

**BYLAWS
OF
VAIL MULTI-LIST SERVICE, INC.
(Adopted April 2013, Revised June 2018)**

Article 1 Name

The name of this organization shall be the Vail Multi-List Service, Inc., hereinafter referred to as the Service, all the shares of stock of which are solely and wholly-owned by Vail Board of REALTORS[®], Inc.

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).

Article 3 Service Areas

The area within which the Service shall function shall at all times be the service area designated by the Board of Directors of the Service..

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. 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. 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.

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.

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.

Article 4.1 Applications for Participation

Application for participation shall be made in such manner and form as may be prescribed by 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.

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 six (6) months by 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 and Users

Subscribers of the MLS include all non-principal brokers, sales associates, and licensed and certified appraisers affiliated with participants, except those subject to fee waiver under the MLS's policies. Users of the MLS 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.

Article 4.4 Additional Qualifications

Any applicant for membership (regardless of whether such application is for a REALTOR® or a non-REALTOR® membership, and regardless of whether such application is from a new participant/subscriber or a reinstatement of a prior participant/subscriber) who was delinquent in paying sums due the Vail Multi-List Service or any Realtor association or MLS at the time of termination, will not be qualified for reinstatement unless and until fully paying all such sums. The forgoing condition of reinstatement applies regardless of whether the legal obligation of the former Member to pay the sums due has been extinguished by a bankruptcy, a state of limitations, or has otherwise been extinguished by the law.

Article 5 Service Charges

All charges relating to 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. The amended fees shall be submitted to the Board of Directors of Vail Board of REALTORS® (shareholder) for approval.

Article 6 Government of the Service

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

Article 6.1 Officers of the Service

The officers of the Service, who shall also be directors, shall be the Chair and Chair-elect, and shall have such duties as described in this article. The term of each office shall be one year. The Chair-elect assumes the office of Chair at the end of the Chair's term.

Article 6.2 Board of Directors

There shall be nine (9) directors of the Service. Five (5) directors shall be elected from among the participants and subscribers of the Service. In addition to the elected directors, the Chair and Chair-elect of the Service shall serve as directors, the Chair of the Vail Board of REALTORS®, and the Chair-Elect of the Vail Board of REALTORS®, shall serve as directors ex-officio, with full voting privileges. The Association Executive of the Vail Board of REALTORS® and the MLS Director of the Service shall serve as non-voting members of the Board of Directors.

Article 6.3 Nomination and Election of Officer and Directors

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

- 1. Nominating Committee:** The Chair of the Service shall appoint a nominating committee each year, which committee shall be comprised of three (3) participants or subscribers of the Service. The appointment of the nominating committee shall be made by at least three months prior to the annual meeting to enable the committee to meet and select a proposed slate of directors of the Service no less than four weeks prior to the date of the annual meeting. The report of the Nominating Committee shall be delivered to the Chair at least 30 days preceding the election and delivered to each Member eligible to vote at least three (3) weeks preceding the election.
- 2. Notice of Proposed Nominees:** The Chair shall cause a list of the proposed nominees selected by the nominating committee to be forwarded to the participants and subscribers 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 and subscribers of the Service. The notice to the participants and subscribers of the Service concerning the meeting to select nominees for officer and directors shall be delivered on a date at least twenty-one (21) days prior to the proposed meeting.
- 3. Rights of Participants and Subscribers 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 Chair of the Service by 10% of the participants and subscribers of the Service, with said petition received not less than ten (10) days prior to the date of meeting of the participants and subscribers to select nominees for directors. The names contained in such petition, if duly received and certified, shall be presented in writing to the participants and subscribers at the meeting to select nominees as additional nominees for consideration for such office as specified in the petition.
- 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.
- 5. Vote to Select Nominees:** The vote to select nominees shall take place at the annual meeting. Election shall be by ballot and shall be cast in person or by proxy. The ballots shall contain the name of all nominees. Where permitted by state law, and in accordance with applicable state requirements, election of directors may be conducted by electronic means, in accordance with procedures established by the Board of Directors of the Service.
- 6. Nominees Submitted to Shareholder for Election:** When nominees for directors of the Service for the forthcoming fiscal year have been selected by vote of the participants and subscribers of the Service, such nominees shall be submitted to the Board of Directors of the Vail Board of REALTORS® (shareholder) for election. Upon election by the Board of Directors of the Vail Board of REALTORS® (shareholder), the individuals so elected shall be considered officer-elect and directors-elect and assume their respective offices on *December 1st*.

The term of office for officer and directors of the Service shall be on an election year basis (December – November). In the event one (1) or more nominee(s) is/are not elected by the Board of Directors of the Vail Board of REALTORS® (shareholder), and upon notice of such failure of election, the Chair of the Service shall select a proposed participant, subscriber, or participants and subscribers, as required, subject to confirmation by the Board of Directors of the Service, for submission as nominee(s) to the Board of Directors of the Vail 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 Vail Board of REALTORS® (shareholder), as provided in these bylaws, then the board of the Board of Directors of the Vail Board of REALTORS® (shareholder) shall exercise rights as sole and exclusive shareholder to elect a participant, subscriber or participants and subscribers of the Service to fill any existing vacancy or vacancies as officer or directors of the Service.

