



OFFICIAL NOTICE

MAY 1, 2024

To: NAREB Members, NAREB Member Boards

Subject: Adoption of Proposed Amendment to the Association's Bylaws

Dear Realtist,[®]

The National Association of Real Estate Brokers, Inc. is committed to recurring efforts to enhance the efficiency of the administration of our Association. With that objective, the NAREB Board of Directors voted affirmatively to adopt a proposed amendment to the NAREB Bylaws at the meeting of the Board during the 2024 NAREB Mid-Winter Conference held in Charlotte, NC. The text of the Bylaws Amendment is as follows:

ARTICLE XI Removal of Director

Section 2: Legal Proceedings.

- a. Any Member of the Board of Directors who initiates legal proceedings against the NAREB organization, whether directly, indirectly, or participates in any legal proceedings against the NAREB organization may be subject to removal, recusal, or suspension from their duties with or without cause, which may also include the denial of their access to the Board of Directors' information that may compromise the confidentiality, integrity and best interest of the Board of Directors.
- b. The decision to remove, recuse, or suspend a Member of the Board of Directors and to deny access to the Board of Directors' information shall be by a 2/3rds vote of Directors then in office with a quorum present and the removal, recusal, or suspension does not violate the applicable Federal, State and Local laws. The affected Director shall be notified of such action in writing and shall have the opportunity to present their case in writing, with legal representation if they so choose thirty (30) days before the vote for removal, recusal, or suspension and the Director shall have the opportunity to present their case in person, with legal representation if they so choose, prior to the final vote of the Board of Directors.
- c. Upon the resolution or settlement of the legal proceedings, the Board of Directors may reconsider the status of the affected director and take appropriate action, including reinstatement if deemed in the best interest of the NAREB organization.

The NAREB Constitution & Bylaws are available at www.nareb.com



**CONSTITUTION and BYLAWS
of the
NATIONAL ASSOCIATION OF
REAL ESTATE BROKERS, Inc
[NAREB][®]**

HEADQUARTERS

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The Premier Network of Black Real Estate Professionals®

NATIONAL ASSOCIATION OF REAL ESTATE BROKERS, INC® CONSTITUTION AND BYLAWS

Amended August 20, 2000

Amended 08/06/2014

Amended 03/03/2021

Amended 08/04/2022

Amended 2/27/2024

PREAMBLE

The National Association of Real Estate Brokers, Incorporated being a trade association of Realtist dedicated to the high ideals of fairness, honesty, integrity, and competence in providing services related to real estate transactions, hereby ordains, and establishes this constitution.

ARTICLE I NAME

The name of the organization shall be: **National Association of Real Estate Brokers, Incorporated (NAREB)**. Said organization is currently incorporated under the laws of the State of Michigan. Its members are referred to as Realtists®

ARTICLE II

PURPOSES

The purposes of NAREB shall be:

Section 1. To enhance the economic improvement of its members, the community at large, and the minority community which it serves.

Section 2. To unite those engaged in the real estate industry including brokerage, management, mortgage financing, appraising, land development, home building, and allied fields.

Section 3. To enable its members to transact their business in a more professional manner, through the adoption of such rules and regulations deemed proper;

Section 4. To promote and maintain high standards of conduct in the transaction of the real estate business,

Section 5. To formulate, adopt, and enforce a comprehensive Code of Professional Responsibility setting forth the high ethical standards that governs its members, known as Realtists, in relations to the public, in relations to clients, in professional relations, and other fitting and appropriate activity.;

Section 6. To license its members the right to use the name National Association of Real Estate Brokers, Incorporated, the acronym "NAREB" and the term "Realtist" in advertising matter, stationary, signboards, stock certificates, bonds, mortgages, and instruments or materials used by or in connection with the real estate industry.

Realtist is defined as a person engaged in the real estate industry who is a certified member, in good standing, of NAREB.

Section 7. To encourage the general public to engage those members in good standing who have agreed to observe the standards maintained by NAREB.

ARTICLE III MEMBERSHIP AND VOTING

Section 1. Membership Classifications:

- (a) Member Board: shall consist of local boards of REALIST, which shall include city, county, or inter-county boards of REALTIST.
- (b) Local Board Members: shall be persons who are certified by a local board as eligible for membership in NAREB.
- (c) Individual Broker Member: shall be a licensed broker who is certified by a local board or by individual membership approved by the Board of Directors.
- (d) Associate Member: A salesperson who holds a license under any member Real Estate Broker as a salesperson.
- (e) Allied Associate Members: a salesperson that holds a license under a non-member Real Estate Broker.
- (f) Individual Members: an individual elected to direct membership by the Board of Directors of NAREB. The Board of Directors may elect individuals of any classification who are not within the territory of a local or state association. Such member shall hold and exercise their membership until six (6) months after the acceptance by the Board of Directors of an application from a Member Board or State Association within the same territory. Such membership shall be designated "INDIVIDUAL MEMBER" subject to any classification determined by the Board of Directors. Such membership dues shall be paid directly to the Secretary of NAREB and shall be eligible to hold office.
- (g) Allied Members: individuals, associations, organizations, co-partnerships and corporations engaged in business allied to real estate, and include such persons, associations, co-partnerships and corporations as mortgage bankers, architects, building superintendents, property managers, public housing managers, rental agencies, Interior decorators, household appliances, furniture dealers, public officers, city, state and federal housing officials and faculties of trade schools teachers of architectural business courses and such other technicians as may be related to the development of housing.

- (h) Honorary Members: may be nominated and accepted by the NAREB Board of Directors. (Refer to Honorary Officers or Members, Section 1. of By-Laws.)
- (i) Subscribers: members of the general public and past clients of NAREB members. The subscription is set by the NAREB member. The membership price is set by the general membership. A subscriber will not be bound by the NAREB Code of Professional Responsibility but shall respect the principles of the NAREB Code of Professional Responsibility and shall not use the term "Realtist."
- (j) Corporate Members: shall be individuals, associations, organizations co-partnerships and corporations not engaged in business allied to real estate.
- (k) Life Memberships shall be determined by the Board of Directors and shall be granted to members who have rendered distinguished service to the National Association of Real Estate Brokers. Incorporated. Voting rights of Life Members shall vary according to membership designation.

Section 2. Voting Per Classification:

- (a) Individual Broker Member shall have one (1) full vote at all annual meetings.
- (b) Associate Members shall have one-half (1/2) vote at all annual meetings.
- (c) Allied Associate Members shall have one-half (1/2) vote at all annual meetings.
- (d) Individual Members shall be entitled to the same voting privileges as applies to his or her classification.
- (e) Allied Members shall have one-quarter (1/4) vote at all annual meetings.
- (f) Life Members voting rights shall vary according to membership designation.

Section 3. Member Boards:

Only one (1) "Board" from a city, shall be elected as a member board of NAREB.

- (a) Qualifications - A new board must have at least ten (10) members to become a local board of NAREB. A Board, once approved, must have ten (10) qualified memberships to maintain Board status of NAREB.

Applications for organizing a new board shall include the:

- (1) name of the organization, and
- (2) the complete name and business address of members,
- (3) a current copy of the constitution and by-laws,
- (4) a copy of articles of incorporation,
- (5) requirements for membership,
- (6) the specific geographic boundaries (political subdivision(s) and address of the local board,
- (7) officers of the organization, and
- (8) a minimum of one year's dues for each prospective member.

