

# Bylaws

## ARTICLE I

### PURPOSE

The purpose of the Montana Association of REALTORS® (Hereinafter referred to throughout these Bylaws as MAR) is to unite local Boards/Associations of REALTORS®, hereinafter referred to as Boards, their members, and Individual Members in the State of Montana for the purpose of exerting effectively a combined influence upon matters affecting real estate, to elevate the standards of the real estate business throughout the state and the professional conduct of persons engaged herein.

## ARTICLE II

### MEMBERSHIP

**Section 1.** The Members of MAR shall consist of eight (8) classifications:

- 1) Member Boards
- 2) Board Members
- 3) REALTOR® Members
- 4) Institute Affiliate Members
- 5) Affiliate Members
- 6) Honorary Members
- 7) Life Members
- 8) REALTOR® Emeritus Members

Only REALTOR® Members, Life Members, REALTOR® Emeritus Members and Board Members shall be voting members of MAR.

**Section 2.** A Member Board/Association shall be any REALTOR® Board within Montana, of which all the REALTOR® members who hold primary membership in the association shall hold membership in MAR and in the NATIONAL ASSOCIATION OF REALTORS®.

**Section 3.** A Board Member shall be any REALTOR® or Institute Affiliate Member of a Member Board/Association in good standing as previously defined.

**Section 4.** A REALTOR® member shall be any individual engaged in the real estate profession as a principal, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s), and licensed or certified individuals affiliated with said REALTOR® member whose place of business is located in an area outside the jurisdiction of any Member Board who meets the qualifications for REALTOR® membership established in subsection A., below. Secondary REALTOR® membership shall also be available to individuals who hold primary membership in an association in another state and who desire to obtain direct membership in MAR without holding membership in a local association in Montana.

- A. An applicant for REALTOR® membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the association through its membership committee or otherwise that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy\*, has no record of official sanctions involving unprofessional conduct, agrees to complete a course of instruction covering the MAR Bylaws, and the *Constitution and Bylaws*

and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the committee, and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

- B.** Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers, in order to qualify for REALTOR® membership, shall at the time of application, be associated either as an employee or as an independent contractor with a designated REALTOR® member of the association or a designated REALTOR® member of another association (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct\*, shall complete a course of instruction covering the MAR Bylaws, and the *Constitution and Bylaws* and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the membership committee and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.
- C.** MAR 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 or board 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 MAR or any other REALTOR® association or board or REALTOR® association or board MLS
  - 6. Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's Firm.
- D.** The MAR Board of Directors (or its appointed designee) shall review and act on all applications for membership. An application may not be rejected without providing the applicant with an opportunity to appear before the board of directors to make such statements as he/she deems relevant. If the MAR Board of Directors determines that the application should be rejected, it shall record its reasons with the MAR secretary. If the MAR Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.
- E.** The MAR Board of Directors may adopt an application fee for REALTOR® membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of MAR upon final approval of the application.
- F.** Designated REALTOR® members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of membership, including the obligation to arbitrate (or to mediate if required by the association) pursuant to Article 17 of the Code of Ethics and the payment of association dues as established in Article II of the Bylaws. The "designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® membership established in Article II, Section 4 of these Bylaws.

- G.** Any REALTOR® member of MAR may be disciplined by the MAR Board of Directors for violations of these Bylaws, the Code of Ethics, or other duties of membership, after a hearing as described in the *Code of Ethics and Arbitration Manual*, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS®, as set forth in the *Code of Ethics and Arbitration Manual* of the National Association.
- H.** If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined member, or until readmission of the disciplined member or unless connection of the disciplined member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes 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 MAR 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, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation 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 MAR. 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 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 unless connection of the disciplined member with the firm, partnership, or corporation is severed, or management control is relinquished, or unless the REALTOR® Member (non-principal) elects to sever his/her connection with the REALTOR® and affiliate with another REALTOR® member in good standing in MAR, whichever may apply. If a REALTOR® member other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected.
- I.** In any action taken against a REALTOR® member for suspension or expulsion under Section 4.H. hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® member and they shall be advised that the provisions in Article II, Section 4.H. shall apply.

**Section 5.** Institute Affiliate members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society, or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership.

**Section 6.** Affiliate Members shall be real estate owners and other individuals or firms located in an area outside the jurisdiction of any Member Board/Association who, while not engaged in the real estate profession as defined in Section 4 and Section 5, have interest requiring information concerning real estate, and are in sympathy with the objectives of MAR or who are Affiliate Members of Member Boards/Associations.

