

# **BYLAWS OF THE GREAT PLAINS REALTORS® MULTIPLE LISTING SERVICE, INC.**

## **ARTICLE I - NAME**

Section 1. Name. The name of this corporation shall be Great Plains REALTORS® Multiple Listing Service, Inc., hereinafter referred to as the MLS, all shares of stock of which are solely and wholly owned by the Omaha Area Board of REALTORS® ("OABR"). 2/97

## **ARTICLE II - PURPOSE**

Section 1. Purpose. A Multiple Listing Service is a means by which 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); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other evaluations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and 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 procuring cause of sale (or lease). 2/07

## **ARTICLE III - SERVICE AREA**

Section 1. Service Area. The area within which the MLS shall function shall at all times be coextensive with or within the territorial jurisdiction of the OABR and the Market Area of the OABR. 5/03

## **ARTICLE IV - PARTICIPATION**

Section 1. 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 brokers' 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. 1/09

Note: 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 on-going 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.

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 on a nondiscriminatory manner to all Participants and potential Participants. 1/09

Section 2. Principal's Rights. The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have all rights, benefits, and privileges of the MLS, and shall accept all obligations to the MLS for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the MLS by all persons affiliated with the Participant who utilized the MLS. 5/03

Section 3. Application for Participation. Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors and made available to any REALTOR® principal of OABR or any other board requesting it. The application form shall contain a signed statement agreeing to abide by these bylaws and any other applicable rules and regulations of the MLS as from time to time amended or adopted. 05/03

Section 4. Orientation Program. Any applicant for MLS participation and any licensee (including licensed, registered or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-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 and operation of the MLS within thirty (30) days after access has been provided. 2/07

Section 4. Discontinuance of Service. Participants of the MLS may discontinue service by giving the MLS 30 days written notice and may reapply to the MLS by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid. 8/95

Section 6. Subscribers. Subscribers (or users) of the MLS include brokers, other than Participants, sales associates, and licensed, registered and certified appraisers affiliated with Participants. 2/97

Section 7. Agency. In the MLS, the cooperating broker in a cooperative real estate transaction is either the subagent of the listing broker, the agent of the buyer, or acts in another recognized agency or non-agency capacity. Such relationships must be fully disclosed to all parties to the contract and to all brokers involved. 2/97

## **ARTICLE V - FINANCIAL OBLIGATIONS**

Section 1. Financial Obligation. The charges made for participation in the MLS shall be as determined, and as amended from time to time by the Board of Directors, and specified in the rules and regulations of the MLS. 5/03

## **ARTICLE VI - GOVERNING BODY**

Section 1. Government of the MLS. The government of the MLS shall be vested in a Board of Directors comprised of the elected Officers and Directors nominated and elected as described in this Article. 8/95

Section 2. Officers of the MLS. The Officers of the MLS, who shall also be Directors, shall be a Chairman of the Board, Vice Chairman and a Secretary-Treasurer, and shall have such duties as described in this Article. 8/95

Section 3. Board of Directors. For purposes of election of Directors the Participants shall be divided into the following categories: 8/95

- Category 1: Participants with 8 percent or more of the subscribers. 2/97
- Category 2: Participants whose principal business is appraisal of real estate. 8/95
- Category 3: All Participants who are not defined as Category 1 or Category 2. 8/95

The Directors, including the Chairman, Vice Chairman and Secretary/Treasurer of the MLS shall be: one (1) Director appointed by each Category 1 Participant, one (1) Director elected by Category 2 Participants, three (3) Directors elected by Category 3 Participants, and one (1) non-voting ex-officio Director appointed by the President of the Board of Directors of OABR. 2/97

No more than one (1) Category 3 Director may be elected from any one firm. 8/95

Section 4. Nomination and Election of Category 2 and 3 Directors. The Directors of the MLS shall be nominated by a vote of the Category 2 and 3 Participants they represent in the MLS in accordance with the provisions of Article VII, Meetings, of these bylaws and as further set forth following: 8/95

