

2025 Proposed Bylaw Changes

The following are bylaw changes that will be presented to the membership to vote on during the Annual Meeting at the NIADA Convention and Expo, June 23, at the Fontainebleau Las Vegas. The proposed changes are presented with a strikethrough or underline.

Proposed Changes:

Article III

Section 2. Qualifications

The qualifications for membership shall be:

- A. Regular Member – Any person, firm or corporation licensed as a motor vehicle dealer to buy, sell, or trade ~~or auction~~ motor vehicles ~~and which is a member of an NIADA Affiliated Association~~ shall be qualified to become a Regular Member of NIADA. ~~Any person, firm or corporation licensed as a dealer to buy, sell, trade or auction motor vehicles in a state where there is no association affiliated with NIADA, shall be qualified to be a Regular Member of NIADA.~~ Regular Members shall have voting rights in accordance with these Bylaws.
- B. Associate Member – Any person, firm or corporation engaged in a business related to or associated with the buying or selling of motor vehicles ~~and is a member of an NIADA Affiliated Association~~ shall be qualified to become an Associate Member of NIADA. ~~Any person, firm or corporation engaged in a business related to or associated with the buying or selling of motor vehicles; and which person, firm or corporation is located in a state where there is no association affiliated with NIADA, shall be qualified to be an Associate Member of NIADA.~~ Associate Members shall not have voting rights in accordance with these Bylaws.

Rationale for change: Clarifies who is eligible to be a member.

Article V

Section 2. Termination

The NIADA Board of Directors may suspend or terminate the membership of any member in the event that:

- A. The member is ~~sixty (60) days~~ in arrears in the payment of any membership dues, fee, or assessment pursuant to procedures established by the Board of Directors.
- C. Membership may also be terminated by the cessation of business operations of a member, by the timely submission of written notice of membership resignation or non-renewal (as provided for in Article V, Section 1), or by the failure of a member to continue to satisfy the relevant membership requirements established by these Bylaws or the Board of Directors.

Rationale for the change: This will follow current NIADA practice.

Article VI

Section 1. Annual Meeting

There shall be at least one (1) Annual Meeting of the membership of the NIADA for the purpose of electing the Board of Directors of NIADA, based on voting procedures established by the Board of

Directors, and for transacting such other business as may come before the meeting. The Annual Meeting shall be held during, and at the location of, NIADA's annual National Convention, if one is held, upon written notice to the members of NIADA at least twenty (20) days prior to such meeting. Any Annual Meeting not held in conjunction with NIADA's annual National Convention may be held on forty-five (45) days' prior written notice at any location chosen by the NIADA Board of Directors, pursuant to Section 2 of this Article. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern NIADA in all cases which are not inconsistent with these Bylaws, the Corporation's Certificate of Incorporation, the DGCL, or rules or policies adopted by the Board.

Rationale for change: To provide a standard procedure to conduct the annual meeting.

Section 5. Voting Rights

Each Regular Member and Lifetime Member shall be entitled to one (1) vote on each matter submitted to a vote of the NIADA membership. Affiliate Members shall be entitled to one (1) vote per every fifty (50) Regular Members in good standing ~~of with~~ their association who are also members in good standing with NIADA on December 31 of the previous year. Votes by a majority of the members present at any such meeting at which a quorum is present shall be sufficient for acting.

Rationale for change: To provide a consistent date to determine number of votes for state affiliates.

Section 6. Proxies

Notwithstanding Article VI Section 5, there shall be no voting by proxy at any meeting of the members of the NIADA.

Rationale for change: To align with current NIADA practices.

Article VII Board of Directors

Section 2. Composition

The Board shall consist of the Officers of NIADA, the Senior Vice President, one (1) Regional Vice President from each of the NIADA Regions as then constituted by the Board of Directors, ~~and two (2) At-Large Directors.~~

Rationale for change: To move at-large vice president positions to represent newly created Regions 5 and 6.

B. President

The President shall ascend to that office from the office of President-Elect and shall be the chief elected officer of NIADA for a one-year term ~~without possibility of a second term~~ or until their successor is sworn into office. The President shall be an ex officio member of all committees.

C. President-Elect

The President-Elect shall be elected at large by the NIADA membership for a one-year term ~~without possibility of a second term~~ or until their successor is sworn into office.

Rationale for change: Election dates do not always line up to exactly one year. Clarifying the president and president-elect will serve until a successor is elected and sworn in.

~~G. At-Large Directors~~

~~There shall be two Directors elected at large by the NIADA membership. Each At-Large Director shall serve a one-year term with the possibility of re-election subject to Section 4(C) of this Article.~~

Rationale for change: To move at-large vice president positions to represent newly created Regions 5 and 6.