The application shall be in a format set by the NAREB Board of Directors and shall contain a statement that the application has been approved by a majority of the applicant's real estate board or organization. At least one (1) of the new members shall be a licensed real estate broker.

- (b) Application: The proposed new board's application may include a letter of recommendation for membership. All applications for membership shall be promptly forwarded to a place designated by the Board of Directors. The prospective local board must be approved by NAREB's membership, and a charter must be issued by NAREB to the local board authorizing an applicant to become a certified Member Board of NAREB.

- (c) Boundaries:

- (i) When a political subdivision contains a city of 100,000 or more, an existing or prospective local board, may apply to NAREB to incorporate a contiguous area outside the political subdivision boundaries which contains the city outlined in the application. Boundaries of existing boards shall not be affected by this provision.

- (ii) The boundaries of a proposed new board of distinct communities shall not be within 25 miles of any existing board. However, a local board may accept members that reside within or outside its boundaries if the member is not within the geographic boundary of another existing board.
- (d) Designations: All approved local boards shall use the name “Realtist” as part of its name.
- (e) Dues:
- (i) Subsequent to acceptance of membership of a local board, all local boards shall pay membership dues to NAREB in a timely manner. The local board shall, at the time of paying dues, certify their roster of members, including names, addresses, business phone numbers, email, and licensure status. Any additional information requested by NAREB, must be provided within thirty (30) days of receipt of the request.
- (ii) Failure to comply with any requirement of this section shall result in automatic suspension of the local board membership, from date of notice specifying the deficiency, as long, and to the extent the deficiency exist. Any deficiency not removed within six (6) months from date of notice shall result in automatic expulsion and non-affiliation. The status of individual members will not be affected hereby if their respective dues are current with NAREB.
- (f) Expulsion: Should automatic expulsion and non-affiliation occur, notice of such event shall be sent to the president, secretary, treasurer, and a copy sent to all known members by registered mail at their last known addresses on file in the national office of NAREB. The Notice shall be published in an official newspaper of general circulation, or other appropriate method, in the jurisdiction of the board, and to the general membership of NAREB.

Section 4. State Associations

State Associations having membership agreements with the National Association may be elected to membership in the National Association to afford an opportunity for individuals in the real estate business in unorganized or unassigned territories to become members of NAREB, subject to its Standards, and to be represented in NAREB. Such State Associations shall be elected to membership only upon the following conditions:

Only one (1) Association shall be elected within a state.

- (a) State Associations may accept for membership individuals in territories not within the jurisdiction of any other real estate board within the state, provided that such individuals meet all other membership criteria as set forth by NAREB.
- (b) State Associations shall have the same right to control the use of the term "Realtist" in unorganized territory within its jurisdiction. State Associations agree to enforcement of the Professional Code of Responsibility of NAREB with respect to its members.
- (c) State Associations agree to pay dues as prescribed in Article II.

Section 5. Member Board

The terms "Member Board" and "Real Estate Brokers", used in this Constitution and By-Laws, shall include "State Associations".

Section 6. Disbandment of Member Boards shall be considered and acted upon by the Board of Directors of NAREB. Any Member Board tendering a resignation shall not be delinquent in its dues to NAREB. Any resignation should clearly state the reasons for it. A meeting called for the purpose of considering such case of a State Association should be held by the majority of the local boards of real estate brokers belonging to such an association. The disbandment should be the result of such meeting.

Section 7. Boards, Affiliates, persons or any entity, shall not have the authority or permission to utilize NAREB's name without specific authority and permission granted in writing by NAREB. Any unauthorized use of NAREB's name may be subject to legal action. None of the aforementioned in this section shall present themselves as having any relationship with NAREB, formal or informal, without the specific approval and authority granted and sanctioned by NAREB.

Section 8. Affiliates or any other entity shall not establish or maintain a relationship with NAREB without having executed a Memorandum of Understanding (MOU) that contains language that delineates, with specificity, the relationship and scope of its affiliation with NAREB. Any entity currently deemed an affiliate shall negotiate an MOU by a date prescribed by NAREB, or the affiliate relationship is thereafter dissolved, and its permission to utilize NAREB's name is thereby and thereafter withdrawn.

Section 9. No entity with a 501C3 or 501C6 Federal Tax designation, or other entity, that is not a legal component of NAREB has the authority to present themselves to any funding source as having a relationship with NAREB, nor use NAREB's name, in whole or in part, without NAREB Board Approval. Said 501C3 or 501C6 or other entity is deemed to be independent of NAREB.

ARTICLE IV DELEGATES AND VOTING

Section 1. Qualified NAREB members present at any NAREB, meeting shall be entitled to participate in all regular sessions thereof.

Section 2. Qualifications of all participants attending any meetings of NAREB, shall be:

- (a) Certified for eligibility by the member's local board or state association.
- (b) Registered and all fees paid- except as to individual and Charter Members, whose eligibility shall be determined by NAREB.

Section 3. In the election of officers and directors and the determination of other matters, voting shall be done by accredited members, individual members and associate members, present. Each delegation as elected by the board shall be entitled to their own votes and as many votes as there are financial absent members and such votes shall be cast by the Chairman of the delegation in the proportion determined by the vote of said delegates present.

Section 4. Certified representation from at least ten (10) member boards shall constitute a quorum at any membership meeting of NAREB.

ARTICLE V BOARD OF DIRECTORS

Section 1. The government of NAREB, shall be vested in a Board of Directors which shall be a self-organizing body composed of the following:

- 12 Regional Vice Presidents; elected each year to serve a one year term, limited to four (4) consecutive terms;
 - 15 at large directors, five(5) elected each year to serve for a three (3) year term};
 - 10 Affiliate Presidents from the Affiliates Council (National Society of Real Estate Appraisers, Real Estate Management Brokers Institute, United Developers Council, Women’s Council, Commercial Industrial, Contractors Division, Sales Division, Investment Division, Homebuyers Counseling Division, and Young Realist Division);
 - 1 PAC Committee Chair;
 - 1 Immediate Past President two(2) year term commencing with the end of term as President);
 - 1 President of NAREB, 3 Vice Presidents; Secretary; Assistant Secretary; Treasurer; and Assistant Treasurer.
- (a). Director-at-large member may not be elected to serve more than two (2) consecutive three (3) year terms. A Director-at-Large who has served two (2) consecutive terms, shall be eligible to serve on the Board thereafter, only if he/she has sat out at least one (1) year from the end of said term. A Director-at-Large may serve a limit of four (4) three (3) year terms for a total of twelve (12) years. However, any such member shall be eligible for nomination and election as an officer, affiliate president or other Board of Director seat.
- (b) Affiliate councils shall elect annually at NAREB conventions ten (10) affiliate presidents. to serve on the Board of Directors. The council shall be a self-organizing body. Affiliates’ system of elections will be governed by its council members.

