

INCLINE VILLAGE BOARD OF REALTORS®

BYLAWS

APPROVED

General Membership:	6/10/97	5/26/98	5/25/99	N/A	N/A	6/8/04	12/30/05	N/A
Board of Directors:	6/18/97	4/15/98	6/26/99	9/20/00	7/15/03	6/15/04	11/8/05	
Mandatory NAR Changes:	8/24/07	8/2008	10/2008	2/2009	5/2009			

BYLAWS INDEX

- Article I - Name
- Article II - Objectives
- Article III - Jurisdiction
- Article IV - Membership
- Article V - Qualification and Election
- Article VI - Privileges and Obligations
- Article VII - Professional Standards and Arbitration
- Article VIII - Use of the Term REALTOR® and REALTORS®
- Article IX - State and National Memberships
- Article X - Dues, Fees and Finances
- Article XI - Officers, Directors and Executive Vice President
- Article XII - Meetings
- Article XIII - Committees
- Article XIV - Fiscal and Elective Year
- Article XV - Rules of Order
- Article XVI - Amendments
- Article XVII - Dissolution
- Article XVIII - Multiple Listing Service
- Article XIX - Defense and Indemnification - Officers and Directors

INCLINE VILLAGE BOARD OF REALTORS®

BYLAWS

ARTICLE I - NAME

SECTION 1. NAME. The name of this organization shall be the Incline Village Board of REALTORS®, hereafter referred to as the "Board".

SECTION 2. REALTOR®. Inclusion and retention of the term "REALTORS®" in the name of the Board shall be governed by the constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® as from time-to-time amended.

ARTICLE II – OBJECTIVES

The objectives of the Board are:

SECTION 1. To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

SECTION 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 3. To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interest may be safeguarded and advanced.

SECTION 4. To further the interest of home and other real property ownership.

SECTION 5. To unite those engaged in the real estate profession with the Nevada Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

SECTION 6. To designate, for the benefit of the public, individuals authorized to use the terms REALTOR® and REALTORS® as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE III - JURISDICTION

SECTION 1. The territorial jurisdiction of the Board as a member of the NATIONAL ASSOCIATION OF REALTORS® shall include Washoe County that lies within the Tahoe Basin.

SECTION 2. Territorial Jurisdiction is defined to mean:

A) The right and duty to control the use of the terms REALTOR®, and REALTORS® subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS®, in return for which the Board agrees to protect and safeguard the property right of the National Association in the terms.

ARTICLE IV - MEMBERSHIP

SECTION 1. There shall be six (6) classes of members, as follows:

(a) REALTOR® Members. REALTOR® members, whether primary or secondary, shall be:

(1) Individuals who, as sole proprietors, partners, corporate officers, or branch officers, are licensed and engaged actively in the real estate profession, including buying, selling, exchanging, renting, or leasing, managing, appraising for others the compensation, counseling, or, building, developing, or subdividing real estate, and who maintain or are associated with an established real estate office in the state of Nevada or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR® Membership only, and each is required to hold REALTOR® Membership in a Board of REALTORS® within the state or a state contiguous thereto.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same offices, or any other offices within the jurisdiction of the board in which one of the firm's principals holds REALTOR® membership, shall be required to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV.

NOTE: REALTOR® members may obtain membership in a "secondary" Board in another state.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® member and meet the qualifications set out in Article V.

(3) Franchise REALTOR Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the local board, state association and the National Association.

(4) Primary and secondary REALTOR® Members. An individual is a primary member if the Board pays state and National dues based on such member. An individual is a secondary Member if state and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR® member of the Board in order for licensees affiliated with the firm to select the Board as their "primary" Board.

(5) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of the Bylaws. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer, or branch office manager acting on behalf of the firm's principals(s) and must meet all other qualifications for REALTOR® Membership established in Article V, SECTION 2, of The Bylaws.

(b) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation awarded by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership.

- (c) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a) or (b) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Board.
- (d) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.
- (e) Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Board, or for the public.
- (f) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate business on their own account or not associated with an established real estate office.