Section 4. Selection, Qualification and Tenure of Directors

E. The Board shall appoint a Leadership Development Committee, chaired by the NIADA Chairman and comprised of all active NIADA Past Presidents, the President, President-elect, and no fewer than two other members of the NIADA Board along with three non-Board members. ~~Not less than 120 days prior to the Annual Meeting, the Committee shall notify the members of their intention to interview applicants for the Board of Directors. Not less than seventy (70) days prior to the Annual Meeting, the Committee shall report their recommendations to the Past Presidents. Not less than 60 days prior to the Annual Meeting, the Committee Past Presidents shall issue their initial report to the membership indicating those members to be placed in nomination. Not less than 30 days prior to the Annual Meeting, any member not nominated by the Committee Past Presidents may seek nomination and be included on the list of nominated candidates. Nominations may be submitted from the floor of the general membership. All candidates shall be qualified by the Leadership Development Committee using the guidelines found in the NIADA Policies and Procedures. by petition signed by twenty (20) Members in good standing from each of five (5) Affiliates for a total of one hundred (100) signatures. Not less than 20 days prior to the Annual Meeting, the Past Presidents shall report to the membership their nominations to the Board of Directors in addition to those members meeting the requirements of serving on the Board nominated by petition; the report shall indicate which members were nominated by petition.~~

Rationale for change: Clarifies and streamlines the nominating process. Gives final recommendation to the Leadership Development Committee and allows candidates to run from the floor.

Section 5. Removal or Resignation of Directors

A. Any Director may be removed from office at any time ~~for cause by the affirmative vote of a meeting of the members pursuant with Article VI. The Board may adopt disciplinary procedures, not to include removal from the Board, for any Director failing to comply with these Bylaws, the policies and procedures of NIADA, or for any other cause affecting the Director's service on the Board. Failure to comply with the disciplinary procedures may result in the Board's recommendation to the membership to remove the Director from office. with or without cause by the affirmative vote of three-fourths (3/4) of the voting members present at any meeting of the Board of Directors at which a quorum is present.~~

Rationale for change: Clarifies process for removing a director.

Article VIII

Section 4. Action Without Meeting

Any action permitted or required to be taken by the Board may be taken without a meeting of the Board if ~~all three fourths (3/4)~~ three fourths (3/4) members of the Board ~~shall individually or collectively consent-in-writing setting forth to such action to be taken and signed by three fourths (3/4) of the directors.~~ Such consent or consents ~~shall have the same effect as a unanimous vote of the Board and~~ shall be filed with the minutes of the proceedings of the Board.

Rationale for change: Clarifies process of taking an action outside of a meeting.

Section 9. Minutes

All meetings of the Board shall be conducted in accordance with the latest edition of Robert's Rules of Order, to the extent that such parliamentary procedures are not inconsistent with these Bylaws, the Corporation's Certificate of Incorporation, the DGCL, or rules or policies adopted by the Board. Minutes of each meeting shall be recorded by the Secretary, containing results of the deliberations of the Board. The minutes shall be submitted to the Board for approval ~~at prior to~~ the next meeting of the Board.

Rationale for change: Clarifies when minutes shall be delivered.

Article XI Committees

The Board of Directors or President, ~~with the consent of the NIADA Board~~ may establish committees and appoint members of said committees as will further the objectives of NIADA. No committee, council, or commission of NIADA shall have the power to act on behalf of or to bind NIADA in any manner.

Rationale for change: Allows the board to establish a committee.

Article XII Contracts

All contracts entered in the name of NIADA shall be authorized by the Board, ~~The Board may authorize any officer or officers, of the Association to except that the Executive Vice President/CEO may also enter into contracts for management of the NIADA office. Such authority may be general or confined to specific instances.~~

Rationale for change: Clarifies the boards authority to related to contracts.

Article XIII Association Funds

Section 3. Finance Committee

The NIADA Board shall appoint a Finance Committee, chaired by the NIADA Treasurer and comprised of no fewer than two other members of the NIADA Board as well as the Treasurers of NIADA Foundation and NIADA Services.

Rationale for change: Eliminates NIADA Services Committee.

Article XVIII Anti-Trust Statement and Conflict of Interest

The latest anti-trust statement and conflict of interest policy shall be maintained in the NIADA policies and procedures manual and reviewed annually by the board of directors.

Rationale for change: Clarifies where anti-trust statement and conflict of interest policy are found.

ARTICLE ~~XVIII~~ XIX Inurement

No part of the net earnings of NIADA shall inure to the benefit of, or be distributable to, its Officers, Directors, committee members, employees, or other private persons, except that NIADA shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

ARTICLE ~~XIX~~ XX Severability

All provisions of these Bylaws are severable. If any provision or portion hereof is determined to be unenforceable in arbitration or by a court of competent jurisdiction, then the remainder of the Bylaws shall remain in full force and effect.

Rationale for change: Corrects numbering of articles.