

~~Officers shall not serve more than two consecutive terms in the same position. After serving two consecutive terms, to remain on the Board of Directors, the Officer must be elected to a higher office. The hierarchy of elected Officers shall be President, President-Elect, Treasurer and Corporate Secretary, with the President being the highest-ranking elected Officer.~~

~~No more than 2 persons affiliated with the same brokerage shall be elected to the offices of President, President-Elect and Treasurer concurrently.~~

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. Responsibilities are outlined in the Board's policy manual. ~~It shall be the particular duty of the Corporate Secretary to keep the records of the Board, and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the RHODE ISLAND ASSOCIATION OF REALTORS®, INC. (9/13)~~

Section 3. Board of Directors.

The governing body of the Board shall be a Board of Directors consisting of the elective officers, the immediate past President of the Board, and 6 elected REALTOR® Members of the Board. Directors shall be elected to serve terms of two years. Directors shall be elected each year as are required to fill vacancies. A Director can only serve two consecutive two-year terms. The immediate past president shall be entitled to serve a one (1) year term on the Board of Directors (9/21) after the completion of their term as President. ~~If the Directors, upon receipt of the proposed slate recommended by the Nominating Committee, feel there are an abundance of Directors from one office, shall refer the proposed slate back to the Nominating Committee for revision.~~ ~~Composition of the Board shall always consist of no more than three (3) Officers and Directors from the same brokerage firm and no more than 2 persons from the same team. An Officer position takes precedence over a Director position for elections only.~~ In event of a merger, the governing body shall be such as agreed to as incorporated in the terms of the merger (9/16). The Directors of the Board are volunteers and receive no compensation. (9/17)

Section 4. Election of Officers and Directors.

- (A) ~~At a meeting of the Board of Directors not less than~~ At least two (2) months before the annual election, ~~the Board of Directors shall approve~~ a Nominating Committee of five (5) REALTOR® Members ~~as outlined in the Board's Policies and Procedures Manual.~~ shall be appointed by the President with the approval of the Board of Directors. The Nominating Committee shall select one candidate for each office and one candidate for each place to be filled on the Board of Directors. The report of the Nominating Committee shall be mailed or where permitted by state law, electronically

transmitted to each Member eligible to vote 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 twenty (20) percent of the REALTOR® Members eligible to vote. The petition shall be filed with the ~~Chief Executive Officer~~ ~~Executive Vice President~~ at least two (2) weeks before the election. The ~~Chief Executive Officer~~ ~~Executive Vice President~~ shall send notice of such 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 or where permitted by state law, and in accordance with applicable state requirements, election of officers and directors may be conducted by electronic means. The method and procedures to be established by the Board of Directors. If election takes place at the annual meeting, election shall be by motion of yeas or nays or if questionable by ballot and all votes shall be cast in person. The ballot shall contain the names of all candidates and the offices for which they were nominated.
- (C) The President, with the approval of the Board of Directors, shall appoint an Election Committee of **three (3)** REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.
- (D) **Candidates for Officers and Directors shall be REALTOR® Members in good standing of the Board and must have 2 years' industry experience.**
- (E) **A member cannot hold two (2) elected Board positions simultaneously.**
- (F) **Elected Officers and Directors may not serve in an Officer or Director role in any other local REALTOR® Association at the same time.**

Section 5. Fiduciary Responsibility. Each Officer and each Director shall have a Fiduciary responsibility to the Board of Directors and the Association. (9/17)

Section 6. Vacancies.

Vacancies among the ~~Officers and the~~ Board of Directors shall be filled by the Board of Directors until the next annual election. ~~Should the office of President become vacant, with the exception of the office of President, which in the event of a vacancy, the President-elect shall immediately succeed the President (9/26/19). Should any other Officer positions become vacant, a special meeting of the Nominating Committee will be called to appoint a candidate to complete the unexpired term, subject to the qualifications of the office specified and the approval of the Board of Directors.~~

Section 9. Professional Liability Insurance.

~~The Board shall maintain Professional Liability Insurance for all voting Officers and Directors, who are members in good standing of the Board, to cover them in their scope of activities for the Board.~~

ARTICLE XII - Meetings

Section 10. Right to Vote.

~~At all meetings of the Board, each Board Member in good standing shall be entitled to vote, with one ballot per person, but no one shall be entitled to vote by proxy. Other members shall not be entitled to vote.~~