ARTICLE V - QUALIFICATION AND ELECTION

SECTION 1. APPLICATION

(a) An application for membership shall be made in such a manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition of membership to thoroughly familiarize himself with the code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws and Rules and Regulations of the Board, the State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and the rules and Regulations of the Board, State and National Associations, and if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the Board, through its membership committee or otherwise, may invite and receive information and comment about applicant from any member or other persons, and that applicant agrees that any information or comment furnished to the Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of the application, have access to a copy of the Bylaws, Constitution, Rules and Regulations and code of Ethics referred to above.

SECTION 2. QUALIFICATION.

a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board through its Membership Committee or otherwise that he/she is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or in a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy*, has no record of official sanctions involving unprofessional conduct**, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® , and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee,

and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics. *

- b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® Member of the Board or a Designated REALTOR® Member of another Board (if secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has no record of official sanctions involving unprofessional conduct**, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Membership Committee and shall agree in writing that if elected to membership he/she will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

SECTION 3. ELECTION. The procedure for election to membership shall be as follows:

- a) The Membership Committee shall determine whether the class of membership for which applicant is applying is one for which he would be eligible if otherwise possessing the qualifications of membership. If it so determines, it shall give written comment thereon. If, within fourteen (14) days, one or more REALTOR® members object to the approval of the application, basing such objection on lack of qualifications as set forth in these Bylaws, the committee shall invite any objecting members to appear and substantiate his/her objections. Objections that are not substantiated shall be totally disregarded. The Committee may not find objections substantiated without
- 1) informing the applicant in advance, in writing, of the objections and identifying the objecting member, and
 - 2) giving the applicant a full opportunity to appear before the Committee and establish his/her qualifications, The Committee shall thereafter make a written record of its findings.
- b) Thereafter, within fourteen (14) days, the Membership Committee shall report its recommendation to the Board of Directors in writing. If the recommendation is adverse to the approval of the application, the reasons therefore shall be specifically stated. If any member of the Membership Committee submits a dissenting Recommendation, it shall also be transmitted to the Board of Directors.
- c) The Board of Directors shall review the qualification of the applicant and the recommendation of the committee and then vote on his/her eligibility to membership. If

* No recent or pending bankruptcy is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, corporate officer, or branch office manager, is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board establishes that its interests and those of its members and the public could not be adequately protected by requiring that the bankrupt applicant pay cash in advance for Board and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a "cash basis" from the date that bankruptcy is initiated until one (1) year from the date the member has been discharged from bankruptcy.

** No record of official sanctions involving unprofessional conduct is intended to mean that the Board may only consider:

1. judgments against the applicant within the past three (3) years of violations of (1) civil rights laws, (2) real estate license laws, and (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.
2. criminal convictions if (1) the crime was punishable by death or imprisonment in excess of one year under law under which applicant was convicted, and (2) no more than ten years have elapsed since the date of the conviction or the release of the applicant from the confinement imposed for that conviction, whichever is the later date.

the applicant receives a majority vote of the Board of Directors, he/she shall be declared elected to membership and shall be so advised by notice in writing.

- d) The Board of Directors may not reject an application without first giving the applicant an opportunity to appear before it to be advised in writing of the findings and recommendations of the Membership committee, to call witnesses in his/her behalf, to be represented by counsel and to make such statements as he/she deems relevant. The Board of Directors shall cause written minutes to be made of any hearing before it or may electronically or mechanically record the proceedings.
- e) If the Board of Directors determines that the application should be rejected it shall record its reasons with the Secretary. If the Board of Directors believes that applicant may resort to legal action because of rejection of his/her application, it may specify that rejection shall become effective upon entry in a suit by the Board for declaratory judgment by a court of competent jurisdiction of a final judgement declaring that the rejection violates no rights of applicant.

SECTION 4. New Member Code of Ethics Orientation. Applicants for REALTOR® membership and provisional REALTOR® members (where applicable) shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® memberships or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership is for one year or less.

Failure to satisfy this requirement within 120 days of the date of application (or, alternatively, the date that provisional membership was granted), will result in denial of the membership application or termination of provisional membership.

SECTION 5. Continuing Member Code of Ethics Training.

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTORS member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement shall be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences. Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as training is completed. Members suspended for failing to meet the requirement for the first four (4) year cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

SECTION 6: STATUS CHANGES

- (a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR®

principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Directors.