1. Nominating Committee. The Chairman of the MLS shall appoint a Nominating Committee each year which Committee shall be comprised of one (1) Category 1, two (2) Category 2 and four (4) Category 3 Participants of the MLS. 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 Directors of the MLS after annual certification (which certification definition is in Article VII, Meetings) and before June 1 in the year of the election. The proposed slate of Directors shall be reported to the Chairman and Secretary of the MLS, and communicated to Category 2 and Category 3 Participants no later than June 15 in the year of the election. 2/97

2. Rights of Category 2 and Category 3 Participants to Make Additional Nominations. Additional nominees may be added to the list selected by the Nominating Committee by a petition submitted to the Secretary of the MLS by ten (10) percent of Participants entitled to vote for such additional nominees with said petition received not less than fifteen (15) days prior to the election meeting. 2/97

3. Voting, Election Meeting, and Election Committee. Voting for Category 2 and Category 3 Directors shall occur as follows: The Chairman of MLS shall name a three-person Election Committee consisting of one Participant from Category 1, one Participant from Category 2, and one Participant from Category 3, which Participants are neither Directors of MLS, nominees standing for election, nor members of the Nominating Committee. The Election Committee shall administer the election of Category 2 and Category 3 Directors by causing ballots to be delivered to all Category 2 and Category 3 Participants no later than ten (10) calendar days prior to the Election Meeting. The Election Committee shall set an Election Meeting to be held no later than July 20 in the year of the election. Ballots may be cast by delivering them to the Election Committee by mail or at the Election Meeting, but in any event the ballots are to be received no later than the commencement of the Election Meeting. The Election Meeting shall be open to all Participants. The Election Committee shall count the ballots cast and certify the election results to the Board of Directors. In case of ties in the election for any Directorship, a runoff shall be held to determine the winner from among the tying candidates. Category 2 Participants only shall be entitled to vote in a Category 2 runoff. Category 3 Participants only shall be entitled to vote in a Category 3 runoff. 2/97

4. Director Names Submitted to Shareholders for Approval. When Directors have been appointed or elected such names shall be submitted to the Board of Directors of OABR for approval pursuant to the Articles of Incorporation of MLS. The individuals so approved shall be Directors-Elect and shall assume their respective offices at the beginning of the next fiscal year. 2/97

The term of office for Officers and Directors of the MLS shall be on a fiscal year basis. In the event one (1) or more Directors-Elect is/are not approved by the Board of Directors of OABR, and upon notice of such failure of approval, the Chairman of the MLS shall select a nominee as required, subject to confirmation by the Board of Directors, for submission to the Board of Directors of OABR, to be considered for election by the Board of OABR to fill the vacancy or vacancies existing. 2/97

In the event that nominees are not duly and timely provided by the MLS to the Board of Directors of OABR, as provided in these bylaws, then the Board of Directors of OABR shall exercise rights as sole and exclusive shareholder to elect a Participant(s) and/or Subscriber(s) of the MLS to fill any existing vacancy or vacancies as Officers or Directors of the MLS. 2/97

5. Election of Officers. Prior to the beginning of the fiscal year the Directors for the new fiscal year shall meet to nominate and elect the Chairman, Vice Chairman, and Secretary/Treasurer. 8/95

Term of Office. The Officers shall serve for a one year term. The Directors shall serve for three year terms, except as to the Category 3 Directors elected in 1995 where in such year the nominee receiving the most Category 3 votes shall serve a three (3) year term, the nominee receiving the second highest number of Category 3 votes shall serve a two (2) year term, and, the nominee receiving the third highest number of Category 3 votes shall serve a one (1) year term, and as to the three (3) Category 1 Directors appointed in 1995 where in such year the three-year, two-year, and one-year terms shall be selected by a random drawing. Thereafter, as many Directors shall be elected or appointed each year as are required to fill vacancies. Officers and Directors shall take office upon the effective date of their offices and shall continue until their successors are elected and installed. 2/97