7 Vacancies:

- a. In the event of a vacancy in the office of the Chair, the VBR Board shall appoint a replacement that meets the qualifications for Chair to fulfill the term. The VMLS Board may make a recommendation to the VBR Board regarding the appointment. In the interim, the VMLS Chair Elect shall take on all the duties of the VMLS Chair.
- b. In the event of a vacancy among the other Directors of the service, a replacement shall be noninated by the Chair of the Service subject to confirmation by the VMLS Board until the next election and subject to confirmation by the VBR Board.

Article 6.4 Terms of Office

The Chair and the Chair-elect of the Service shall each serve one-year terms. The remaining Directors shall be elected to serve for terms of two years, with the exception that the Board shall, if necessary to maintain two even “classes” of Directors (those with terms expiring in even numbered years and odd numbered years), establish specific Board positions for one-year terms in order to create evenly staggered classes of Directors. The officer 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 Officer and Directors

The duties of the officer and directors are as follows:

1. The Chair shall be the chief governing officer of the Service and shall preside at its meetings and those of the Board of Directors of the Service, and shall perform all the duties of the Chair subject to declared policies and, as required, subject to confirmation of the Board of Directors of the Service.
2. The Chair Elect of the Service shall, in the absence of the Chair, perform all of the duties of the Chair.
3. 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 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 Vail Board of REALTORS® (shareholder) for approval at the November meeting of the Board of Directors Vail Board of REALTORS® (shareholder). The Board of Directors of the Service shall not incur an obligation which exceeds the total budget or any individual budget line item without the authorization by the Board of Directors of the Vail Board of REALTORS® (shareholder). The Board of Directors of the Service 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 of the Service shall have the right to make an audit of all books and accounts at any time without notice. The Board of Directors of the Service 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 Vail Board of REALTORS® (shareholder). Except as otherwise provided in these bylaws and rules and regulations, the action of the Board of Directors of the Service shall be final.

Article 6.6 Removal of Officer and Directors

In the event that an officer or director of the 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:

1. A petition requiring the removal of an officer or director and signed by not less than one-third of the participants and subscribers or a majority of all directors of the MLS shall be filed with the Chair of the Service, or if the Chair is the subject of the petition, with the next- ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further Service.
2. 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 and subscribers of the Service 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.

3. The special meeting shall be noticed to all participants and subscribers at least ten (10) days prior to the meeting, and shall be conducted by the Chair of the Service unless the Chair'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 and subscribers. Provided a quorum is present, a three-fourths vote of participants and subscribers present and voting shall be required for removal from office.
4. Any vote taken by the participants and subscribers to remove an officer or director must ultimately be confirmed by a majority vote of the Board of Directors of the Vail Board of REALTORS® (shareholder). Notwithstanding the foregoing, the shareholder may remove an officer or director by a majority vote of the Board of Directors of the Vail Board of REALTORS® (shareholder).

Article 7 Annual Meeting

The annual meeting of participants and subscribers of the Service shall be held during the month of October at the time and place specified by the Board of Directors of the Service and confirmed by the VBR Board of Directors.

Article 7.1 Special Meetings of the Service

Special meetings of participants and subscribers of the Service may be called from time to time by the Chair, the Board of Directors of the Service, or by 25% of the participants and subscribers 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 and subscribers in the Service not less than one (1) week prior to said meeting.

Article 7.2 Quorum and Voting at Meetings of the Service

For the transaction of business, 10 % of the participants and subscribers of the Service shall be considered a quorum. A majority vote by such participants and subscribers 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 of the Service may meet at any time it deems advisable on the call of the Chair or by members of the Board of Directors of the Service. A simple majority of the Directors eligible to vote 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.

Article 7.4 Presiding Officer

At all meetings of the participants and subscribers of the Service, or of the Board of Directors of the Service, the Chair shall serve as presiding officer. In the absence of the Chair, the Chair-elect shall preside.

Article 8 Committees

The Chair, with the approval of the Board of Directors of the Service, 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 one (1) participant in the Service, but may also include subscribers and who may serve either as a chairperson or member of a committee. Each committee created by the Chair, with the approval of the Board of Directors of the Service, shall have and may exercise the authority specified in the resolution creating such committee, or in the policy governance manual established by the Vail Board of REALTORS® except that no such committee shall have authority to take any of the actions specified in Section 7-108-206(4) of the Colorado Business Corporation Act, or any successor provision thereof.

Article 9 Fiscal and Elective Year

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

The elective year of the Service shall commence on December 1st and shall end on November 30th.

Article 10 Amendments to Bylaws

Amendments to these bylaws shall be by the participants and subscribers 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 and subscribers shall further be subject to approval of the Board of Directors of the Vail Board of REALTORS® (shareholder).

When amendments to the bylaws of the Service have been approved by the Board of Directors of the Vail 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 Service fail approval of the Board of Directors of the Vail Board of REALTORS® (shareholder), the Board of Directors of the Service shall be informed, and advised that the proposed amendment or amendments to the bylaws be further considered and resubmitted to the Board of Directors of the Vail Board of REALTORS® (shareholder) as approved by the participants and subscribers of the 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 Service in accordance with the provisions of Article 7, Section 3, concerning meetings of the Board of Directors of the Service, subject to final approval by the Board of Directors of the Vail Board of REALTORS® (shareholder).

When approved by the Board of Directors of the Vail Board of REALTORS® (shareholder) as described, the amendments to the rules and regulations of the Service shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the Service rules and regulations fail approval by the Board of Directors of the Vail Board of REALTORS® (shareholder), the Board of Directors of the 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 Service to the Board of Directors of the Vail 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 and subscribers thereof and of the Board of Directors of the Vail 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, Vail Board of REALTORS®, Inc.