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

(The Board of Directors, at its discretion, may waive any qualification, which the applicant has already fulfilled in accordance with the Board's Bylaws.)

(b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

(c) Dues shall be prorated from the first day of the month in which the member is notified of election by the Board of Directors and shall be based on the new membership status for the remainder of the year.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

SECTION 1. The privileges and obligations of members, in addition to those otherwise provided in these Bylaws, shall be as specified in this article.

SECTION 2. Any Member of the Board may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Board Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Board. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Board, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and conduct their business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 3. Any REALTOR® member of the Board may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Board, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS® as set forth in the Code of Ethics and Arbitration Manual of the National Association.

SECTION 4. Resignations of Members shall become effective when received in writing by the Board of Directors provided, however that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

SECTION 5 If a Member resigns from the Board or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of

the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.

(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®.

SECTION 6. REALTOR® MEMBERS.

- a) REALTOR® Members whose financial obligations to the Board are paid in full shall be entitled to vote and hold elective office in the Board.
- b) Only REALTOR® Members may use the terms REALTOR® or REALTORS®, which use shall be subject to the provisions of Article VII.
- c) REALTOR® Members have the primary responsibility to safeguard and promote the standards, interest, and welfare of The Board and the real estate profession.
- d) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Board, whichever may apply. If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.
- e) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(a) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® Member and they shall be advised that the provisions in Article VI, Sections 6(a) and (d) shall apply. Resignations shall become effective only when accepted by the Board of Directors.
- f) An Incline Village Board member whose membership has been terminated, upon reapplication, may petition the Board of Directors for a waiver of the requirement to attend the Board Orientation program indicating their reason for the request. The Board of Directors shall have the authority to approve or deny the request.

SECTION 7. INSTITUTE AFFILIATE MEMBERS. Institute affiliate members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of NATIONAL ASSOCIATION OF REALTORS®.

SECTION 8. AFFILIATE MEMBERS. Affiliate members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Board of Directors.

SECTION 9. PUBLIC SERVICE MEMBERS. Public Service members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Board of Directors.

SECTION 10. HONORARY MEMBERS. Honorary members shall confer rights except the right to attend meetings and participate in discussions, and shall impose no obligations.

SECTION 11. STUDENT MEMBERS. Student members shall have such privileges and rights and shall be subject to such obligation as may be prescribed by the Board of Directors.

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

SECTION 1. The responsibility of the Board and the Board members relating to the enforcement of the Code of Ethics, the disciplining of members, and the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, which is by this reference incorporated into these Bylaws, provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

SECTION 2. It shall be the duty and responsibility of every REALTOR® member of this Board to abide by the Constitution and Bylaws and the Rules and Regulations of the Board, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Board as from time to time amended.

SECTION 3. Harassment. Any member of the Board may be reprimanded, placed on probation, suspended or expelled for harassment of a Board or MLS employee or Association Officer or Director after An investigation in accordance with the procedures of the Board or Association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-Elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

ARTICLE VIII - USE OF THE TERM REALTOR® AND REALTORS®

SECTION 1. Use of the terms REALTOR® and REALTORS® by members shall at all times be subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS® use of the term within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual

SECTION 2. REALTOR® members of the Board shall have the privilege of using the term REALTOR® or REALTORS® in connection with their places of business within the jurisdiction of the state so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

SECTION 3. A REALTOR® member who is a principal of a real estate firm, partnership or corporation may use the terms REALTOR® and REALTORS® only if all of the principals of such firm, partnership or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members or Institute Affiliate Members as described in Section 1 (b) of Article IV.

(a) In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, or corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

SECTION 4. Institute Affiliate Members, Affiliate members and Appraiser Affiliate members, shall not use the terms REALTOR® or REALTORS® nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

SECTION 1. The Board shall be a member of the NATIONAL ASSOCIATION OF REALTORS® and the Nevada Association of REALTORS®. By reason of the Board's membership, each REALTOR® member of the member Board shall be entitled, without further payment of dues, to membership in the NATIONAL ASSOCIATION OF REALTORS® and the Nevada Association of REALTORS®. Institute Affiliate Members shall hold Institute Affiliate Membership in the Nevada Association of REALTORS®. Affiliate Members and Appraiser Affiliate Members shall also be Affiliate Members of the Nevada Association of REALTORS®. The Board shall continue as a member of the State and National Associations, unless by majority vote of all its REALTOR® Members, decision is made to withdraw, in which case, the State and National Associations shall be notified at least one (1) month in advance of the date designated for the termination of such membership.