6. Duties of Officers and Directors. The duties of the Officers and Directors shall be as follows: 8/95

a. Chairman. The Chairman shall preside at MLS meetings and those of the Board of Directors, and shall perform all the duties of Chairman subject to declared policies and, as required, subject to confirmation of the Board of Directors. 8/95

b. Vice Chairman. The Vice Chairman shall, in the absence of the Chairman, perform all of the duties of the Chairman. 8/95

c. Secretary-Treasurer. The Secretary-Treasurer shall be the custodian of the funds of the MLS and shall keep an accurate record of all receipts and disbursements. The Secretary-Treasurer shall provide to all members of the Board of Directors a monthly statement of all accounts and financial affairs for the MLS, and shall have charge of the corporate seal and affix the name to all documents properly requiring such seal. 2/97

d. Board of Directors. The Board of Directors shall be the governing body of the MLS and shall have control of all the affairs of the corporation and shall authorize all expenditures of funds. The Board of Directors shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the MLS for the next fiscal year, indicating projected income from all sources. The Board of Directors shall employ a Chief Executive Officer of the MLS who shall care for and maintain the properties of the MLS and otherwise conduct the administrative business of the MLS. The Board of Directors shall have the right to make an audit of all books and accounts at any time without notice. Except as otherwise provided in the bylaws and Operating Rules and Regulations, the action of the MLS Board of Directors shall be final. 2/97

e. Board of Director Vacancies. Category 1 Directors: Change of Participant affiliation by the Director shall cause such Director position to be deemed vacated. The affected Participant shall immediately fill the position by appointing a new director to complete the vacated term. Category 2 and 3 Directors changing Categories shall constitute a vacancy: These Director vacancies shall be filled by an individual who represents the appropriate Category and will be appointed by the MLS Directors to complete the vacated term. Exofficio Director: A vacancy shall be filled by an individual appointed by the President of the Board of Directors of OABR to complete the vacated term. 2/97

f. Removal of Officers and Directors. In the event that an Officer or Director of the MLS is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure. 2/97

1. A petition requiring the removal of an Officer or Director and signed by not less than one-third of the Participants or a majority of all Directors of the MLS shall be filed with the Chairman of the MLS, or if the Chairman 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. 2/97

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 MLS 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. 2/97

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 Chairman of the MLS unless the Chairman'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 vote of Participants present and voting shall be required for removal from office. 2/97

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). 2/97

## **ARTICLE VII - MEETINGS**

Section 1. Annual Meeting. The annual meeting of Participants of the MLS shall be held during the month of July at the time and place specified by the Board of Directors. 8/95

Section 2. Special Meetings of the MLS. Special meetings of Participants of the MLS may be called from time to time by the Chairman, the Board of Directors, or by ten (10) percent of the Participants of the MLS. 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 MLS not less than 10 days prior to said meeting. 8/95

Section 3. Special Meetings of the Stockholders. Special meetings of the stockholders shall be called at any time by the Chairman on request of the shareholder. 2/97

Section 4. Quorum and Voting at Participant Meetings of the MLS. For transaction of business other than elections, five (5) percent of the Participants of the MLS shall be considered a quorum. A majority vote by such Participants present and voting at a meeting of the Participants, attended by a quorum shall be required for passage of motions. 8/95

Section 5. Meeting of the Board of Directors. The Board of Directors may meet at any time it deems advisable on the call of the Chairman or any four (4) members of the Board of Directors. 8/95

a. Quorum and Voting at Meetings of the Board of Directors. Between May 1 and May 15 of each year, the Board of Directors shall prepare a list of Participants certifying the number of subscribers affiliated with each Participant. This list shall be known as the Annual Certification and shall be used to define each Participants Category and shall remain valid until the next annual certification. For purposes of certification and voting, Participants shall be included and counted as subscribers; if a Participant's company has multiple offices, those participants and subscribers shall be grouped together. 8/11