**Section 7.** Honorary Members shall be individuals other than those engaged in the real estate business who have contributed notably to MAR.

**Section 8.** Life Members shall be members of MAR who have contributed notably to this Association and the real estate profession, and who are so designated by the action of the Board of Directors.

To be nominated for the honor of life membership in MAR, nominees must

- A. Be or have been active in MAR and must be or have been serving actively on a MAR committee or as an MAR officer or director.
- B. Be a REALTOR® member in good standing of his/her local Board within the last twelve months.
- C. Be nominated by his/her local Board, an MAR committee, or the MAR Board of Directors.
- D. Be endorsed by his/her local Board with a letter from the local Board President.

Regardless of the method of nomination, the nomination must be submitted to the MAR Board of Directors for approval. MAR will defer MAR dues and pay NAR dues for any life member. MAR will not defer or pay NAR dues when notified by the local Board/Association that the member is not in good standing.

**Section 9.** REALTOR® Emeritus members are those individuals who have been certified by the NAR Board of Directors as having held membership in the National Association as a REALTOR®, REALTOR® - Associate, or a combination of both, for a cumulative period of 40 years in one or more associations of REALTORS®. Once REALTOR® Emeritus status has been conferred by NAR, MAR will defer annual state membership dues for any REALTOR® Emeritus member.

**Section 10. Harassment.** Any member of MAR may be reprimanded, placed on probation, suspended or expelled for harassment of a MAR employee or an officer or director of MAR after an investigation in accordance with MAR procedures. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the president, and president-elect and/or first vice president and one member of the MAR board of directors selected by the highest ranking MAR officer not named in the complaint, upon consultation with MAR's legal counsel. Disciplinary action may include any sanction authorized in the code of ethics and arbitration manual. If the complaint names the president, president-elect or first vice president, they may not participate in the proceedings and shall be replaced by the immediate past president or, alternatively, by another member of the board of directors selected by the highest ranking officer not named in the complaint.

### ARTICLE III

#### DUES

**Section 1.** The annual dues of each Member Board/Association as defined in Article II of the Bylaws shall be an amount equal to (1) annual dues to be determined from time to time according to Section 4 below, multiplied by the number of REALTOR® members who hold primary membership in MAR, plus (2) an amount equal to said annual dues times the number of real estate salespersons, brokers and licensed or certified appraisers employed by or affiliated as independent contractors with REALTOR® members of the Board/Association who are not themselves REALTORS® or Institute Affiliate members. In calculating the dues payable by a Member Board, nonmembers, as defined in the preceding sentence, shall not be included in the computation of dues if dues have been paid in another Board in the State or a state contiguous thereto, provided the Board notifies MAR in writing of the identity of the Board to which dues have been remitted.

**Section 2.** The annual dues of each REALTOR® member actively engaged in the real estate business from areas outside the jurisdiction of a Member Board/Association shall be (1) annual dues to be determined from time to time according to Section 4 below, plus an amount equal to (2) said annual dues times the number of real estate salespersons, brokers, and licensed or certified appraisers who are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® members and are not REALTORS® or Institute Affiliate members. An individual shall be deemed to be licensed with a Realtor® if the license of the individual is held by the Realtor®, or any broker who is licensed with the Realtor®, or by any entity in which the Realtor® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in section 2a. Hereof) provided that the licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch officer manager of the entity. When calculating the dues when two or more REALTORS® are principals of the same firm, partnership, or corporation, then only that REALTOR® designated from time to time in writing (the "Designated REALTOR®") by the firm, partnership, or corporation, shall be required to pay that portion of the dues which is computed on the basis of the real estate salesperson, brokers, and licensed or certified appraisers, employed by or affiliated as independent contractors with such firm, partnership, or corporation, and the dues of the remaining REALTORS® who are principals of such firm, partnership, or corporation (Except as provided for in section 2 (A) hereof) shall be the amount of said annual dues.

- A.** A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers, and are not engaged in listing, selling, leasing, renting, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this section and shall not be included in calculating the annual dues of the designated REALTOR®.

The exemption for any licensee included on the certification form shall automatically be revoked upon the individual being engaged in real estate licensed activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR® or REALTOR-Associate® membership in the association. However, membership dues will not be prorated if the licensee held REALTOR® or REALTOR-Associate® membership during the preceding calendar year.