Section 2. The Board of Directors shall be a self-organizing body, which transact the general business of the Association during the interim between annual meetings. The Board shall have the responsibility and authority to:

- (a) Establish major administrative policies governing the affairs of the Association; devise and implement effective measures for the Association's viable development and growth.
- (b) With the approval of the general membership provide for the maintenance of a national headquarters for conducting the central activities of the Association, including performance of such duties of officers and committees deemed advisable; the proper care and preservation of materials, equipment, records and funds of the Association; the authorized payment of legitimate debts and expenses, and the auditing of all books, records, and financial accounts. Such audit must be conducted by a non-member certified public accountant.
- (c) Appoint an Executive Director and define his/her duties and compensation commensurate with the requisite qualifications as assessed by competent personnel and management systems expertise.
- (d) Elect to make an interim appointment to any vacancy in the Directors-at-large membership on the Board of Directors or to leave such vacancy unfilled pending the next general election.
- (e) Upon recommendation of the Secretary, certify installation into office, the Regional Vice-Presidents duly elected in an election by bona fide and financial members of NAREB from their official regions, respectively.
- (f) To supervise membership and suspension, expulsion, or other disciplinary action of members and officers of the Association for violation of NAREB's Constitution, By-Laws, or Code of Professional Responsibility. The Board of Directors may reprimand, fine, place on probation, suspend, or expel a member with a 2/3 vote of directors present. The Board of Directors shall give the member directors a 30- day notice of the pending action.
- (g) Any additional provisions deemed appropriate to this section may be adopted by the Board of Directors as part of the by-laws of NAREB *in accordance with ARTICLE XIII, Section 1.*

Section 3.1 The Board of Directors shall address conduct that is inconsistent with or adverse to the objectives and purposes of the National Association.

3.2 The Board of Directors shall address Conduct in the opinion of the Board of Directors, which reflects adversely on the real estate industry. Members other than Realtists not subject to the Code of Professional Responsibility or its enforcement by the Board, such members are encouraged to abide by the principles established by The National Association of Real Estate Brokers, Inc (NAREB)[®].

Section 4. Regular Meeting of The Board

(a) *Regular Meetings of Board of Directors.* The Board of Directors (the “Board”) shall meet at least four (4) times annually and at such other times as may be determined by the Board.

(b) *Special Meetings.* A special meeting of the Board may be called by the chairman of the Board (the “Board Chair”) or upon written request made by a majority of the Board members to the Board Chair. Notice of a special meeting shall be in accordance with paragraph (c) of this Section.

(c) *Notices.* Except as otherwise provided by statute or in this Constitution, written notice of the time, place, and purpose(s) of a regular or special meeting of the Board shall be given no less than ten (10) business days before said meeting. Notice may be sent by mail or a form of electronic transmission to a member at his or her last address, facsimile number, or electronic mail address as appears on the books of NAREB.

(d) *Meetings by Means of Remote Communication.* Any meeting of the Board may be conducted by conference telephone, videoconference, or any other similar communications equipment through which all persons participating therein can communicate with each other. Participation in a meeting pursuant to this provision constitutes in-person presence at the meeting.

(e) *Quorum.* Unless a greater or lesser quorum is required by statute, Board members present or in attendance representing a simple majority of the Board shall constitute a quorum at any meeting of the Board. A meeting of the Board may be adjourned by the affirmative vote of the Board members present, irrespective of whether a quorum then exists.

ARTICLE VI EXECUTIVE COMMITTEE

Section 1. There shall be an executive committee of fifteen (15) members consisting of the President, the three Vice-Presidents, Secretary, Assistant Secretary, Treasurer, Assistant Treasurer and seven (7) Presidential Appointees, who are NAREB members in good standing. The executive committee may be expanded subject to the approval of the Board of Directors. No member shall hold more than one position simultaneously, as outlined in this subsection, at a time.

Section 2. The Executive Committee shall have the authority to transact and manage routine affairs of the Association, in accordance with the policies and instructions of the Board of Directors. In addition, the Executive Committee may transact business of an emergency nature, subject to Board approval and ratification. All transactions of this nature shall be reported in full at the next scheduled meeting of the Board of Directors.

Section 3.

(a) *Generally.* Executive Committee meetings may be called by the President or by a majority of the Executive Committee.

(b) *Notices.* Except as otherwise provided by statute or in this Constitution, written notice of the time, place, and purpose(s) of a meeting of the Executive Committee shall be given no less than ten (10) business days before said meeting. Notice may be sent by mail or a form of electronic transmission to a member at his or her last address, facsimile number, or electronic mail address as appears on the books of NAREB.

(c) *Meetings by Means of Remote Communication.* Any meeting of the Executive Committee may be conducted by conference telephone, videoconference, or any other similar communications equipment through which all persons participating therein can communicate with each other. Participation in a meeting pursuant to this provision constitutes in-person presence at the meeting.

(d) *Quorum.* Unless a greater or lesser quorum is required by statute, Executive Committee members present or in attendance representing a simple majority of the Executive Committee shall constitute a quorum at the meeting. A meeting of the Executive Committee may be adjourned by the affirmative vote of the Executive Committee members present at a meeting, irrespective of whether a quorum then exists.

ARTICLE VII ADVISORY BOARD

Section 1. There shall be an Advisory Board composed of all former Presidents of the National Association of Real Estate Brokers, Incorporated, who continue to be members in good standing.

Section 2. The Advisory Board shall act in the capacity of advisors to the Officers and Directors of NAREB and may meet and deliberate with the Officers and Directors but shall have no vote.

ARTICLE VIII OFFICERS AND DEPARTMENTS

Section 1. The officers of NAREB shall be President; President-Elect (who shall ascend to presidency after one (1) year), Three Vice-Presidents: First, Second, and Third, Secretary; Assistant Secretary; Treasurer; and Assistant Treasurer. All officers, other than the President, shall serve for one (1) year or until their successors are duly qualified. All officers, other than the President, shall be elected and shall not exceed four (4) consecutive terms. The president shall serve for a term of two (2) years.

The President, or Board authorized designee, is the sole spokesperson of NAREB. No State or National Officer, Regional VP, National Board Director, or Committee Chair may speak on behalf of, or represent NAREB without specific authorization from the President. When such approval is granted, the message given shall be consistent with NAREB's mission and policies. A member in violation of this subsection may be subject to removal, pursuant to Article VIII, Article IX, or Article X, or other applicable Article of the Bylaws, or have their authority restricted as prescribed by the Board, or the Executive Committee, ratified by the Board.

Section 2. The President shall be the chief elected officer and the chief presiding officer of the Association and the Executive Committee. In such capacities, the President shall serve as the sole authorized spokesperson for NAREB, unless otherwise designated by the Board of Directors, and have the

authority and duty to represent the Association and act in its name subject only to the limits of its established policies. The President shall appoint members to all committees, unless otherwise directed by the Board of Directors; shall be an ex-officio member of all committees and shall perform all other duties usual to such office.

(a) The duties of the President-Elect shall be to familiarize him/herself with the activities and duties of the office of President and NAREB. He/she shall be an ex-officio member of the Board of Directors Executive Committee, Public Affairs Committee, and any other committee of which the President is ex-officio member but shall have no vote.

Section 3. In the event an officer becomes incapacitated or are otherwise unable to perform their duties, the President shall appoint any active member of NAREB to the affected position. The Vice-Presidents, in order, shall perform the duties of the President in the event of his/her absence or disability.

Section 4. A Regional Vice-President shall be elected for one year, may not exceed four (4) consecutive terms,

(a) Only financial members certified by the NAREB Board of Directors not less than 45 days prior to the Annual Convention may vote. At least 30 days prior to such election, all certified and financial members of NAREB shall be duly notified of such Vice Presidential election schedule and voting procedure for their Region, respectively.

