

BYLAWS FOR THE BALDWIN COUNTY ASSOCIATION OF REALTORS® MULTIPLE LISTING SERVICE Last amended August 2024

ARTICLE 1 - NAME

The name of this organization shall be Baldwin REALTORS® Multiple Listing Service, Inc., hereafter referred to as the Service, all the shares of stock of which are solely and wholly owned by the Baldwin County Association of REALTORS®, an Alabama non-profit corporation.

ARTICLE 2 - PURPOSE

A Multiple Listing Service is a means by which cooperation among participants is enhanced; by which 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; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. (Amended 8/24)

ARTICLE 3 - SERVICE AREA

The service area of the Baldwin County Association of REALTORS® Multiple Listing Service is Baldwin, Mobile, Conecuh, Clarke, Washington, Monroe, and Escambia Counties, Alabama and Escambia County, Florida. The service area of the MLS shall be determined by the MLS Board of Directors.

Note: MLSs are encouraged to establish service areas that encompass natural markets and to periodically reexamine such boundaries. An MLS is not precluded from establishing and maintaining an MLS service area that exceeds the parent association(s) jurisdiction. (Amended 11/17)

ARTICLE 4 - 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 cooperate, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.**

Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. Use of information developed by or published by an association 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 an association multiple listing service where access to such information is prohibited by law. 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 service, and shall accept all obligations to the service of the participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the service by all persons affiliated with the participant who utilize the service. (Amended 8/24)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperate 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 "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

*Optional qualifications which may be adopted at the local association's discretion: Any applicant for MLS participation and any licensee (including licensed 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 within thirty (30) days after access has been provided. (Amended 11/96)

Associations are not required to establish prerequisites for MLS participation beyond holding REALTOR® (principal) membership in an association. However, if the association wishes to establish these requirements for MLS participation or for access to MLS-generated information, the requirement of attendance at an orientation program is the most rigorous requirement that may be established. (*Amended 2/94*)

**Generally, associations of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS participant. If each principal is defined as a participant, then each shall have a separate vote on MLS matters. Brokers or salespersons other than principals are not considered participants in the service, but have access to and use of the service through the principal(s) with whom they are affiliated.

The key is that the participant or potential participant actively endeavors to cooperate with respect to properties of the type that are listed on the MLS in which participation is sought. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of their clients. 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 cooperate. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to cooperate 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.

Participation in the Service is also available to nonmember principals who meet the qualifications established in the Association's Bylaws and MLS rules and regulations. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "participation" or "membership" unless they hold a current, valid real estate broker's license and cooperate, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their client 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 an association multiple listing service where access to such information is prohibited by law. The nonmember principal of any firm, partnership, corporation or the branch office manager designated by said firm, partnership, or corporation shall be termed the "Participant" in the Service and shall have only those rights, benefits, and privileges as specified by the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the Bylaws and rules and regulations of the Service by all persons affiliated with the Participant who utilize the Service.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperates 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, share information on listed property and make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their client(s). "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 cooperate with respect to properties of the type that are listed on the MLS in which participation is sought. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of their clients. 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 cooperate. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to cooperate 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.

Note 1: The requirements of (1) no record of recent or pending bankruptcy;

(2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this section at the option of each association. In state where law requires non-association members be admitted to the MLS of an association of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's membership qualification criteria. However, in states where non-association member access to the MLS is not a requirement of state law, association may, at their discretion, establish additional qualifications for non-association member participation and membership in the MLS. (Amended 11/96)

Note 2: An association may also choose to have the membership committee consider the following when determining a nonmember applicant's qualifications for MLS participation or membership:

- all final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years.
- o pending ethics complaints (or hearings)
- o unsatisfied discipline pending
- o pending arbitration requests (or hearings)
- unpaid arbitration awards or unpaid financial obligations to this or any other association or association MLS.

ARTICLE 4.1 - APPLICATION FOR PARTICIPATION

Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of the Service and made available to any REALTOR® (principal) of this or any other Association 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 Service as from time to time amended or adopted. (Amended 2/94)

ARTICLE 4.2 - DISCONTINUANCE OF SERVICE

Participants of the Service may discontinue the Service by giving the Service 30 days written notice and may reapply to the Service after 2 months making formal application in the manner prescribed for new applicants for participation, provided all past dues and fees are fully paid.

ARTICLE 4.3 - SUBSCRIBERS

Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

ARTICLE 5 - SERVICE CHARGES

The charges made for participation in the Service shall be as determined, and as amended from time to time, by the Board of Directors of the Service, and specified in the Rules and Regulations of the Service.

