
SELKIRK MULTIPLE LISTING SERVICE

Bylaws

Revised January 22, 2019

BYLAWS
Multiple Listing Service
of the Bonner County Association of REALTORS®, Inc.,
dba Selkirk Multiple Listing Service
(Revised January 22, 2019)

Article 1 - Name

The name of this organization is the Multiple Listing Service of the Bonner County Association of REALTORS®, Inc., dba Selkirk Multiple Listing Service ("SMLS") (pursuant to a Certificate of Assumed Business Name filed with the Idaho Secretary of State on December 29, 2003) all the shares of stock of which are solely and wholly owned by the Bonner County Association of REALTORS®, dba Selkirk Association of REALTORS® ("SAR").

Article 2 - Purpose

A Multiple Listing Service is a means by which: (a) authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); (b) by which cooperation among participants is enhanced; (c) information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; and (d) Participants engaging in real estate appraisal contribute to common databases. Further, it is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

Article 3 - Service Area

The service area is the same as within which the service shall function shall at all times be coextensive with or within the territorial jurisdiction of the Selkirk Association of REALTORS®.

Article 4 - Participation

A. Participation Defined. Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board

Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Article 4.1 - Application for Participation

Application for participation shall be made in such a manner and form as may be prescribed by the Board of Directors of the SMLS and made available to any REALTOR® principal of this or any other Association requesting it. The application form shall contain the Participant's signed statement agreeing to abide by these Bylaws and the SMLS Rules and Regulations as from time to time amended or adopted.

Any applicant for SMLS participation and any licensee (including licensed or certified appraisers) affiliated with an SMLS Participant who has access to and use of SMLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided. (Amended 11/96)

Article 4.2 - Discontinuance of Service

Participants or Subscribers may discontinue the Service by giving the SMLS five (5) days' written notice prior to the first day of the next month and may reapply after three (3) months by

making formal application in the manner prescribed for new applicants for participation, provided that all past dues and fees are fully paid. If service has been inactive for more than one (1) year, a new member application fee will be assessed.

Article 4.3 - Subscribers

Subscribers of the SMLS include non-principal brokers, sales associates and licensed and certified appraisers affiliated with Participants. Subscribers also include licensed assistants and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an SMLS Participant or the Participant's licensed designee.

Article 5 - Service Charges

Charges for participation in the SMLS shall be as determined and amended from time to time by the SMLS Board of Directors and set forth in the SMLS Rules and Regulations.

Article 6 - Government of the SMLS

The Government of the SMLS shall be vested in a Board of Directors comprised of the elected Officers and Directors nominated and elected as described in these bylaws.

Article 6.1 - Officers of the SMLS

The Officers of the SMLS, who shall also be Directors, shall be a President, a Vice President, a Secretary, and a Treasurer, who shall have the duties described in these Bylaws this article. Any person nominated for the office of President or Vice-President shall be a current Officer or Director with at least 1 year as a lesser officer or member of the Board of Directors.

Article 6.2 - Board of Directors

There shall be a total of not less than nine (9) and no more than twelve elected Directors, including the President, Vice-President, Secretary and Treasurer, to be elected from among the Participants of the SMLS except that not more than eleven (11) directors may be elected from among REALTORS® other than participants who are affiliated with participants and serve with consent of the participants as representatives of the participants with whom they are affiliated. One of the elected Directors shall be a REALTOR® Appraiser. The President and Vice President shall, by virtue of their being elected to their respective offices, also serve as Directors. In addition to the elected Directors, the current President of the Selkirk Association of REALTORS®, or a person appointed by the President, and the immediate past President of the SMLS shall serve as ex-officio Directors with full voting privileges.

Article 6.3 - Nomination and Election of Officers and Directors

The Officers and Directors of the SMLS shall be nominated by a vote of the Participants at the SMLS annual meeting as follows in accordance with the provisions of Article 9, Meetings, of these Bylaws and as set forth below:

1. Nominating Committee. The President of the SMLS shall appoint a nominating committee each year, which committee shall be comprised of three (3) participants of the SMLS. The appointment of the nominating committee shall be made by such a date as to enable the committee to meet and select a proposed slate of officers and directors of the SMLS not more than sixty (60) nor less than twenty-one (21) days prior to the date of the meeting of the participants of the service at which nominees shall be selected by vote of the participants. The

proposed slate of officers and directors shall be reported to the president and secretary of the SMLS.