(b) Regional Vice-Presidents, upon being duly elected, certified, and installed, shall coordinate the work of NAREB in their respective regions and shall act as the representative of the President in such matters as may be assigned to them in writing. A Regional Vice-President may appoint not more than two (2) assistants to assist him/her in the work of the Region. Each Regional Vice-President shall promote the principles, aims and policies of NAREB throughout his/her Region and shall endeavor to increase membership in both the local and national associations and effectively and opportunely perform his/her duties and designated assignments.

(c) A vacancy of a Regional Vice-President shall be filled by the NAREB Board of Directors. The vacancy for the unexpired term shall be filled by members within the Region in which the vacancy occurs.

Section 5. The Treasurer shall be the custodian of the funds and securities; the disbursing officer of NAREB and custodian of the funds and securities of any special project and/or special funds or securities held or administered by the Board of Directors and Executive Committee. **The Assistant Treasurer shall perform the duties and functions of the Treasurer whenever the Treasurer is unable to perform the duties of his/her office adequately or appropriately.**

All funds and securities of NAREB, shall be deposited immediately in such depositories as the Board of Directors designates. Said funds may be withdrawn only upon written voucher or proper authority and as is more specifically set forth in the Bylaws. **The Treasurer shall provide a bond, covering the Treasurer, Assistant Treasurer, Secretary, and Assistant Secretary, in a surety company qualified to do businesses in the state of Michigan or any such state as the Board of Directors may designate. The cost of such bond shall be paid by NAREB.**

- (b) The financial records of the agency shall be maintained in a secure location in the national office of NAREB, or other location designated by the Board. The Treasurer shall make available said records in whole or in part upon request by the President and/or the Chair of the Budget and Audit and Finance Committee and otherwise required by the Constitution of NAREB.**
- (c) The Treasurer shall promptly and expeditiously pay all documented invoices and/or vouchers approved by the President.**
- (d) NAREB shall retain a bookkeeper as a paid consultant and who shall function separately, and in addition to the Treasurer. The bookkeeper shall submit monthly reports to the Board of Directors, President, Treasurer, Budget & Finance Committee Chair, and other designated persons authorized by the Board. The duties and responsibilities of the bookkeeper shall be prepared by the Chair of the Budget & Finance Committee and shall report to said committee.**
- (e) NAREB and its officers shall not be obligated for any NAREB indebtedness unless a commensurate amount of funds have been received in the NAREB bank account(s) or is committed by a funding source. A budget item having no confirmation of fund in-hand or committed, is not approved. Confirmation of adequate funding for any line item shall be transmitted to the President.**

(f) NAREB shall not be liable, nor any expenditure made, for any indebtedness not supported by proper documentation and approved by the President or as prescribed by the Constitution or prescribed by law.

(g) Directors, Officers, Regional VPs, state Board Officers, Committee Chairs or anyone on their behalf shall not solicit funding, financial support of any programmatic initiatives, of any kind, from existing National Partners, unless expressly approved by the Board. Any funds raised must be submitted to the NAREB Treasurer for deposit into its account(s). Any member in violation of this subsection may be subject to removal, pursuant to Article VIII, Article IX, Article X, or other applicable Article of the Bylaws, or have their authority restricted as prescribed by the Board or the Executive Committee, as ratified by the Board.

(h) Quarterly financial activities reports shall be submitted by the Regional VPs, State Boards, National Affiliates, Directors, and Committee Chairs reflecting all funds raised in accordance with Section 5 (g) above. If no funds are raised, reports shall so state. These reports shall be submitted to the Chairperson of the Board, President, and other person(s) designated by the Board on the applicable Fiscal Year.

(i) No person shall pay any indebtedness on behalf of NAREB, without specific authorization of the Board. If such expenditures are made without the Board's specific authorization, the persons or entity incurring said indebtedness shall assume full personal responsibility and NAREB shall not be liable, or responsible for reimbursement, unless subsequently approved by the Board. Any request for reimbursement must be submitted within 30 days of the expenditure.

Section 6 A Budget & Finance Committee shall be appointed by the President, subject to the approval of the Board of Directors. Duties and responsibilities of the committee shall be to prepare a budget and submit proposals to finance the budget of NAREB. The Budget & Finance Committee shall be composed of not less than five (5) members, nor more than nine (9) members. The committee membership shall be comprised of odd numbers only. Members shall serve a one (1) year term and meet at least semi-annually to review the status of NAREB's finances. At least quarterly, and at each Board meeting the committee shall prepare a report of their findings to the Chair of the Board.

Section 7. The Board shall establish standing committees as appropriate.

Section 8. The Secretary shall record the minutes of all meetings (may be recorded by an individual designated by the Secretary), prepare and disseminate all official notices, maintain and keep the records and Seal of NAREB and perform such other duties as are customary to the office, including Acting Secretary for the Board of Directors and the Executive Committee.

(a) The Assistant Secretary shall perform the duties and functions of the Secretary if the Secretary is unable to perform the duties of his/her office, or as otherwise specified by the Board.

Section 9. The receipt, recordation, and processing of all funds due, or received by NAREB shall be set out with specificity in its policies and procedures.

Section 10. When deemed feasible, there shall be an Executive Director who shall be appointed by the Board of Directors. The Executive Director shall perform such duties usual to such office and other duties delegated to him/her by the President and are consistent with Board policy and responsibility. The duties shall include but not be limited to the following:

(a) Regularly monitor the distribution to NAREB membership of all necessary or pertinent information and communication related to NAREB policies, objectives and activities, , i.e., all official Board and committee meeting announcements and minutes, workshop and convention schedules and program agenda and pertinent educational materials on Federal, State or local legislation, policy, programs, problems and case experiences.

(b) Act in no way to bind the NAREB by statement or communication without the expressed authorization of the Board of Directors.

(c) Hire and supervise administrative employees with approval of the President and Board of Directors and maintain accurate records and statements for all taxes or fees due and payable or paid for such employees to any private, Municipal, State or Federal agency.

(d) Process and disburse finances strictly in accordance with the direction and manner prescribed by the Board of Directors and the President.

(e) Exert continual affirmative efforts through the office of Executive Director to foster and advance the policies and ideals of NAREB and provide support to the office of the President.

(f) Conduct the daily activities of the National Office efficiently and handle public inquiries courteously and responsively.

(g) Dedicate his/her efforts during the term of their contract to promote through the office of Executive Director, the ideals, and principles of NAREB.

Section 11. The Board of Directors shall appoint a General Counsel and associates who shall perform the duties usual to such office. Counsel shall receive notice to all Board of Directors and Executive Committee meetings.

Section 12. Other Board Appointments

(a) The Board shall appoint a Sergeant-At-Arms, a Parliamentarian, Chaplain, and a Historian for NAREB and the National Convention, appointed by the Board, performing the usual duties associated with like offices.

(b) The initial term of the Historian shall be for five (5) years, and subsequent terms set by the Board. The duties of the Historian, at a minimum, shall chronicle, the significant events and milestones of NAREB, each National Convention, and other such historical fact relevant to the activities and progress of NAREB, and otherwise determined by the Board. The Historian shall possess the appropriate qualifications to provide a consistent, full, and accurate record of the aforementioned.

ARTICLE IX

-ELECTIONS -

Section 1. The annual election of Directors and Officers shall be held at the Annual Convention, except Regional Vice President elections shall be as set forth Article VIII, herein..