ARTICLE 6 - GOVERNMENT OF THE SERVICE

The government of the service shall be vested in a board of directors comprised of the elected officers and directors nominated and elected as described in this article.

All decisions concerning business and affairs of the Service which are made by the Board of Directors of the Service shall be subject to final approval of the Board of Directors of the Baldwin County Association of REALTORS®.

ARTICLE 6.1 - OFFICERS OF THE SERVICE

The officers of the service, who shall also be directors, shall be a president, a vice president, and a secretary-treasurer, and shall have such duties as described in this article.

ARTICLE 6.2 - BOARD OF DIRECTORS

There shall be a total of seven (7) elected directors, including the president, vice president, and secretary-treasurer of the service, to be elected from among the participants of the service, except that no directors may be elected from among REALTORS® other than participants or from REALTOR-ASSOCIATES® who are affiliated with participants and serve with consent of the participants as representatives of the participants with whom they are affiliated. In addition to the elected directors, the current president of the Baldwin County Association of REALTORS® or a person appointed by the president, and the immediate past president of the service shall serve as directors, ex-officio, with full voting privileges, bringing the total board members to nine (9). If the president and immediate past president's broker location or size conflict with the elected directors, the president must appoint a director in their place.

The Board of Directors shall consist of participants and subscribers who

are primary members of the Baldwin County Association of REALTORS® and shall represent a diversity of small, medium, and large sized firms from all regions of Baldwin County. No more than two (2) directors from any one firm, partnership or corporation may simultaneously serve, except that if a licensee transfer or a merger of two or more firms increases the number of directors from the same firm, partnership, or corporation, those directors shall be allowed to serve the remainder of the year, and any remaining term shall be filled at the next election. No more than two (2) MLS Directors can simultaneously serve on the Baldwin Association of REALTORS Board of Directors.

ARTICLE 6.3 - NOMINATION AND ELECTION OF OFFICERS AND DIRECTORS

The officers and directors of the Service shall be nominated by a vote of the participants in the service in accordance with the provisions of Article 7, meetings, of these bylaws and as set forth below:

- I. Nominating Committee: The President of the service shall appoint a Nominating Committee each year, which Committee shall be, comprised of five (5) members of the service and shall include past Association or MLS directors. 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 service, not more than 90 nor less than 21 days prior to the date of the annual meeting of the Board of Directors of the Baldwin County Association of REALTORS® at which the nominees shall be selected by vote of the members of the Board of Directors of the Baldwin County Association of REALTORS®. The proposed slate of officers and directors of the service shall be reported to the President and Secretary of the service.
- 2. Notice of Proposed Nominees: The President of the service shall cause a list of the proposed nominees selected by the Nominating Committee to be forwarded to the members of the Board of Directors of the Baldwin County Association of REALTORS® not less than two (2) weeks from the date of the annual meeting at which the selection of officers and directors of the service shall take place, setting forth the time, place, and other pertinent conditions of the meeting to select the officers and directors of the service. Additional candidates for the places to be filled may be placed in nomination at the time of the annual meeting.
- 3. Rights 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 service by 10% of the participants of the service, with said petition received not less than 7 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: Voting for selection of nominees, if other than on a motion to cast a unanimous vote for the original proposed slate shall be by secret ballot and said ballot shall contain blank spaces for writing in additional names proposed by petition or from the floor at the meeting to select nominees.
- 5. Vote to Select Nominees: Voting shall be in accordance with provisions of Article 7.2 of these bylaws.
- 6. Nominees Submitted to Shareholder for Election: When nominees for officers and directors of the service for the forthcoming fiscal year have been selected by vote of the participants of the service, such nominees shall be submitted to the board of directors of the Baldwin County Association of REALTORS® (shareholder) for election. Upon election by the board of directors of the Baldwin County Association of REALTORS® (shareholder), the individuals so elected shall be considered officers-elect and directors- elect and shall assume their respective offices on November 1st (date office is effective).

The term of office for officers and directors of the service shall be on a calendar year basis (November 1-October 31). In the event one (1) or more nominee(s) is/are not elected by the board of directors of the Baldwin County Association of REALTORS® (shareholder), and upon notice of such failure of election, the president of the service 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 Baldwin County 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 service to the board of directors of the Baldwin County Association of REALTORS®, as provided in these bylaws, then the board of directors at Baldwin County Association of REALTORS® shall exercise rights as sole and exclusive shareholder to elect a participant or participants of the service to fill any existing vacancy or vacancies as officers or directors of the service.