2. Notice of Proposed Nominees. The President shall cause a list of the proposed nominees selected by the nominating committee to be forwarded to the participants of the SMLS, setting forth the time, place, and other pertinent conditions of the meeting to select the final list of nominees by vote of the participants of the SMLS. The notice to the participants of the SMLS concerning the meeting to select nominees for officers and directors shall be mailed on a date at least twenty-one (21) days prior to the proposed meeting.

3. Right of Participants to Select Additional Nominees. The names of additional proposed nominees may be added to the list selected by the nominating committee by a petition submitted to the secretary of the SMLS by five percent (5%) of the participants of the SMLS, with said petition received not less than fourteen (14) days prior to the date of meeting of the participants to select nominees for officers and directors. The names contained in such petition, if duly received and certified, shall be presented in writing to the participants at the meeting to select nominees as additional nominees for consideration for such office as specified in the petition. In addition, nominations may be made from the floor at the duly noticed meeting of the participants to select nominees for officers and directors and, if seconded, shall be added to the list of proposed nominees.

4. Voting by Written Secret Ballot. Unless voting on a motion to cast a unanimous vote for the original proposed slate of nominees, voting shall be by secret ballot. Said ballot shall contain blank spaces for writing in any additional names proposed by petition or from the floor.

5. Absentee Ballot. A Participant may cast an absentee ballot in person, by mail, electronic means or fax ballot **to include participant's printed name and signature** at the SMLS office at any time from 14 (fourteen) days prior to the duly noticed meeting up to the time of the duly noticed meeting.

6. Voter Registry. A registry of the signatures of Participants voting at a duly noticed meeting or by casting an absentee ballot shall be maintained in the permanent records of the SMLS.

7. Vote to Select Nominees. Voting shall be in accordance with provisions of Article 6 of these bylaws.

8. Nominees Submitted to Shareholder for Election. When nominees for officers and directors of the SMLS for the forthcoming fiscal year have been selected by vote of the participants of the SMLS, such nominees shall be submitted to the Board of Directors of the Selkirk Association of REALTORS® (shareholder) for election. Upon election by the Board of Directors of the Selkirk Association of REALTORS® (shareholder), the individuals so elected shall be considered officers-elect and directors-elect and shall assume their respective offices on January 1.

The term of office for officers and directors of the SMLS shall be on a calendar year basis. In the event one (1) or more nominee(s) is/are not elected by the Board of Directors of the Selkirk Association of REALTORS® (shareholder), and upon notice of such failure of election, the President of the SMLS shall select a proposed participant or participants, as required, subject to confirmation by the Board of Directors, for submission as nominee(s) to the Board of Directors of the Selkirk Association of REALTORS® (shareholder) to be considered for election to fill the vacancy or vacancies existing.

In the event that nominees are not duly and timely provided by the SMLS to the Board of Directors of the Selkirk Association of REALTORS® (shareholder), as provided in these Bylaws, then the Board of Directors of the Selkirk Association of REALTORS® shall exercise rights as sole and exclusive shareholder to elect a participant or participants of the SMLS to fill any existing vacancy or vacancies as officers or directors of the SMLS.

Article 6.4 - Terms of Office

The officers shall serve for a one-year term. The elected directors shall serve for staggered three-year terms with one-third (1/3) of the terms expiring each year. Officers and directors shall take office upon the effective date of their offices and shall continue until their successors are elected, qualified, and installed. No officer or director shall be nominated and elected to the same office for more than two consecutive terms.

Article 6.5 - Duties of Officers and Directors

The duties of the Officers and Directors shall be as follows:

1. President. The President shall be Chief Executive Officer of the SMLS and shall preside at its meetings and those of the Board of Directors, and shall perform all the duties of the President subject to declared policies and, as required, subject to confirmation of the Board of Directors. The President shall, with the consent and approval of the Board of Directors, appoint committees and committee chairs and nominees to fill vacant Officer or Director seats. The President shall perform the duties of office subject to declared policies and, as required, subject to confirmation of the Board of Directors. The SMLS President shall serve on the Selkirk Association of REALTORS® Board of Directors as an ex-officio member with full voting privileges.

2. Vice President. The Vice President shall, in the absence of the President, perform all of the duties of the President.