Section 2. There shall be a Nominating Committee of nine (9) members, elected at the Annual Convention. Three (3) members who are not on the Board of Directors which shall be selected by the President, three (3) members shall be selected by the Board of Directors from its own membership and three (3) non-board members are to be elected by the Membership. A nominating Committee member's position shall be deemed vacant if unable to serve during the Annual Convention due to disability or absence. Such vacancy shall be filled by the President through appointment through the aforementioned process.

Section 3. The Nominating Committee shall nominate one nominee for each place on the Board of Directors to be filled and propose one nominee for each elective office and shall cause its report to be posted at a place provided for the purpose not less than 24 hours prior to the election.

Section 4. Members shall have the privilege of placing other nominations before the Annual Convention.

ARTICLE X

ANNUAL MEETING

Section 1.

(a) *Date, Time, and Place for Annual Meeting.* The Annual Meeting of NAREB shall be held on the 1st day of August of each year, and shall continue thereafter until completed as is practicable, at the time(s) and place(s) determined by the Board of Directors. Notwithstanding the foregoing, the Board of Directors may change the date, time, and place for the Annual Meeting by a two-thirds majority vote.

(b) *Notice.*

(i) *Generally to NAREB membership.* The President or designee Secretary shall notify the membership of NAREB of the date(s) of the Annual Meeting no less than one hundred eighty (180) days prior thereto. Notice of an annual meeting may be sent by mail or made by a form of electronic transmission to a member at his or her last, address, facsimile number, or electronic mail address as appears on the books of NAREB.

(ii) *Notice by other means.* Notice of the date(s) of the Annual Meeting may also be provided via NAREB's website or in a newsletter or other periodical that is published by NAREB and mailed to NAREB membership at least semiannually. Any notice sent pursuant to this provision shall be provided no less than ninety (90) days before the Annual Meeting.

(iii) *Notice regarding Member Board meetings.* The Board of Directors may determine a date for members of Member Boards to meet at the Annual meeting upon two hundred ten (210) days' notice to NAREB membership.

(c) *Meetings by Means of Remote Communication.* Where approved by a two-thirds majority of the Board of Directors, the Annual Meeting, including any part or portion thereof, may be conducted by conference telephone, videoconference, or any other similar communications equipment through which all members participating therein can communicate with each other. Participation in a meeting pursuant to this subsection constitutes in-person presence at the meeting

Section 2. Special Meetings of the National Association of Real Estate Brokers, Incorporated, may be called by 2/3 of the Board of Directors, or the President,

ARTICLE XI
- REGIONS -

Section 1. The territory in which the National Association of Real Estate Brokers, Incorporated, shall operate shall be divided into regions which shall be supervised by Regional Vice-Presidents elected for that purpose. The Board of Directors shall determine the Territorial limitations of said regions.

ARTICLE XII
PARLIAMENTARY AUTHORITY

Section 2. Roberts Rules of Order, latest edition, shall be recognized as the authority governing meetings of the National Association of Real Estate Brokers, Incorporated, or its committees when not in conflict with this Constitution and By-Laws.

ARTICLE XIII
- *AMENDMENTS* -

Section 1. This Constitution may be amended by 2/3 vote of the certified members present at any meeting of the Association, provided the substance of the proposed amendment has been submitted in writing to the Member Boards and posted on the official NAREB Web Site to the general membership, at least thirty (30) days in advance of their adoption. The adoption of any such revision shall be posted on the official NAREB Web Site.

Section 2. "Substance" in the previous Section shall be defined as reference to the subject matter amended.

NAREB BY-LAWS

ARTICLE I

FISCAL YEAR

Section 1. The fiscal year of the National Association of Real Estate Brokers, Incorporated, shall be from October 1, September 30th, both dates inclusive.

Section 2. The election of officers shall be at the National Convention, and they shall be installed immediately following such election. They shall hold their respective offices until their successors are duly elected and qualified unless sooner removed by death, retirement or disqualification.

ARTICLE II

DUES

Section 1. The annual dues of the membership in the National Association of Real Estate Brokers, Inc., shall be increased or decreased based on the recommendation of the Board of Directors and approved by two-thirds (2/3) of the membership at a general meeting. The annual dues are due January 1st of each calendar year and are considered late if not paid by March 31st of the same calendar year. A late fee shall be assessed by the Board of Directors.

Section 2. The cutoff date for submission of dues to the national office is July 31st of each year. Memberships received after July 31st of each year will not be included in the vote count at the national convention and national election. The dues collected by local boards of NAREB are to be submitted monthly to the national office. The dues submitted should be received at the National Office by the 15th day of the following month. Failure to provide the dues in a timely manner will result in a penalty, determined annually by the membership at the national convention.

Section 3. Each Member Board shall receive a master membership account billing based on its total membership roster as of October 31 not later than December 1. The annual dues shall be due and payable January 1 of each calendar year and shall become delinquent on the last day of February of each calendar year.

Section 4. Member Boards shall have the sole responsibility to delete non-financial members from its master membership account. Member Boards with delinquent membership accounts shall not be entitled to the courtesies and privileges of the National Association or its Affiliates for its members.

Section 5. Member Boards shall have the sole responsibility to add new members to its master membership account. All new members shall pay one full year's dues at the inception of their membership. Member Boards shall be billed on a pro rata basis the next succeeding calendar year for all new members whose membership began after February of the calendar year. New members shall not be entitled to the courtesies and privileges of the National Association or its affiliates until they are added to the master membership account by their respective Member boards.

ARTICLE III
ANNUAL MEETINGS

Section 1. The National Association of Real Estate Brokers, Inc. shall conduct the affairs, arrangements and business of its Conventions and Annual meetings through a Convention Committee appointed by the President with the ratification of the Board of Directors.

Section 2. The National Association of Real Estate Brokers, Incorporated will receive all the registration fees of persons in attendance at the National or Special Conventions. The Board of Directors shall determine the amount of registration fee for each Annual Convention or Special Meeting.

Section 3. The Convention Committee shall supervise and coordinate the activities of all committees for organizing the Convention and Annual Meeting dealing with, and including but not limited to the following:

- | | |
|--------------------------|---------------------|
| 1. Program | 10. Journal |
| 2. Speakers | 11. Banquet |
| 3. Housing | 12. Transportation |
| 4. Public Accommodations | 13. Guests |
| 5. Fees | 14. Exhibits |
| 6. Registrations | 15. Souvenirs |
| 7. Entertainment | 16. Photography |
| 8. Panels | 17. Press Relations |
| 9. Badges | 18. Tournament |

ARTICLE IV - FINANCES

Section 1. All funds and securities of the National Association of Real Estate Brokers, Incorporated, shall be deposited immediately in such depositories as the Board of Directors may designate, subject to the provisions of ARTICLE VIII, Sec. 5, 7, and 8 herein. The said funds may be withdrawn only upon written voucher of proper authority, and as is more specifically set forth in the Bylaws.

The Treasurer shall provide a bond in a surety company, qualified to do businesses in the state of Michigan or any such state as the Board of Directors may designate. The cost of such bond shall be paid by the Association.

All monies of the National Association shall be disbursed only by check, except petty cash funds. All checks must be signed by the Treasurer and in addition by the Chair or Secretary respectively.