- b. Interim Recertification. Interim recertification will be required under the following circumstances: Category 1 - 25 percent or more of a Participant's subscribers change affiliation. Category 2 and 3 - 25 percent change in the total number of subscribers within their Category. 8/95
- c. Category 1 Directors. Category 1 Directors shall have a number of votes equal to the certified number of subscribers affiliated with their Participant. 8/95
- d. Category 2 Directors. Category 2 Directors shall have votes equal to the total number of certified Category 2 subscribers. 8/95
- e. Category 3 Directors. Category 3 Directors shall each have votes equal to one third of the total number of certified Category 3 subscribers. 8/95
- f. Transaction of Business. For the transaction of business, sixty-six (66) percent of certified votes shall constitute a quorum. The majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for passage of motions. The presiding officer shall have voting privileges. 8/95
- g. Written Consent. The Board of Directors may, on the written consent of a majority of the Board of Directors holding such office, conduct business by mail, facsimile transmission, electronic mail or other electronic media. At the next regular meeting of the Board of Directors the record of such consents and the business so conducted shall be included in the minutes of said regular meeting. 5/03

Section 6. Presiding Officer. At all meetings of the Participants of the MLS, or of the Board of Directors, the Chairman or, in the absence of the Chairman, the Vice Chairman shall serve as presiding officer. In the absence of the Chairman and Vice-Chairman, the Chairman shall name a temporary Chairperson or, upon the Chairman's failure to do so, the Board of Directors of the MLS shall appoint a temporary Chairperson. 8/95

Section 7. Committees. The Chairman, with the approval of the Board of Directors shall create such standing or Ad Hoc Committees as the Chairman deems desirable, and shall appoint their members. 2/97.

Section 8. Fiscal Year. The fiscal year of the MLS shall commence on September 1st and shall end on August 31st. 8/95

## **ARTICLE VIII - SUSPENSION/TERMINATION**

Section 1. Suspension/Termination. Failure of any Participant to pay any financial obligation within the time required by MLS rules and regulations, and failure of any Participant, subscriber or user of MLS to abide by MLS rules and regulations or these bylaws, shall cause such persons or entities to be fined, suspended, or terminated from participation or use of MLS services as determined by the Board of Directors at hearing on notice to such person or entity. 5/03

Any Participant, user or subscriber terminated or suspended while in default of a financial obligation to MLS is not eligible for reinstatement until all financial obligations to MLS have been satisfied, and such person or entity has made appropriate application for Participation, use or subscription to MLS. 2/97

## **ARTICLE IX - RULES AND REGULATIONS**

Section 1. Authority. The Board of Directors of the MLS shall have the power to formulate various polices and practices including, without limitation, Virtual Office Website policies, Internet Data Exchange Policies, and Operating Rules and Regulations, which shall be known as rules and regulations. They shall cover matters of lesser import than the bylaws and shall not be in conflict with the bylaws. The rules and regulations may be changed from time to time by action of the Board of Directors without approval of the Participants of the MLS. Insofar as such rules and regulations may affect the ethics of Participants, standards established by the NATIONAL ASSOCIATION OF REALTORS®, the Nebraska Real Estate License Act and rules and regulations, and the general laws of agency and restraint of trade, they shall be subject to approval by the Board of Directors of OABR. 11/04

## **ARTICLE X - AMENDMENTS**

Section 1. Amendments to Bylaws. Amendments to these bylaws shall be by vote of the MLS Board of Directors and thereafter a vote of the Participants of the MLS, and shall be determined at an Annual Meeting or Special Meeting of the MLS in accordance with the provisions of Article VII concerning meetings of the MLS, except the Board of Directors may, at any Regular or Special Meeting of the Board of Directors at which a quorum is present, approve Amendments to these bylaws which are mandated by NAR policy. Amendments to the bylaws of the MLS approved by the Participants shall further be subject to approval of the Board of Directors of OABR. 4/2000

When amendments to the bylaws of the MLS have been approved by the Board of Directors of OABR, said amendments shall be effective immediately or as stated in the amending resolution. 2/97

If the proposed amendments to the bylaws of the MLS fail approval of the Board of Directors of OABR, the Board of Directors of the MLS shall be informed, and advised that the proposed amendment or amendments to the bylaws be further considered and resubmitted to the OABR as approved by the Participants of the MLS. 2/97

## **ARTICLE XI - DISSOLUTION**

Section 1. Dissolution. In the event this MLS shall at any time terminate its activities, the Board of Directors of the MLS shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of OABR. Said plan shall provide for the collection of all assets, the payment of all liabilities, and the remaining portions thereof be assigned to the parent corporation, namely, OABR. 8/95