

BYLAWS
OF
SUMMIT MLS, INC.

ARTICLE 1 - NAME

The name of this organization shall be the Summit MLS, Inc., (hereinafter referred to as the "Service"), all the shares of stock of which are solely and wholly-owned by the Summit Association of REALTORS[®] (hereinafter referred to as the "Association").

ARTICLE 2 - PURPOSES

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 nonagency 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 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. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease). *(Amended 11/04)*

ARTICLE 3 - SERVICE AREA

The area within which the Service shall function shall at all times be coextensive with or within the territorial jurisdiction of the Summit County, Park County and Lake County MLS.

ARTICLE 4 - PARTICIPATION

Section 4.1 Participation Defined. Any REALTOR[®] of this or any other association 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. 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)*. 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 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. (Amended 11/08). 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 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. (Amended 4/98)

* 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. (Adopted 11/08)

Section 4.2 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)

Section 4.3 Discontinuance of Service. Participants of the Service may discontinue the Service by giving the Service thirty (30) days' written notice and may reapply to the Service

after two (2) weeks by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid.

Section 4.4 Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS participant or the participant's licensed designee.)
(Adopted 4/92)

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 6.

Section 6.1 Officers and Directors. The officers of the Service, who shall also be directors, shall be a Chair, a Chair-Elect, and a Secretary, and shall have such duties as described in this Article 6.

Section 6.2 Board of Directors. There shall be a total of five (5) elected directors, including the Chair, Chair-Elect, and Secretary of the Service. In addition, the current Chair of the Association or a person appointed by the Chair of the Association, and the immediate past Chair of the Service shall serve as directors, ex-officio, with full voting privileges. The composition of the Board of Directors of the Service may not have a majority of its voting members from one office and/or employing broker.

Section 6.3 Nomination and Election of Officers and Directors. The officers and directors of the Service shall be nominated as set forth below:

1. **Nominating Committee:** At least two months before the annual elections, the Chair of the Service shall appoint a Nominating Committee (the "Nominating Committee"), which committee shall be comprised of three (3) to five (5) participants of the Service. The Nominating Committee shall select a proposed slate of officers and directors of the Service. The Nominating Committee shall select at least one candidate for each office and one candidate for each place to be filled on the Board of Directors. The proposed slate of officers and directors shall be reported to the Chair and Secretary of the Service.

2. **Notice of Proposed Nominees:** The Chair shall cause a list of the proposed nominees selected by the Nominating Committee to be mailed, faxed or emailed to each participant of the Service at least three weeks preceding the election.

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 petition signed by a least five participants of the Service. The petition shall be filed with the Chair at least two weeks before the election. The Chair shall send notice of such additional nominations to all participants of the Service before the election.

4. **Nominees Submitted to Shareholder for Election:** When nominees for officers and directors of the Service for the forthcoming fiscal year have been selected pursuant to this Section 6.3, such nominees shall be submitted to the Board of Directors of the Association for election. Upon election by the Board of Directors of the Association, the individuals so elected shall be considered officers-elect and directors-elect and shall assume their respective offices on the beginning of the next calendar month.

The term of office for officers and directors of the Service 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 Association, and upon notice of such failure of election, the Chair 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 Association 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 Association, as provided in these Bylaws, then the Board of Directors of the Association 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.

✱ **Section 6.4 Terms of Officer.** The officers shall serve for two-year terms. 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 three consecutive terms.

Section 6.5 Duties of Officers and Directors. The duties of the officers and directors are as follows:

1. The Chair shall be the Chief Governing Officer of the Service and shall: i) preside at its meetings and those of the directors; ii) shall appoint people to serve on committees established by the Board of Directors unless otherwise directed in these Bylaws or by the Board of Directors; iii) shall be an ex-officio member of all such committees without vote; iv) shall represent the Service at all appropriate MLS conferences; and v) shall perform all other duties as prescribed by the Board of Directors. Additionally, the Chair shall be the official spokesperson for the official policy of the Service. The Chair's authority to speak and/or make decisions on behalf of the Service is subject to the direction of the Board of Directors.

2. The Chair-Elect shall, in the absence of the Chair, perform all of the duties of the Chair.

3. The Secretary shall take accurate minutes of meetings of the Service. In addition, the Secretary shall work with the Chief Executive Officer of the Association to provide the Board of Directors of the Service with 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 Chief Executive Officer of the Association and the Chair of the Service 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 Board of Directors of the Service for approval on a date not less than thirty (30) days prior to the first day of the next fiscal year. The Board of Directors shall not incur an obligation in excess of \$10,000 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 Association. Except as otherwise provided in these bylaws and rules and regulations, the action of the Board of Directors shall be final.

Section 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 by a majority vote of the Board of Directors of the Association.

ARTICLE 7 - MEETINGS AND VOTING

Section 7.1 Annual Meeting. The annual meeting of participants of the Service shall coincide with the annual meeting of the members of the Association and be held in September at a time and place specified by the Board of Directors of both the Service and the Association.

Section 7.2 Special Meetings of the Service. Special meetings of participants of the Service may be called from time to time by the Chair, the Board of Directors, or by a majority 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 one week prior to said meeting.

Section 7.3 Quorum and Voting at Meetings of the Service. For the transaction of business, 5% 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. The Board of Directors may elect to conduct voting by mail.

Section 7.4 Meetings of the Board of Directors The Board of Directors may meet at any time it deems advisable on the call of the Chair or any three (3) members of the Board of Directors. Three 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. Unless otherwise provided in the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at a meeting of the Board of Directors or a committee thereof may be taken without a meeting if, before or after the action, a written consent thereto is signed by all the members of the Board or of the committee. The written consent must be filed with the minutes of the proceedings of the Board or committee.

Section 7.5 Presiding Officer. At all meetings of the participants of the Service, or of the Board of Directors, the Chair or, in the absence of the Chair, the Chair-Elect shall serve as presiding officer. In the absence of the Chair and Chair-Elect, the Chair shall name a temporary chairperson or, upon the Chair's failure to do so, the Board of Directors of the Service shall appoint a temporary chairperson.

ARTICLE 8 - COMMITTEES

The Chair, with the approval of the Board of Directors, shall create such standing or ad hoc committees as the Chair deems desirable and shall appoint their members. Each committee shall consist of not less than two (2) participants in the Service, but may also include REALTORS[®] 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 1 and shall end on December 31.

ARTICLE 10 - AMENDMENTS

Section 10.1 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 Association.

When amendments to the bylaws of the Service have been approved by the Board of Directors of the Association, 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.

Section 10.2 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 Service in accordance with the provisions of Section 7.4 concerning meetings of the Board of Directors, subject to final approval by the Board of Directors of the Association.

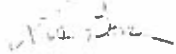
When approved by the Board of Directors of the Association as described, the amendments to the rules and regulations of the multiple listing service shall be effective immediately or as stated in the amending resolution.

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 the Association.

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 Association. 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, the Association.

These Bylaws were adopted effective January 1, 2009.


Digitally signed by Lisa Bova
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Date: 2009.01.02 16:55:27 -0700

Lisa Bova, Chair
Date: January 1, 2009