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 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 are as follows:

- The president shall be the chief executive officer of the service 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.
- 2. The vice president shall, in the absence of the president, perform all of the duties of the president.
- 3. The secretary-treasurer shall be the custodian of the funds of the service 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 quarterly statement of all accounts and financial affairs for the service, and shall have charge of the corporate seal and affix the name to all documents properly requiring such seal.
- 4. The board of directors of the service shall be the governing body of the service and shall have control of all the affairs of the service 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 service for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the participants of the service for approval on a date not less than 30 days prior to the first day of the next fiscal year. The board of directors shall not incur an obligation in excess of 20% over the total budget without the authorization by vote of a two-thirds majority of REALTOR® participants of the service present and voting unless such excess is the result of an increase in the volume of listings processed by the service 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 service and otherwise conduct the administrative business of the service. 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 Baldwin County 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.

- 5. To the maximum extent permissible under Alabama law, the service shall indemnify and hold harmless each of its directors and officers against any and all expenses incurred by such director or officer of this service, including, without limiting the generality of the foregoing, the defense of such action, suit or proceeding and the amount of any judgment or award in such action, suit or proceeding.
- 6. In the event of settlement of such action, suit or proceeding, indemnification shall include reimbursement of amounts paid in settlement and expenses incurred by such director or officer in connection therewith, but indemnification in the instance of settlement shall be provided only if the service is advised by its counsel that, in their opinion, such settlement is for the best interest of the service and the director or officer to be indemnified has not been guilty of gross negligence or wanton misconduct in respect of any matter covered by such settlement. Such right of indemnification shall not be deemed exclusive of any other right or rights to which such director or officer may be entitled under any Bylaws, agreement, vote of the Board of Directors of the service, or otherwise.

ARTICLE 6.6 - REMOVAL OF OFFICERS AND DIRECTORS

In the event that an officer or director of the multiple listing service 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: (Adopted 11/96)

- I. 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 president of the MLS, or if the president is subject to 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 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. (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 MLS 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 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)
- 5. Any vacancies created by the removal of an officer or director by a majority vote of the directors of the sole shareholder pursuant to Section 6.6(4) may also be immediately filled by a majority vote of the board of directors at Baldwin County Association of REALTORS®, as sole shareholder to elect a participant or participants of the service to fill any existing vacancy or vacancies as officers or directors of the service, until the annual procedures described in Section 6.3 of these Bylaws have been followed.

ARTICLE 7 – ANNUAL MEETINGS

The annual meeting of participants of the service shall be held during the month of October at the time and place specified by the board of directors.

ARTICLE 7.1 - SPECIAL MEETINGS OF THE SERVICE

Special meetings of participants of the service may be called from time to time by the president, the board of directors, or by 50% 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 30 days prior to said meeting.

ARTICLE 7.2 - QUORUM AND VOTING AT MEETINGS OF THE SERVICE

For the transaction of business, 33% of the 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 shall be required for passage of motions.

ARTICLE 7.3 - MEETINGS OF THE BOARD OF DIRECTORS

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. Four (4) 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.

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Board, its Board of Directors, and Committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE 7.4 - PRESIDING OFFICER

At all meetings of the participants of the service, or of the 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 board of directors of the service 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 five (5) participants in the service but may also include REALTOR® or REALTOR- Associate®s, 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.

ARTICLE 9 - FISCAL YEAR

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

ARTICLE 10 - AMENDMENTS TO BYLAWS

Amendments to these bylaws shall be by the participants of the service, and shall be determined at an annual meeting or special meeting of the service in accordance with the provisions of Article 7, concerning meetings of the service. Amendments to the bylaws of the service approved by the participants shall further be subject to approval of the board of directors of the Baldwin County Association of REALTORS® (shareholder).

When amendments to the bylaws of the service have been approved by the board of directors of the Baldwin County 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 multiple listing service fail approval of the board of directors of the shareholder, the board of directors of the multiple listing service shall be informed and advised that the proposed amendment or amendments to the bylaws be further considered and resubmitted to the shareholder as approved by the participants of the multiple listing service.

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 multiple listing service in accordance with the provisions of Article 7, Section 3, concerning meetings of the board of directors, subject to final approval by the board of directors of the Baldwin County Association of REALTORS® (shareholder).

When approved by the board of directors of the Baldwin County Association of REALTORS® (shareholder) as described, the amendments to the rules and regulations of the multiple listing service shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the multiple listing service rules and regulations fail approval by the board of directors of the shareholder, the board of directors of the multiple listing service 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 multiple listing service to the board of directors of Baldwin County Association of REALTORS® (shareholder).

ARTICLE 11 - DISSOLUTION

In the event this service shall at any time terminate its activities, the board of directors of the service 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 Baldwin County 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, Baldwin County Association of REALTORS®.