3. Secretary. The Secretary shall be the custodian of the official records of the SMLS and shall maintain minutes of Board of Directors meetings, provide any notices required herein, and have charge of the corporate seal of the SMLS and its use.

4. Treasurer. The Treasurer shall be the custodian of the funds of the SMLS and shall recommend and oversee procedures for accurate financial accounting and tax reporting, and shall provide regular statements of all accounts and financial affairs of the SMLS to the Board of Directors.

5. Board of Directors. The Board of Directors of the SMLS shall be the governing body of the SMLS and shall have control of all the affairs of the SMLS and shall authorize all expenditures of the funds. The Board of Directors shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the SMLS for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the participants of the SMLS for approval on a date not less than forty-five (45) days prior to the first day of the next fiscal year. The Board of Directors shall not incur an obligation in excess of \$5,000.00 over the total budget without the authorization by vote of a two-thirds (2/3) majority of REALTOR® participants of the SMLS present and voting unless such excess is the result of an increase in the volume of listings processed by the SMLS over that projected in preparing the annual budget. The Board of Directors shall employ such executive, legal, and office personnel it deems necessary to care for and maintain the properties of the SMLS and otherwise conduct the administrative business of the SMLS. The Board of Directors shall have the right to make an

audit of all books and accounts at any time without notice. The Board of Directors shall have the power from time-to-time to adopt such rules and regulations that they may deem appropriate subject to final approval of the Board of Directors of the Selkirk Association of REALTORS® (shareholder). Except as otherwise provided in these bylaws and rules and regulations the action of the Board of Directors shall be final.

Article 6.6 - Vacancies in Office

If a vacancy occurs in an office, then the President, with the approval of the Board of Directors, shall nominate a replacement Officer or Director. The name of the approved nominee shall be submitted to the SAR Board of Directors for election pursuant to the SAR Bylaws. An Officer or Director elected to fill a vacancy shall serve the remaining term of that office.

Article 6.7 - Removal of Officers and Directors

In the event that an Officer or Director of the SMLS is deemed to be incapable of fulfilling the duties for which elected, or has been elected to concurrent board or executive committee position(s) on other board(s) or committee(s), but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure: (Adopted 11/96)

1. A petition requiring the removal of an officer or director and signed by not less than one-third (1/3) of the participants or a majority of all directors of the SMLS shall be filed with the President of the SMLS, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service. (Adopted 11/96)
2. Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the participants of the SMLS shall be held, and the sole business of the meeting shall be to consider the charge against the officer or director, and to render a decision on such petition. (Adopted 11/96)
3. The special meeting shall be noticed to all participants at least ten (10) days prior to the meeting and shall be conducted by the President of the SMLS unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the participants. Provided a quorum is present, a three-fourths (3/4) vote of participants present and voting shall be required for removal from office. (Adopted 11/96)
4. Any vote taken by the participants to remove an officer or director must ultimately be confirmed by a majority vote of the directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an officer or director by a majority vote of the directors of the shareholder(s). (Adopted 11/96)

Article 6.8 – Limitation on Concurrent Service

Directors may serve on more than one (1) board simultaneously. However, should a Director become an Officer on another board or should a Director serve on another board's executive committee, that Director may not concurrently be an Officer on the SMLS Board of Directors, or

serve on the SAR's Executive Committee. This limitation specifically applies to any position or office on the board(s) and/or executive committee(s) of the National Association of REALTORS®, Idaho REALTORS®, other local REALTOR® associations (regardless of primary or secondary membership), other local Multiple Listing Service(s) or any other trade organization deemed similar by the SMLS's Nominating Committee. Any Director in this situation will immediately and voluntarily vacate the conflicting position(s). Should such Director not immediately and voluntarily vacate the conflicting position(s), they may be removed from the Board according to Article 6.7 of these bylaws.

Article 7 - Meetings

Article 7.1 - Participants' Annual Meeting

The annual meeting of Participants of the SMLS shall be held during the month of October at the time and place specified by the Board of Directors.

Article 7.2 - Special Meetings

Special meetings of Participants of the SMLS may be called from time to time by the President, the Board of Directors, or by five (5) of the participants of the service. Written notice stating the day, place, and hour of the meeting, the purpose or purposes for which the meeting is called, shall be delivered to all REALTORS® who are participants in the service not less than seven (7) days prior to said meeting.