SECTION 2. The Board recognizes the exclusive property right of the NATIONAL ASSOCIATION OF REALTORS® in the terms REALTOR® and REALTORS®. It shall forthwith discontinue use of the terms in any form in its name upon ceasing to be a member of the NATIONAL ASSOCIATION OF REALTORS®, or upon a determination by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS® that it has violated the conditions imposed upon the terms.

SECTION 3. The Board adopts the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® and agrees to enforce the Code among its REALTOR® members. The Board and all of its members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS® and the Nevada Association of REALTORS®.

ARTICLE X – DUES AND ASSESSMENTS

SECTION 1. APPLICATION FEES. The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and which shall become the property of the Board upon final approval of the application.

SECTION 2. DUES. The annual dues of the Members shall be as follows:

(a) REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be \$200.00 plus an amount equal to \$200.00 times the number of real estate salespersons and licensed or certified appraisers who:

(1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Board in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating the dues payable to the Board by a Designated REALTOR® Member,

non-member licensees as defined in Section 2(a) (1) and (2) of this Article shall not be included in the computation of dues if the DR has paid dues based on said non-member licensees in another Board in the state or state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board.

- (b) For the purpose of this Section, a REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, if the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, corporate officer, or branch office manager of the entity.
 - (c) A REALTOR® with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR® for consideration on a substantially exclusive basis shall annually file with the association, on a form approved by the association, a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR® filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR®.
 - (d) Membership dues shall be prorated for any licensee included on a certification form submitted to the association who, during the same calendar year applies for REALTOR® membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR® membership during the preceding calendar year.
- 1) REALTOR® Members. The annual dues of each REALTOR® member other than the Designated-REALTOR® shall be an amount designated by the Board of Directors.
 - 2) INSTITUTE AFFILIATE MEMBERS. The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.
 - 3) AFFILIATE MEMBERS. The annual dues of each Affiliate member shall be in such amount as determined annually by the Board of Directors.
 - 4) PUBLIC SERVICE MEMBERS. The Annual dues of each Public Service Member shall be as established annually by the Board of Directors.
 - 5) HONORARY MEMBERS. Dues payable, if any, shall be at the discretion of the Board of Directors.
 - 6) STUDENT MEMBERS. Dues payable, if any, shall be at the discretion of the Board of Directors.
 - 7) IMMEDIATE PAST PRESIDENT The immediate past president's local board dues and quarterly MLS fees shall be waived for two years following his/her year as president, providing he has successfully completed his term according to the bylaws.

SECTION 3. DUES PAYABLE.

Dues for all Members shall be payable annually in advance on the first day of January. Dues for new members shall be computed from the first day of the month in which a Member is notified of election and shall be prorated for the remainder of the year.

(a) In the event a sales licensee or licensed or certified appraiser who holds REALTOR® membership is dropped for nonpayment of Board dues, and the licensee remains with the designated REALTOR'S® firm, the dues obligation of the "designated" REALTOR® (as set forth in Article X, Section 2 (a)) will be increased to reflect the addition of a non-Member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination.

SECTION 4. NON-PAYMENT OF DUES AND FINANCIAL OBLIGATIONS.

- a) If the dues, fees, fines, or other assessments including amounts owed to the Board or the Board's Multiple Listing Service are not paid within thirty (30) days after the billing date, the non-paying member shall be assessed a \$150 late fee, non-payment after 60 days the member may be terminated from membership. Further, if the M.L.S. bill is not paid within forty-five (45) days from billing date, books and services of the M.L.S. are to be stopped. Service may be resumed upon payment of billing.
- b) If the bill is not paid within forty-five (45) days of billing date, the REALTOR®-PARTICIPANT membership (office service) will be suspended, providing written notice is sent to the Participant by certified mail, return receipt requested, at least seven (7) days prior to the suspension date.