Section 2. Disbursement of funds of the National Association except petty cash shall be made in the following manner: The Treasurer shall draft a check in the amount determined and three (3) copies of the authorization voucher, invoice order and forward the (voucher) check to the President with two (2) copies of the voucher, invoice or order attached thereto.

The Chairman of the Board, upon assurance of veritable funds, shall be authorized to approve the same, if proper, and retain a copy of the voucher, invoice or order. He/she shall sign checks if proper, upon assurance of veritable funds, in his/her official capacity, and forward the check to the payee and retain the copy of the voucher, invoice or order for his/her official file.)

Section 3. An amount of the funds of the National Association of Real Estate Brokers, incorporated, not to exceed \$50.00, shall be known as "Petty Cash" and shall be kept in the office of the Secretary and may be used by him/her for miscellaneous expenses connected with the operation of the office. He shall produce receipts for such expenditures to the auditors.

ARTICLE V

GIFTS AND BEQUESTS

Section 1. The National Association of Real Estate Brokers, Incorporated, may receive gifts and bequests, which shall be administered by the Board of Directors, and shall constitute an endowment. Funds derived from this source shall be invested and the income therefrom used to promote the purposes of the National Association of Real Estate Brokers, Incorporated, and the funds from said sources shall be kept in an account in the name of the National Association of Real Estate Brokers, Incorporated, separate and apart from the general funds of said Association.

Section 2. Gifts and bequests made to the National Association of Real Estate Brokers, Incorporated, for specific purposes must be approved by the Board of Directors prior to acceptance thereof, and in case of acceptance may be used only for the purposes and in the manner specified by the donor.

ARTICLE VI - ORDER OF BUSINESS

Section 1. The Order of Business of the National Association of Real Estate Brokers, Incorporated, its divisions and committees, except when otherwise provided, shall be:

1. Call to Order
2. Roll Call and certificate of meeting
3. Approval of Minutes
4. Appointment of Committees
5. Application for membership
6. Reports of officers
7. Reports of Committees
8. New Business
9. Election of officers (if at the Annual meeting)

Section 2. Roberts Rules of Order, latest edition, shall be recognized as authority governing the meetings of the National Association of Real Estate Brokers, Incorporated, its divisions and committees, when not in conflict with the Constitution and By-Laws of the National Association of Real Estate Brokers, Incorporated.

ARTICLE VII - COMMITTEES

Section 1. The President shall appoint members to the following Standing Committees to serve for one year or until their successors are appointed and ratified by the Board of Directors. He/she may also appoint a Chairperson for each committee:

1. Convention Committee
2. Resolutions Committee
3. Constitution Committee
4. Budget and Finance Committee
5. Public Relations Committee
6. PAC – Public Affairs Committee
7. Building Committee
8. Education Committee
9. Membership Committee
10. Insurance Committee

Section 2. The President may appoint from the membership any special Committees that, in his/her judgment may be necessary to properly effectuate the interests of the Association.

ARTICLE VIII

DISCIPLINARY ACTION AND RESIGNATION OF MEMBERS

(a) The membership of any member may be suspended, terminated, or the member may be expelled or placed on probation from NAREB, by 2/3 vote of the elected Board of Directors for, violation of the Constitution, By-Laws, or Code of Professional Responsibility, or by failing to maintain his/her financial responsibilities of membership.

(b) A member suspended under the conditions of 1(a) of this section may be reinstated upon submission of evidence of correction and of good faith at the discretion of the Board.

(c) Any Complaint lodged against a member must be in writing, outlining with specificity, the facts of the alleged violation, and the basis of the alleged violation. The complainant and all persons involved in the disciplinary process shall be held to a high standard of confidentiality as to the fact of, or any aspect of the Complaint, except, where appropriate, notice of final adverse action taken by the Board. Notice of a complaint shall be given by registered mail, returned receipt requested, or hand delivered where necessary.

(d) Any such complaint shall be tendered to the Chairman of the Board of NAREB, who shall appoint a Seven (7) member Committee, designating the committee chair or assign the matter to an appropriate standing committee, who shall investigate and report their findings as to whether the allegation is sufficient for further action or not. If the report does not recommend further action, then the matter shall cease. If the complaint is lodged against the Chairman, then the Vice Chairman shall assume the responsibility pursuant to this section.

(e) If further action is recommended by the committee, then notice shall be given to the alleged violator, with copies of the complaint, all relevant documents, and procedures. The member shall be given thirty (30) days to respond, in writing, and delivered to the designated address by registered mail, return receipt requested. The member shall be given the opportunity to appear in person before the Committee, if requested. The Committee, after due deliberation, shall thereafter, tender a report with recommendation (s) to the Chairman of the Board.

(f) The matter shall then be submitted for action pursuant to 1(a) of this section by the Board of Directors for consideration of the recommendation(s), and action, pursuant to the provisions of Paragraph (a) of this section. The Board of Directors shall make final disposition in each case.

(g) A member may resign upon presenting a letter of resignation to the president. Such resignation is effective immediately and releases the organization from all responsibilities to the member upon receipt.

(h) If any member submitting a resignation is indebted to NAREB for dues, fines, or the assessments of the Board, the Board may condition the right of the resigning member to reapply for membership upon payment in full of all such monies owed.

(i) If the member resigns from the Board with an ethics complaint pending, the Board may condition the right of the resigning member to reapply for membership upon the member's certification that he/she will submit to the pending ethics or arbitration process and will abide by the decision of the hearing board.

(j) Any additional provisions deemed appropriate to this section may be adopted as part of the by-laws of NAREB.

ARTICLE IX

REMOVAL OR RESIGNATION OF AN OFFICER

Section 1: Removal of an Officer

- (a) An officer elected or appointed by the NAREB may be removed by 2/3 vote of the Board of Directors, for failing to properly assume his/her duties as an officer, or for conduct detrimental to the best interests of the NAREB, or by failing to comply with the purposes and objectives of this organization. It shall be the prerogative of the officers to bring to the attention of the NAREB Board of Directors circumstances warranting the action outlined herein.
- (b) An officer elected by the members of NAREB may be removed, only for cause, by the vote of the members. The authority of the officer to act as an officer may be suspended by the board for cause, as outlined in subsection 'a' of this Article.
- (c) If such action is warranted, then the Complaint shall first be brought in writing, outlining the specific facts of the alleged violation, and submitted to the Chairman of the Board for action. If the allegation(s) is against the Chairman of the Board, then the Complaint shall be submitted to the Vice Chairman of the Board for action. Only after consideration as to whether further action is warranted, then the matter may be submitted confidentially to the Board of Directors, with recommendation(s) for action, consistent with this Article.

Section 2: Resignation of an Officer

- (a) An officer may resign his/her office upon presentation of his/her reasons for resignation to NAREB, and upon affirmation by two-thirds majority of a motion that the resignation be accepted.
- (b) Any additional provisions deemed appropriate to this section may be adopted as part of the by-laws of NAREB.

ARTICLE X

SEXUAL HARASSMENT

Section 1: Sexual Harassment Policy of The National Association of Real Estate Brokers, Inc.

“NAREB” is committed to providing an association that is free from sexual harassment. Sexual harassment is against the law and will not be tolerated. When “NAREB” determines that an allegation of sexual harassment is credible, it will take prompt and appropriate corrective action. NAREB, will assure its officers, directors and membership base is free from sexual harassment during Board and Membership functions.