**Section 3.** The annual dues of each Institute Affiliate member shall be as established in article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

**Section 4.** With the exception of Institute Affiliate members, annual dues of each membership classification shall be in a dollar amount to be established annually by the Board of Directors. The Board of Directors, in amounts and at times as may be deemed necessary, may establish and levy assessments in addition to annual dues.

**Section 5.** Upon payment to MAR of the dues required under the previous sections of this article, each REALTOR® and Institute Affiliate Member of Member Boards within the state and each REALTOR® and Institute Affiliate Member from areas not within the jurisdiction of a Member Board/Association within the state shall be deemed a REALTOR® or Institute Affiliate Member, as the case may be, in good standing of MAR. Upon payment of dues required under any other sections of this article, the individual making such payment shall be deemed a member in good standing with MAR.

**Section 6.** On a monthly basis, the Member Board/Association shall report to MAR the names and addresses of REALTORS®, Affiliate and Institute Affiliate Members dropped or enrolled during the

preceding month. The Member Board/Association shall remit dues prorated on a monthly basis for new Members by the last day of the month following the month active Member status is granted.

**Section 7.** Any Member Board/Association or any other dues paying member delinquent in payment of dues or assessments by more than sixty (60) days from the start of the fiscal year shall be automatically dropped from membership with no exceptions.

## ARTICLE IV

### OFFICERS

**Section 1.** The elected officers of MAR shall be a President, President-elect, First Vice President, and Treasurer. With the exception of the Treasurer, the officers shall serve for one year or until their successors are elected and qualified. The Treasurer will serve a two-year term to coincide with the Association's fiscal year. The President shall not be eligible to serve a second successive term.

**Section 2.** The duties of each officer shall be as prescribed in their respective position description and as may be assigned to them by the Board of Directors or as required by law.

**Section 3.** The Chief Executive Officer shall serve as Corporate Secretary.

**Section 4.** All officers, with the exception of the Corporate Secretary, shall be REALTOR® members of MAR and have their primary residence located in Montana.

## ARTICLE V

### BOARD OF DIRECTORS

**Section 1.** The governance of MAR shall be vested in a Board of Directors, consisting of the following:

- 1) All elected and appointed officers for the Association during their term of office
- 2) The Chairs of the Association Management, Communications, Government Affairs, Professional Development, Risk Management, and YPN Committees
- 3) Immediate Past President for a one-year term
- 4) The Regional Ambassadors
- 5) The Presidents of Member Boards during their term of office
- 6) A director for each one hundred (100) Board Members or fraction thereof in each Member Board/Association, elected by their local Board/Association for a term of three (3) years
- 7) Presidents of state chapters of Societies, Institutes, and Councils
- 8) MAR National Directors
- 9) NAR Regional Vice President, if from Montana
- 10) Any MAR member serving on the NAR Board of Directors

**Section 2.** There shall be an Executive Committee of the Board of Directors, consisting of the President, President-elect, First Vice President, Immediate Past President, Treasurer, and the Regional Ambassadors. All serve as voting members. This Committee shall make recommendations to the Board of Directors; shall transact business between meetings of the Board of Directors; shall be responsible for reviewing and approving all contracts entered into by the Association including the contract with the Chief Executive Officer; and shall report such actions in full to the Board of Directors at its next meeting. The chairs of the MAR standing committees, Treasurer-elect, CEO and MAR Legal Counsel serve as ex-officio members without the right to vote.

**Section 3.** All Directors shall be REALTOR® members of MAR.

**Section 4.** The Board of Directors shall administer the finances of MAR and shall have sole authority to appropriate money. The accounts of the Association shall be audited or reviewed annually by a certified public accountant.

**Section 5.** The Board of Directors shall meet a minimum of three (3) times each year. The time and place of said meetings shall be approved by the Board of Directors. Regular meetings of the Board must be preceded by at least ten (10) days written notice to each director of the date, time, and place of the meeting. Notice shall be by publication, direct mail, or electronic means.

**Section 6.** Special meetings of the Board of Directors may be called at any time by the President or by twenty-five percent (25%) of the directors upon ten (10) days written notice. Notice shall be by written notice or electronic means.

**Section 7.** A quorum for any meeting of the Board of Directors shall consist of at least a majority of the actual number of directors (not counting vacant director positions), including both a majority of the officers and either the President or President-elect. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board unless these Bylaws or Montana law require the vote of a greater number of directors. Proxies may not be used for purposes of voting at any meeting.

**Section 8.** In accordance with approved MAR policies, the Executive Committee shall retain legal counsel, accountants, and other professional advisors, and establish terms of the contracts.