SECTION 5. REINSTATEMENT. A former member, participant or subscriber who has had his/her membership or services terminated for non-payment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or other Rules and Regulations of the Board or any of its services, departments, divisions or subsidiaries may apply for reinstatement in the manner prescribed for new applicants for membership under Article 5, after making payment in full of all past due accounts due as of the date of termination. All services shall be discontinued as of the date of termination without reference to any other provision of these rules and regulations. However, no action shall be taken to suspend or expel a member for non- payment of disputed amounts until the Board of Directors has confirmed the accuracy of the amount owed.

SECTION 6. All moneys received by the Board for any purpose shall be deposited to the credit of the board in a financial institution or institutions selected by resolution of the Board of Directors.

SECTION 7. EXPENDITURES. The Board of Directors shall administer the finances of the Board but shall not incur an obligation in excess of \$100.00 over the available cash on hand without authorization by vote of a majority of all REALTOR® members.

SECTION 8. NOTIFICATION OF CHANGES. Any changes in personnel, ownership, or other change requiring the issuance of new license must be reported by the broker, in writing, to the Board within ten (10) days of such change.

SECTION 9. The dues of REALTOR® Members who are REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association or recipients of the Distinguished Service Award shall be as determined by the Board of Directors.

NOTE: A Member Board's dues obligation to the National Association is reduced by an amount equal to the amount which the Board is assessed for a REALTOR® Member, times the number of REALTOR® Emeriti (as recognized by the National Association), Past Presidents of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® Members of the Board. The dues obligation of such individuals to the local Board should be reduced to reflect the reduction in the Board's dues obligation to the National Association. The Board may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Board's obligation to the State

Association with respect to such individuals. Member Boards should determine whether the dues payable by the Board to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTORS® dues obligation to the board with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not Members of the local board.

ARTICLE XI – OFFICERS, DIRECTORS AND EXECUTIVE VICE PRESIDENT

SECTION 1. OFFICERS. The elective officers of the Board shall be; President, President-Elect, Secretary /Treasurer. They shall be elected for terms of one (1) year, and may succeed themselves for no more than one (1) additional term, except in the case of Secretary/Treasurer.

SECTION 2. DUTIES OF THE OFFICERS. The duties of the Officers shall be as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors, The President-elect shall be elected for a term of one (1) year in accordance with these Bylaws. Upon election, the President-elect shall assume the duties of President-elect, and upon expiration of his/her term as President-elect shall assume the duties of President by virtue of these Bylaws for President for a term of one (1) year. It shall be the particular duty of the Secretary to administer the records of the Board and to carry on all correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the Nevada Association of REALTORS®. The President is a State Director in accordance with the Bylaws of the Nevada Association of REALTORS®. If the Nevada Association of REALTORS® allows an additional Director, the President-elect shall be a State Director. The Secretary may be an alternate delegate to the State and National meetings.

SECTION 3. BOARD OF DIRECTORS. The governing body of the Board shall be a Board of Directors consisting of the elective officers, the Immediate Past President, the MLS Committee Chairman and four (4) Directors at Large. The Board of Directors shall have no more than three (3) members from any office, except that officers and directors who change their office affiliation to a firm represented on the Board of Directors during their term in office, may complete only the current calendar year of their term. Directors shall be elected to serve for terms of two (2) years, or for such lesser terms as may be necessary to complete the first fiscal year. Thereafter as many directors shall be elected each year as are required to fill vacancies.

SECTION 4. ELECTION OF OFFICERS AND DIRECTORS

- a) At least two (2) months before the annual election in July, a Nominating Committee composed of five (5) REALTOR® members, plus one (1) alternate REALTOR® member provided that no member firm have more than one (1) representative, shall be appointed by the President with the approval of the Board of Directors. No member seeking nomination shall sit on the Nominating Committee. In the event a committee member is considered for nomination, that member shall be disqualified from further participation on the committee. The Alternate committee member shall fill the vacancy. The Nominating Committee shall select at least one (1) candidate for each office and at least one (1) candidate for each place to be filled on the Board of Directors. No more than three (3) nominees may be from any one (1) office. The report of the Nominating Committee shall be mailed, or delivered to each REALTOR® Member at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination not later than fourteen (14) days prior to the election by a petition signed by at least ten (10%) percent of members. The Executive Vice President shall send notice of such additional nominations to all REALTOR® members before the election. The Executive Vice President shall include such candidates on the official ballot and provide a space for write-in candidates.
- b) The election of Officers and Directors shall take place on the day of the annual meeting. Election shall be by secret ballot, either at the meeting or no later than 4:00 p.m. that day in person at the Board office or by Absentee Ballot. An Absentee Ballot is intended to mean "Absent from the area" and must be personally requested from the Board office and faxed to the Executive Vice President along with signed verification, during the specified election time. A ballot also may be obtained and cast in person at the Board office during a one (1)