Sexual Harassment

Section 2: Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

The unwelcome conduct unreasonably interferes with an individual's performance or creates an intimidating, hostile, or abusive environment. Unwelcome actions such as the following are inappropriate and, depending on the circumstances, may in and of themselves meet the definition of sexual harassment or contribute to a hostile environment:

(a) Sexual pranks, or repeated sexual teasing, jokes, or innuendo, in person or via e-mail. Verbal abuse of a sexual nature, touching or grabbing of a sexual nature, repeatedly standing too close to, or brushing up against a person. Repeatedly asking a person to socialize during off-duty hours when the person has said no or has indicated he or she is not interested.

(b) Giving gifts or leaving objects that are sexually suggestive, repeatedly making sexually suggestive gestures, making, or posting sexually demeaning or offensive pictures, cartoons, or other materials in the workplace. A victim of sexual harassment can be a man or a woman. The victim can be of the same sex.

NAREB's Responsibilities Under This Policy

If NAREB receives an allegation of sexual harassment, it will take the necessary steps to ensure that the matter is promptly investigated and addressed. If the allegation is determined to be credible, it will take immediate and effective measures to end the unwelcome behavior.

The NAREB Board of Directors is the main contact point for questions or concerns about sexual harassment. It has the responsibility for investigating and overseeing investigations of alleged sexual harassment. The association is committed to ensuring that all investigations of sexual harassment are conducted in a prompt, thorough, and impartial manner.

Supervisors and other responsible officials who observe, are informed of, or reasonably suspect incidents of possible sexual harassment must immediately report such incidents to the Board of Directors, which will either initiate or oversee a prompt investigation.

The Board will seek to protect the identities of the alleged victim and harasser, except as reasonably necessary (for example, to complete an investigation successfully). The Board will also take the necessary steps to protect from retaliation those employees who in good faith report incidents of potential sexual harassment. It is a violation of both federal law and this policy to retaliate against someone who has reported possible sexual harassment. Violators may be subject to discipline and or removal.

Employees' Rights and Responsibilities Under This Policy

Any employee who believes he or she has been the target of sexual harassment is encouraged to inform the offending person orally or in writing that such conduct is unwelcome and offensive and must stop. Employees are encouraged to report the unwelcome conduct as soon as possible to a responsible officer. In addition to reporting sexual harassment concerns to a responsible officer, employees who believe they have been subjected to sexual harassment may elect to pursue resolution in several ways, including:

- ◆ **Mediation:** Mediation is an informal way to resolve office problems using a trained mediator who facilitates communication between the parties to the dispute. If an employee chooses to attempt resolution through mediation, management is obligated by policy to send a representative to the table. If a resolution is not reached, the parties may continue to pursue their rights in any other appropriate forum.

Resources

Managing #MeToo-Harvard Business Review.

The Office of Civil Rights-EEOC Study of Harassment

ARTICLE XI

Removal of Director

Section 1: Absent from Regular Meeting.

- a. Any Member of the Board of Directors who shall be absent from two (2) consecutive regular meetings of the Board of Directors, that are unexcused, shall be subject to forfeiture of his/her Directorship for cause. The chairperson of the NAREB Board shall provide written notice of the pending action of the Board, and the member shall be given thirty (30) days to respond, in writing, to the Chairperson with explanation of the deficiency.
- b. The response of the Director shall be communicated to the Board, at which time the Board may remove said Director by a majority **vote** of Directors then in office, unless it is found that the "Director's " absence was previously excused by the Board.
- c. Excuses for absence from a Board meeting must be granted by the Board prior to a regular meeting, however, excuses for absence from a Board meeting may be granted if it is found that reasonable circumstances prevented the Director from communicating the request for excused absence in a timely manner.

Section 2: Legal Proceedings.

- a. Any Member of the Board of Directors who initiates legal proceedings against the NAREB organization, whether directly, indirectly, or participates in any legal proceedings against the NAREB organization may be subject to removal, recusal, or suspension from their duties with or without cause, which may also include the denial of their access to the Board of Directors' information that may compromise the confidentiality, integrity and best interest of the Board of Directors.
- b. The decision to remove, recuse, or suspend a Member of the Board of Directors and to deny access to the Board of Directors' information shall be by a 2/3rds vote of Directors then in office with a quorum present and the removal, recusal, or suspension does not violate the applicable Federal, State and Local laws. The affected Director shall be notified of such action writing and shall have the opportunity to present their case in writing, with legal representation if they so choose thirty (30) days before the vote for removal, recusal, or suspension and the Director shall have the opportunity to present their case in person, with legal representation if they so choose, prior to the final vote of the Board of Directors.

c. Upon the resolution or settlement of the legal proceedings, the Board of Directors may reconsider the status of the affected director and take appropriate action, including reinstatement if deemed in the best interest of the NAREB organization.

Section 3. If a Director is removed pursuant to this Section, the remaining Directors may appoint a Director that is consistent with the category of Directorships reflected in Article V of the Constitution to fill the vacancy.

ARTICLE XII

AFFILIATIONS

Section 1. The National Association of Real Estate Brokers, Incorporated, may by Resolution of the Board of Directors, organize, charter, certify, and originate specialized departments, affiliates, associations, foundations, societies, and groups consistent with the aims and purpose of the Organization upon ratification in accordance with these Bylaws. **They shall maintain at least ten (10) members in good standing. All affiliates, shall provide to the national office, the following if requested, on an annual basis:**

- a. Name and business address of the Organization;
- b. Constitution & Bylaws of the Organization;
- c. Articles of Incorporation;
- d. A name of current officers, including their full addresses, and office telephone numbers, as well as the names, full addresses, and business telephone numbers of their membership;
- e. Requirements for membership;
- f. Documentation of at least ten (10) members, who are all members of NAREB;
- g. Membership approval and documentation of current NAREB financial status.

All Regional VPs, State Boards, National affiliates, Directors and Committee Chairs shall provide financial, business and activities reports on a quarterly basis, on dates prescribed by NAREB:

Failure of the Regional VPs, State Boards, National affiliates, Directors and Committee Chairs to provide NAREB with annual, quarterly business and/or financial reports, or any other requirement of this section, including the violation of

any other applicable provision of the Constitution and Bylaws of NAREB, may result in reprimand, fine, suspension, or expulsion, where permitted by the Constitution and Bylaws. The National Association of Real Estate Brokers shall assess the affiliate organization a fee equal to associate membership for any member not a member of a local board. Failure to pay these fees within 60 days of notice will result in penalties as detailed in Article XX, Section 3.

ARTICLE XIII

HONORARY OFFICERS OR MEMBERS

Section 1. The Board of Directors may by Resolution nominate, confirm, and designate the status of an individual as a Honorary Member and/or Honorary Officer of the Organization.

Section 2. Honorary Officers or Members shall not vote, nor shall they preside at any meetings of the Organization.

Section 3. Honorary Officers or Members may attend any of the meetings of the Organization and may participate in any discussions but shall have no vote. Honorary membership shall not preclude any individual from becoming an active Member.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended by 2/3rds vote of the Board of Directors at any meeting of the Board, provided the substance of the proposed amendment has been submitted in writing to the NAREB Member Boards, and posted on the official NAREB Web Site to the general membership, at least thirty (30) days in advance of their adoption. The final action taken by the Board with respect to any revision shall be posted on the official NAREB Web Site.