## ARTICLE VII

### ANNUAL AND SPECIAL MEMBERSHIP MEETINGS

**Section 1.** MAR shall hold an Annual Association Membership Meeting. Such meeting shall be at the time and place as designated by the Board of Directors. A quorum shall consist of the voting members of MAR present at any properly noticed meetings.

**Section 2.** Special membership meetings may be called by the Board of Directors or as specified by state law. Any call for such meeting shall state the purpose, time, and place of the meeting, and shall be issued in writing at least fifteen (15) days in advance. Notice shall be by publication, direct mail, or electronic means.

**Section 3.** Proxies may not be used for purposes of voting at any meeting.

## ARTICLE VII

### CHIEF EXECUTIVE OFFICER

The Board of Directors shall employ a Chief Executive Officer who shall be the chief administrative officer and Corporate Secretary of the Association. The Chief Executive Officer shall be hired, and when appropriate, terminated in accordance with MAR policies. The Chief Executive Officer shall perform the duties set forth in the job description for the position and such additional duties as the President, Board of Directors, and/or Executive Committee may direct.

## ARTICLE VIII

### COMMITTEES/SUBCOMMITTEES/WORKING GROUPS/PAGS

**Section 1.** The President, subject to the approval of the Board of Directors and in accordance with approved MAR policies, shall appoint members to the committees or working groups as defined in MAR Policies to implement the objectives of the Association.

**Section 2.** The President shall have the authority to appoint Presidential Advisory Groups (PAGS) at the President's discretion. Any such PAG appointed shall report directly to the President and shall terminate with the presidency.

**Section 3.** Committees, Subcommittees, and Formal and Informal Working Groups shall have such duties as determined in MAR policy, as the Board of Directors may assign, or at the direction of the Executive Committee.

**Section 4.** Regular and special meetings of Committees, Subcommittees, Formal and Informal Working Groups, and PAGS must be preceded by at least 2 days notice, in writing or by other electronic means given to each member notifying them of the date, time, and place of the meeting. A quorum for any meeting consists of at least one-third of the members. If a quorum is present when a vote is taken, the affirmative vote of a majority of the members present is the act of the Committee, Subcommittee, Formal and Informal Working Group or PAG.

**Section 5.** Committees, Subcommittees, Formal and Informal Working Groups or Presidential Advisory Groups may act by meeting held by telephone conference call, electronic mail, fax, or other electronic means, provided that the notice of the regular or special meeting be given in the manner required by these Bylaws and in the absence of same in the manner set forth in the Montana Code Annotated.

**Section 6.** Any notice called for in these Bylaws, including but not limited to notices of membership, Board, and Committee meetings or of the matters to take place at any such meetings, shall be deemed sufficient if the notice is published by direct mail, electronic mail, or fax and if the publication of such notice is distributed to the membership in a fashion to comply with the various time requirements for such notice found in these Bylaws. This section is not intended to limit the provision of notices by any other means available by law.

## ARTICLE IX

### FISCAL AND ELECTIVE YEAR

**Section 1.** The fiscal year of MAR shall be the calendar year.

**Section 2.** The elective year of MAR shall be from the day after the last day of the NAR Convention through the last day of the NAR Convention the following year.

## ARTICLE X

### CODE OF ETHICS

The Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, as interpreted from time to time in the Standards of Practice and the compilation of Interpretations of the Code of Ethics prepared by the NATIONAL ASSOCIATION OF REALTORS®, considered a part of MAR's Policy Statements. Such Policy Statements of MAR shall, in the future, be deemed to be amended whenever the Code of Ethics is amended by the NATIONAL ASSOCIATION OF REALTORS®.

## ARTICLE XI

### PROFESSIONAL STANDARDS

A local association or Board, prior to referring an ethics complaint or arbitration request for review to MAR, should exhaust all efforts to impanel an impartial tribunal to conduct either the original hearing or the appeal or procedural review. These efforts may include the appointment of knowledgeable members of the association on an ad hoc basis to serve on either a hearing panel or on behalf of the board of

directors. If, because of notoriety, etc., the association cannot impanel an impartial tribunal, the association may refer the matter to MAR, and MAR may delegate to another association or a regional enforcement facility, the authority to hear the case on behalf of MAR. No association or regional enforcement facility, however, may be required to accept this delegation of authority. If no other entity is amenable to conducting the review, MAR shall be responsible for conducting the hearing.