week period immediately preceding the date of the election. Such ballots shall be placed and counted with all other ballots cast on the day of the election and results posted on the Board office door by 5:00 p.m. on that date. The ballot shall contain names of all candidates and the office for which they are nominated. The number of Directors elected shall be the number of current vacancies and those receiving the most votes shall be elected.

- c) The President, with the approval of the Board of Directors, shall appoint an Election committee of three (3) REALTOR® members to conduct the election. In case of a tie vote, lot shall determine the issue.
- d) VACANCIES
 - 1) Should the office of Secretary/Treasurer become vacant, such office shall be filled by reappointment of the Board of Directors from members of the Board of Directors until the next annual election.
 - 2) Should the office of Immediate Past President become vacant, the President may appoint the Immediate preceding Past President to fill that position for the remainder of the term, subject to confirmation of the Board of Directors.
 - 3) In the event that a vacancy should occur in the office of President, the President-elect shall assume the duties of President for the remainder of the unexpired term.
 - 4) Vacancies among the President-Elect, M.L.S. Chairman, or Directors-At-Large shall be filled by special election held not later than forty-five (45) days after resignation or at the annual election, whichever comes first.

SECTION 5 - REMOVAL OF OFFICERS AND DIRECTORS. In the event that an officer or Director 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:

- a) A petition requiring the removal of an officer or Director and signed by not less than one-third (1/3) of the voting membership or a majority of all Directors shall be filed with the President, or if the President 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.
- b) 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 voting membership of the Board 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.
- c) The special meeting shall be noticed to all voting members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Board 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 of the hearing by the members. Provided a quorum is present a three-fourths (3/4) vote of members present and voting shall be required for removal from office.

SECTION 6 - EXECUTIVE VICE PRESIDENT.

- a) The membership is further served by a salaried Executive Vice President who shall serve as the chief executive officer of the Board and Multiple Listing Service.
- b) The job description of the Executive Vice President is made a part of the Policy Documents of the Board.
- c) This position shall be reviewed and evaluated annually by the Board of Directors in writing, and reviewed with the Executive Vice President in matters of Responsibility, Relationship, Performance Standards and Qualifications.
- d) This evaluation should ideally be accomplished and completed before the annual budget process.

ARTICLE XII - MEETINGS

SECTION 1. ANNUAL MEETING. The annual meeting of the Board shall be held during July of each year, the date, place and hour to be designated by the Board of Directors.

SECTION 2. MEETINGS OF DIRECTORS. The Board of Directors shall designate a regular time and place of meeting. Absence from three (3) consecutive regular meetings shall be construed as resignation therefrom.

SECTION 3. OTHER MEETINGS. Meetings of the members may be held at such other times as the President or the Board of Directors may determine, or upon written request of at least ten (10%) percent of The REALTOR® members. Installation of Officers and Directors shall be held the within the first two weeks in November of each calendar year unless it conflicts with the National Association of REALTORS® convention in which case the Board of Directors may designate a date in October.

SECTION 4. NOTICE OF MEETING. Written notice shall be given to every member entitled to participate in the meeting at least one (1) week preceding all meetings. If a special meeting, it shall be accompanied by a statement of purpose of the meeting.

SECTION 5. QUORUM. A quorum for the transaction of business shall consist of fifteen (15%) percent of the REALTOR® members.

