

FLORIDA KEYS MULTIPLE LISTING SERVICE, INC.
BYLAWS
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Article 1 Authority

The name of this organization shall be the Florida Keys Multiple Listing Service of the Florida Keys Board Realtors®, Inc., hereinafter referred to as the service, all the shares of stock of which are solely and wholly-owned by the Florida Keys Board Realtors®, Inc.

Article 2 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 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) M*

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 Florida Keys Board of Realtors®. **M**

Article 4 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. 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. 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 11/08)*

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

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

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 states where law requires non-association members be admitted to the MLS of an association of Realtor®, 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, associations 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
 - pending ethics complaints (or hearings)
 - unsatisfied discipline pending
 - pending arbitration requests (or hearings)
 - unpaid arbitration awards or unpaid financial obligations to this or any other association or association
- MLS M**

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)* **M**

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 3 months by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid. **M**

Article 4.3 Subscribers

Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants. *(Optional provision: 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)* **M**

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. **R**

Article 6 Government of the Service

The government of the service shall be vested in a board of directors comprised of members of the Board of Directors of the Florida Keys Board of Realtors®, Inc. *(Adopted 2015)*

Article 6.1 Officers of the Service

The elected officers of the Board shall be a President, a Secretary, and a Treasurer. The Officers of the Service shall consist of the officers of the Florida Keys Board of Realtors®, Inc. ("Board of Realtors®") and they shall serve as an Officer of Service so long as they are an officer of the Board of Realtors®. Any officer that is removed from, resigns or is otherwise disqualified from serving as an officer of the Board of Realtors® shall be disqualified from serving as an Officer of the Service, and such person shall be removed as an Officer of the Service, without further process or procedure, effective on the date such person is no longer an Officer of the Board of Realtors®. *(Adopted 2015)*

Article 6.2 Board of Directors

The Board of Directors of the Service shall be equal in number to and consist of the members of the Board of Directors of the Board of Realtors®. The appointment or election of any director to the Board of

Realtors® shall constitute the appointment or election as a Director to the Service and such director shall serve as a Director of the Service so long as they are a director of the Board of Realtors®. Any director of that is removed from, resigns or otherwise disqualified from serving as director of the Board of Realtors® shall be disqualified from serving as Director of the Service and such person shall be removed as a director of the service without further process or procedure effective on the date such person is no longer a director the Board of Realtors®. (Adopted 2015)

Article 6.3 Duties of Officers and Directors

The duties of the officers and directors are 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 the president subject to declared policies and, as required, subject to confirmation of the board of directors.
2. The **President-Elect** 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 60 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 Florida Keys 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. **M**

Article 7 Annual Meetings

The annual meeting of participants of the service shall be held during the month(s) of October or November at the time and place specified by the board of directors. **M**

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 10% 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 10 days prior to said meeting. **M**

Article 7.2 Quorum and Voting at Meetings of the Service

For the transaction of business, 10% 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. **M**

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 majority members of the board of directors. Seven 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. **M**

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. **M**

Article 8 Committees

The president, with the approval of the board of directors, shall create such standing or ad hoc committees as the president deems desirable and shall appoint their members. Each committee shall consist of not less than one participants in the service, but may also include Realtor®, 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. **M**

Article 9 Fiscal Year

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

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 7.3, 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 Florida Keys Board of Realtors® (shareholder).

When amendments to the bylaws of the service have been approved by the board of directors of the Florida Keys 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 the bylaws be further considered and resubmitted to the shareholder as approved by the participants of the multiple listing service. **M**

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 7.3, concerning meetings of the board of directors, subject to final approval by the board of directors of the Florida Keys Board of Realtors® (shareholder).

When approved by the board of directors of the Florida Keys Board 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 the Florida Keys Board of Realtors® (shareholder). **M**

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 Florida Keys Board 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, Florida Keys Board of Realtors®. **M**