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

- A. Allegations of unethical conduct made against a REALTOR® or REALTOR-ASSOCIATE® who is directly a member of MAR and not a member of any local association.
- B. Allegations of unethical conduct made against a REALTOR® or REALTOR-ASSOCIATE® in the instance in which the local association, because of size or other valid reason, determines that it cannot provide a due process hearing of the matter and petitions MAR to conduct a hearing.
- C. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are not members of the same association where the matter has been referred to MAR by both local associations.
- D. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTORS® who are directly members of MAR and are not members of any association.
- E. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between a REALTOR® who does not hold membership in any association, but is directly a member of MAR, and a REALTOR® who is a member of an association.
- F. Contractual disputes (and specific non-contractual disputes as defined in Standard of Practice 17-4) between REALTOR® members of the same association where the association with good and sufficient reason is unable to arbitrate the controversy.
- G. Contractual disputes between a customer or a client and a REALTOR® where the association with good and sufficient reason is unable to arbitrate the dispute or the REALTOR® is a direct member of MAR.

**Section 2.** The responsibility of the association and of association members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as from time to time amended, which by this reference is made a part of these Bylaws.

**Section 3.** If a member (as defined in Article II, Section 4 of these Bylaws) resigns from MAR or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of MAR with respect to disposition of the complaint is final by MAR (if respondent does not hold membership in any other association) or by any other association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Boards to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethics respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

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

**Section 4.** Applicants for REALTOR® and REALTOR-ASSOCIATE® membership shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement does not apply to applicants who have completed comparable orientation in another association, provided that membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within \_\_\_\_\_ days of the date of application will result in denial of the membership application.

**Section 5.** Effective January 1, 2017, through December 31, 2018, and for successive four two year periods thereafter, each REALTOR® member of MAR (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by MAR or another association, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any two (2) year cycle shall not be required to complete additional ethics training until a new two (2) year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any two (2) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

## ARTICLE XII

### USE OF THE TERMS REALTOR® AND REALTORS®

**Section 1.** Use of the terms REALTOR® or REALTORS® by members shall at all times be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. MAR shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS® use of the terms within those areas of the state of Montana not within the jurisdiction of a member board. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary actions by the Board of Directors after a hearing as provided for in the Association's code of ethics and arbitration manual.

**Section 2.** REALTOR® members of the Association shall have the privilege of using the terms REALTORS® or REALTORS® in connection with their business, subject to NATIONAL ASSOCIATION OF REALTORS® rules and regulations, and so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

**Section 3.** A REALTOR® member who is a principal of a firm, partnership, or corporation may use the terms REALTOR® or REALTORS® only if all of the principals of such firm, partnership, or corporation who

are actively engaged in the real estate business within the state or a state contiguous thereto are REALTOR® or Institute Affiliate members.

**Section 4.** An Institute Affiliate Member shall not use the terms REALTOR® or REALTORS® and shall not use the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

### **ARTICLE XIII**

#### **AMENDMENTS TO BYLAWS**

**Section 1.** These Bylaws may be amended by the affirmative vote of two-thirds of the votes cast by REALTOR® members, either by mail or electronic ballot or at a duly noticed meeting, provided that a quorum has been established. Written notice of the substance of any proposed amendment to be voted at a duly noticed meeting shall first have been sent to each REALTOR® member at least thirty (30) days in advance of the meeting. Said notice may be given and recognized as official by publication in the REALTOR® Digest, the official publication of MAR, by direct mail, or by other electronic means. Any mailed or electronic ballot must be returned within thirty (30) days after the mailing, emailing or posting. Unless otherwise stated in the ballot or motion proposing the amendment, the amendment shall become effective immediately upon the determination that the required number of affirmative votes was obtained.

**Section 2.** Amendments to these Bylaws affecting the admission or qualifications of REALTOR® members and Institute Affiliate members, the use of the terms REALTOR®, REALTORS®, or any alteration in the territorial jurisdiction of a Board shall become effective upon the approval of the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

### **ARTICLE XIV**

#### **RULES OF ORDER**

Robert's Rules of Order, latest edition, shall be recognized as the authority governing all meetings and conferences when not in conflict with the Bylaws of MAR or state law.

### **ARTICLE XV**

#### **DISSOLUTION**

Upon the dissolution or winding up of the affairs of MAR the Board of Directors, after providing for payment of all obligations, shall distribute the remaining assets to one or more other non-profit and tax-exempt organizations.

(Note: Where the terms Member Board or Board Member are used in context of a Board of REALTORS®, the term Board implies both Board and Association.)