Article 7.3 - Quorum and Voting at Meeting of the Service SMLS

For the transaction of business, fifty percent (50%) of the non-appraiser participants of the service shall be considered a quorum. A majority vote by such participants present and voting at a meeting attended by a quorum or a quorum including electronic and absentee votes shall be required for passage of motions.

Article 7.4 - Board of Directors Meetings

The Board of Directors may meet at any time it deems advisable on the call of the President or any three (3) members of the Board of Directors. A simple majority of the Directors shall constitute a quorum. A majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for passage of motions. Absence from three (3) regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.

Article 7.5 - Presiding Officer

At all meetings of the Participants or the SMLS Board of Directors, the President or, in the absence of the President, the Vice President shall serve as presiding officer. In the absence of the President and Vice President, the President shall name a temporary Chairperson or, upon the President's failure to do so, the SMLS Board of Directors shall appoint a temporary Chairperson.

Article 8. - Committees

The President, with the approval of the Board of Directors, shall create such standing or ad hoc committees as the President deems desirable and shall appoint their members. Each committee shall consist of not less than one (1) participant(s) in the SMLS, but may also include REALTORS® or REALTOR-ASSOCIATE®, employed by or affiliated as independent

contractors with a REALTOR® participant serving as representatives of said REALTOR® participants and with their consent, and who may serve either as a chairperson or member of a committee.

The SMLS shall have the following standing committees: Budget and Finance; Nominating; and MLS Roundtable/Tour. Additional committees may be appointed at the discretion of the Board of Directors.

Article 9. - Fiscal Year

The fiscal year of the SMLS shall commence on January 1 and shall end on December 31.

Article 10. - Amendments to Bylaws

Amendments to these bylaws shall be by the participants of the SMLS, and shall be determined at an annual meeting or special meeting of the SMLS in accordance with the provisions of **Article 7**, concerning meetings of the SMLS. Amendments to the bylaws of the SMLS approved by the participants shall further be subject to approval of the Board of Directors of the Selkirk Association of REALTORS® (shareholder).

When amendments to the bylaws of the SMLS have been approved by the Board of Directors of the Selkirk Association of REALTORS® (shareholder), said amendments shall be effective immediately or as stated in the amending resolution.

If the proposed amendments to the bylaws of the SMLS fail approval of the Board of Directors of the Selkirk Association of REALTORS® (shareholder), the Board of Directors of the SMLS shall be informed, and advised that the proposed amendment or amendments to the bylaws be further considered and resubmitted to the Selkirk Association of REALTORS® (shareholder) as approved by the participants of the SMLS.

A. Amendments Recommended by NAR. If a proposed amendment is recommended or required by the National Association of REALTORS®, only final approval of the Selkirk Association of REALTORS® (shareholder) Board of Directors is required and such amendment(s) shall be effective immediately.

B. Notice of Amendments. Notice of amendments to the bylaws shall be given in writing to all Participants within seven (7) days after ratification by the Selkirk Association of REALTORS® (shareholder) Board of Directors.

Article 10.1 - Amendments to Rules and Regulations

Amendments to the rules and regulations of the service shall be by consideration and approval of the Board of Directors of the SMLS in accordance with the provisions of Article 9, Section 3, concerning meetings of the Board of Directors, subject to final approval by the Board of Directors of the Selkirk Association of REALTORS® (shareholder).

When approved by the Board of Directors of the Selkirk Association of REALTORS® (shareholder) as described, the amendments to the rules and regulations of the SMLS shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the SMLS rules and regulations fail approval by the Board of Directors of the Selkirk Association of REALTORS® (shareholder), the Board of Directors of the SMLS shall be informed, and advised that the proposed amendment or amendments must be further considered and resubmitted as approved by the Board of Directors of the SMLS to the Board of Directors of the Selkirk Association of REALTORS® (shareholder).

Article 11. - Dissolution

In the event this SMLS shall at any time terminate its activities, the Board of Directors of the SMLS shall consider and adopt a plan of liquidation and dissolution with the approval of the participants thereof and of the Board of Directors of the Selkirk Association of REALTORS® (shareholder). Said plan shall provide for the collection of all assets, the payment of all liabilities, and that the remaining portions thereof be assigned to the parent corporation, namely, Selkirk Association of REALTORS® (shareholder).