Section 2. “Substance” in the previous Section shall be defined as reference to the ***subject matter to be amended.***

***Approved as to form and submitted this 4th day of August 2022 in Tampa, FL NAREB CONSTITUTIONAL CHANGES
03-03-2021 VIRTUAL***

APPENDIX I

NAREB

Code of Professional Responsibility



NAREB® CODE OF PROFESSIONAL RESPONSIBILITY

PART I RELATIONS TO THE PUBLIC

1. Each member of the National Association of Real Estate Brokers, Incorporated® accepts, is bound by, and shall fully adhere to the Code of Professional Responsibility.
2. A Realtist® shall not discriminate against any person because of Race, Color, Religion, Sex, National Origin, Disability, Familial Status or Sexual Orientation:
 - In the sale or rental of real property.
 - In advertising the sale or rental of real property.
 - In the financing of real property.
 - In the provision of professional services.

A Realtist® shall not establish, reinforce, or extend any agreement or provision therein, that restricts or limits the use or occupancy of real property to any person or group of persons based on race, color, religion, sex, national origin, disability, familial status or sexual orientation.

3. It is the duty of a Realtist® to protect the public against misrepresentations, unethical practices or fraud in real estate transactions, and to offer all properties listed with him/her solely on merit and without exaggeration, concealment, deception or misleading information.
4. Before offering a property for sale or rent, a Realtist® shall:
 - (a) Secure written authorization of the owner of his/her authorized agent.
 - (b) Furnish a copy of the authorization to each person who signed it.
 - (c) Fully inform prospective purchaser of the pertinent facts concerning the property.

5. A Realtist® should always offer property at the price set forth in the listing agreement.
6. A Realtist® shall protect the public against unethical, improper, or fraudulent practices by affixing the term or symbol Realtist® to advertising matter, stationery, signboards, stock certificates, bonds, mortgages, and other instruments or other material used by or in connection with the real estate business of said member. The Realtist® shall also educate the general public to the importance of undertaking transactions only with those persons who have agreed to observe the highest standards of the profession, such as those practiced by the member Realtist® of National Association of Real Estate Brokers, Incorporated.
7. A Realtist® shall not engage in activities that constitute the unauthorized practice of law. He/she should advise that legal counsel be obtained, wherever the interest of any party to the transaction requires it.
8. The Realtist® shall inform all parties to a transaction of his/her own position or pecuniary interest in the transaction and shall not demand or accept a commission from both parties except with their knowledge and consent in writing and signed by all parties.
9. The Realtist® shall disclose to all parties any personal interest in the ownership of a property at the inception of the Realtist's business dealings with the parties.
10. The Realtist® shall see that all contracts and agreements for the ownership, use and/or occupancy of real properties shall be in writing and signed by all parties, or their lawfully authorized agent.
11. The Realtist® shall maintain a special escrow account, in an appropriate financial institution, and deposit all monies in the Realtist® possession, that belonging to others related to transaction(s), which are held in trust. Said monies shall not be co-mingled with the Realtist's own funds.

PART II RELATIONS TO CLIENTS

1. When a Realtist® has accepted a listing on a property, the Realtist® shall give an honest and comprehensive valuation of its fair market value to the owner.
2. In all real estate transactions, the Realtist® shall always be fair to all parties to the transaction while promoting the interest of the client and maintaining the proper professional relationship.
3. The Realtist® shall not buy property listed with the Realtist® for sale, nor purchase an interest therein, without stating the facts to the client in writing, prior to such purchase.
4. The Realtist®, when under contract in the management of property, shall not demand and receive commissions, rebates and/or profits on expenditures made on behalf of his/her client without that client's prior written authority.
5. The written exclusive listing of property should be encouraged by all Realtist® as a means of preventing misunderstandings and assuring the best service to the owner, unless this is contrary to the best interest of the owner. The acceptance of such listing creates the obligation of giving skilled and conscientious service in the transactions. When a Realtist® is unable to render such service through office of the Realtist® or with the aid of fellow Realtist®, all parties concerned shall be informed of the pertinent facts, and the listing shall be canceled and returned.
6. In all matters of appraisals, the Realtist® should give a written opinion. The Realtist® is therefore entitled to recover a fee for such service from the requesting party, as it is a matter of professional service. The opinion, whether on appraisal or real estate problem, shall be thoroughly considered and without any personal interest in the result of a possible sale or lease. Possible employment should not affect the amount of appraisal or honesty of opinion

PART III PROFESSIONAL RELATIONS

1. The Realtist® should always be loyal to the applicable local Board of Real Estate Brokers and active in its work. The fellowship of associates and the mutual sharing of experiences are always assets to all concerned.
2. The Realtist® should conduct business so as to avoid controversies with his/her fellow Realtist®, who are members of the same local Board of Real Estate Brokers. Any such controversies should be submitted for arbitration in accordance with the regulations of the applicable Real Estate Board and not in an action at law. The decision in such arbitration should be accepted as final and binding.
3. Controversies between Realtists® who are not members of the same local board should be submitted for arbitration to an Arbitration Board consisting of one arbitrator chosen by each Realtist from the Board of Real Estate Brokers to which he belongs and one other member, or a sufficient number of members to make an odd number, selected by the arbitrators thus chosen.
4. All employment arrangements between broker and salesmen should be reduced to writing and signed by both parties. It is particularly important to specify rights of parties in the event of termination of employment. All listings acquired by a salesman during his/her tenure of employment with the Broker, shall be the exclusive property or right of the Employing Broker after such termination.
5. A Realtist® should never publicly criticize a fellow Realtist® professionally. The Realtist® shall never express an opinion of a transaction unless expressly requested to do so by one of the principals. His/her opinion then should be rendered in accordance with strict professional courtesy and integrity.
6. A Realtist® shall never seek information about a fellow Realtist® transactions to use for the purpose of closing the transaction personally or diverting the client to another property.

7. When a cooperating Realtist® accepts a listing from another Broker, the agency of the Broker who offers the listing should be respected until it has expired and the property has come to the attention of the cooperating Realtist® from a different source, or until the owner, without solicitation, offers to list with the cooperating Realtist®; furthermore, such a listing should not be passed on to a third Broker without the consent of the listing Broker.
8. Negotiations concerning property, which is listed with one Realtist® exclusively, should be carried out with the listing Broker and not with the owner.
9. A Realtist® shall not solicit the services of any employee in the organization of a fellow Realtist® without the express written consent of the employer.
10. A Realtist® shall not place a sign on any Property offering it for sale or rent without the written consent of the owner or his/her authorized agent.
11. All local boards or affiliates shall hear all complaints involved in their jurisdiction. Any adverse decision against a member whom the complaint was brought against may be appealed through the Regional Vice President to the Board of Directors of the National Association of Real Estate Brokers, Incorporated for final resolution pursuant to the provisions of the suspension and expulsion provisions of the by-laws of NAREB. All complaints against a member of NAREB, which have not been addressed at the local level by local board or affiliate organizations, may be submitted in writing to the Chairman of Board of Directors, subject to the NAREB Bylaws.
12. In the event that a "Realtist" is asked to present evidence in any charges of violation of this Code of Professional Conduct or other disciplinary investigation, he/she shall be accorded an opportunity to present all pertinent information.