

BYLAWS

THE MULTIPLE LISTING SERVICE OF THE TETON BOARD OF REALTORS®

REVISED 01/13/09

ARTICLE 1, NAME

The name of this organization shall be the Multiple Listing Service of the TETON BOARD OF REALTORS®, hereinafter referred to as the Service, all shares of stock of which are solely and wholly-owned by the TETON BOARD OF REALTORS®.

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 TETON BOARD 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)

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)

B. 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 member of this 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 Service as from time to time adopted or amended. (Amended 2/94).

C. Discontinuance of Service.

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

D. 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 Rules and Regulations of the Service.

ARTICLE 6, GOVERNING BODY

A. 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.

B. Officers of the Service.

The Officers of the Service, who shall also be Directors, shall be a President, Vice-President and a Secretary-Treasurer, and shall have such duties as described in this Article. The Vice-President shall assume the office of President for the upcoming fiscal year.

C. Board of Directors.

There shall be a total of five 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 not more than two 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 TETON BOARD OF REALTORS® or a person appointed by the President, and the Immediate Past President of the Service shall serve as Directors, exofficio, with full voting privileges.

D. 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 further set forth following:

1. Nominating Committee. The President of the Service shall appoint a Nominating Committee each year, which Committee shall be comprised of three Participants of the Service. The appointment of the Nominating Committee shall be made by such date as to enable the Committee to meet and select a proposed slate of Officers and Directors of the Service not more than sixty, nor less than thirty 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 Service.

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 Service, 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 Service. The notice to the Participants of the Service concerning the meeting to select nominees for Officers and Directors shall be mailed on a date at least fifteen days prior to the proposed 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 20% of the Participants of the Service, with said petition received not less than fifteen 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 elect 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 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. The president, with the approval of the Board of Directors, shall appoint an election committee of two Participants to conduct the election. In the case of a tie vote, the issue shall be determined by lot.

5. Vote to Select Nominees. Voting shall be in accordance with provision of Article Six, Section D, 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 TETON BOARD OF REALTORS® (shareholder) for election pursuant to Article 11, Section 4, of the Bylaws of the TETON BOARD OF REALTORS®. Upon election by the Board of Directors of the TETON BOARD 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 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 TETON BOARD 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 Service Board of Directors, for submission as nominee(s) to the Board of Directors of the TETON BOARD 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 TETON BOARD OF REALTORS®, as provided in these Bylaws,

then the Board of Directors of the TETON BOARD 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.

E. Term of Office. The Officers shall serve for a one-year term. The elected Directors shall serve for staggered three-year terms. 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.

F. Duties of Officers and Directors. The duties of Officers and Directors shall be as follows:

1. 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 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 of 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 sixty 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 over the total budget without the authorization by vote of a two-thirds majority of REALTOR® Participants of the Service, or their designated representatives by proxy, 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 they may deem appropriate subject to final approval of the Board of Directors of the TETON BOARD OF REALTORS® (shareholder). Except as otherwise provided in these Bylaws and Rules and Regulations, the action of the Board of Directors shall be final.

G. Removal of Officers and Directors. Any Officer or Director may be removed from office upon a majority vote of the Board of Directors of the MULTIPLE LISTING

SERVICE OF THE TETON BOARD OF REALTORS®. Removal of an Officer or Director shall be for good cause, as determined by and in the sole and absolute discretion of the Board of Directors of the MULTIPLE LISTING SERVICE OF THE TETON BOARD OF REALTORS®.

1. A recommendation for removal of an Officer or Director may be placed before the Board of Directors of the MULTIPLE LISTING SERVICE OF THE TETON BOARD OF REALTORS® for its consideration in one of two manners:
 - a. Upon Recommendation of an Officer or Director. Any Officer or Director of the MLS may recommend the removal of another Officer or Director. Such recommendation must be in writing, stating the reasons for the Officer or Director's removal, and shall be filed with the Executive Officer of the TETON BOARD OF REALTORS®.
 - b. Upon Petition by the Participants. A petition seeking the removal of an Officer or Director must state the reasons for the Officer or Director's removal, and must be signed by at least one-third of the Participants. Such a Petition shall be filed with the Executive Officer of the TETON BOARD OF REALTORS® for transmission to and consideration by the Board of Directors of the MULTIPLE LISTING SERVICE OF THE TETON BOARD OF REALTORS®.

Not less than twenty (20) days nor more than forty-five (45) days from the date the Executive Officer receives a recommendation or petition for the removal of an Officer or Director, the matter shall be considered and voted upon by the Board of Directors of the MULTIPLE LISTING SERVICE OF THE TETON BOARD OF REALTORS®. The Officer or Director that is the subject of the recommendation or petition for removal shall be afforded an opportunity to present to the Board of Directors his or her opposition to removal. The Officer or Director that is the subject of the recommendation or petition for removal shall not participate in the Board of Directors deliberations on the matter, nor vote on his or her own removal.

ARTICLE 7, MEETINGS

A. Annual Meeting.

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.

B. Special meetings of the Service.

Special meeting of Participants of the Service may be called from time to time by the President, the Board of Directors, or by 25% 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 on the Service not less than ten days prior to said meeting.

C. Proxy. The Principal Broker may select another REALTOR® member of the Principal Broker's firm to represent him/her by proxy at an annual or special meeting. In the case

of a one-person office, the Principal Broker may select another Participant to represent him/her by proxy at an annual meeting or special meeting. Each participant selected for a proxy vote at a meeting will be entitled to his or her vote plus one additional proxy vote maximum. Official proxy forms will be available at the Board office. The proxy shall extend to all items coming before the meeting. The agenda will be published no later than five business days prior to the scheduled meeting.

D. Quorum and Voting at Meetings of the Service.

For the transaction of business, 20% of the Participants of the Service within the territorial jurisdiction of the Teton Board of REALTORS® as defined in Article 3 of these bylaws shall constitute 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.

E. Meeting of the Board of Directors.

The Board of Directors shall designate a regular time and place of meetings. Absence from three consecutive regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation. The Board of Directors may also meet at any other time it deems advisable on the call of the President or any 3 Members of the Board of Directors. Three 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.

F. Presiding Officers.

At all meetings of the Participants of the Service, or of the Board of Directors, the president or, in 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 his 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 3 Participant's in the Service, but may also include REALTORS® 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

A. 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 TETON BOARD OF REALTORS® (shareholder).

When amendments to the Bylaws of the Service have been approved by the Board of Directors of the TETON BOARD 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 Bylaws be further considered and resubmitted to shareholder as approved by the Participants of the Multiple Listing Service.

B. 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, concerning Meetings of the Board of Directors, subject to final approval by the Board of Directors of the TETON BOARD OF REALTORS® (shareholder).

When approved by the Board of Directors of the TETON BOARD OF REALTORS® (shareholder) as described, the amendment 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 of the TETON BOARD 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 TETON BOARD OF REALTORS® (shareholder). 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, TETON BOARD OF REALTORS®.