ARTICLE XIII - COMMITTEES

SECTION 1. STANDING COMMITTEES. The President shall appoint from among the REALTOR® members, subject to confirmation by the Board of Directors, the following Standing Committees

Clarification:

Affiliates
Budget / Finance
Bylaws
Computer & Business Technology / Multiple Listing Service
Education / REALTOR® Protection
Grievance
Membership Program/ Public Relations / Equal Opportunity
Professional Standards
Public Policy / Legislation

Names and Descriptions:

COMMITTEE	FUNCTION
AFFILIATES	Responsible to better inform the members about industries directly affecting the Real Estate industry. Support activities creating "goodwill" to members and community.
BUDGET FINANCE	Correlates the individual committees' budget requests and recommends an operating budget to the Board of Directors which insures a sound financial basis for the Board. The committee reviews the budgeted expenditures on a quarterly basis and investigates non-dues income sources and makes recommendations to the Board of Directors to provide for additional expenditures or income required.
BYLAWS	Responsible for the periodic review of Board's Bylaws and Policy documents to assure compliance with the National Association of REALTORS® governing documents and policy. Formulates and recommends amendments to the Bylaws and Policy to the Board of Directors.
COMPUTER & BUSINESS TECHNOLOGY MULTIPLE LISTING SERVICE (MLS)	Meets monthly to discuss options to upgrade the computer systems and related equipment for both the MLS and the members including computer fair, update data sheets, review vendors, etc. Prepares recommendations for the Board of Directors. A very demanding but rewarding committee. Facilitate the relationship between the listing and cooperating broker and to disseminate information on listed property in an orderly fashion.

	Formulates changes on forms, content, systems and procedures to further that purpose. Administers and enforces MLS Rules and Regulations.
EDUCATION REALTOR® PROTECTION	Responsible for the format, content and scheduling of the educational programs of the Board, including but not limited to the orientation course and mini-seminars. Recommends material to be added to the library. Submits appropriate courses to the Division of Real Estate for accreditation for continuing education requirements. Maintains a Group of qualified instructors & coordinates with the Executive Vice President the scheduling of the Orientation Course for new agents. Coordinates with Education Committee. Informs members as to "danger zones" pointed out by NAR (e.g. stigmatized property: AIDS, murders, etc). Relates issues of anti trust to membership.
GRIEVANCE	Provides due process for any member of the Board involved in an ethics complaint. Makes such preliminary investigation and evaluation of the complaint, as required, to determine whether the validity and substance of the complaint warrants further consideration by a hearing panel of the Professional Standards Committee. (Subject to attending training.)
MEMBERSHIP PROGRAM PUBLIC RELATIONS EQUAL OPPORTUNITY	Provide recommendations to the Board of Directors as to the Membership Rules and Procedures. Interviews membership applicants against whom a complaint has been lodged. Makes recommendation to the Board of Directors relative to applicants. Plans programs and schedules speakers for the weekly member meetings. Responsible for REALTOR® Image Displays at appropriate public gatherings. Decides if any scholarship award(s) are to be granted. Formulates & recommends any changes in the criteria for selection of student(s) to receive a scholarship. Recommends the dollar amount of the award(s) to the Board of Directors for approval. Coordinates the awarding of the scholarship(s) with the School's Scholarship Committee. Continually notifies the newspaper(s) of real estate activities and/or institutional advertising for the Board and its members including submission of photos for events. Plans and makes arrangements for the Annual Installation Awards function. Develops additional programs to promote social and compatible relationships with the members. "Party Group"
PROFESSIONAL STANDARDS	Provides a hearing panel to hear matters of alleged unethical conduct by Board members and to decide arbitration when invoked. (Subject to attending training.)
PUBLIC POLICY/ LEGISLATION	Studies and informs the membership and generates grass roots support for or in opposition to specific legislation. Develops a program aimed at encouraging members to inform their associates or the general public on key legislative issues. Studies and arranges for inter-association cooperation efforts on certain legislative matters, monitors local government agencies and encourages members to communicate with legislators to promote legislation advantageous to the real estate profession. Mobilizes membership to support or oppose issues as requested by the National or State Political Action Committees. Monitors the local governing bodies (TRPA, Counties, etc.) and reports to the Board of Directors. Provides the Nevada Association of REALTORS® with information on matters affecting the Incline Village area. Acts as liaison between NAR and the local Board during the legislative session Chairs PSF fund raising.

SECTION 2. SPECIAL COMMITTEES. The President shall appoint, subject to the confirmation by the Board of Directors, such special committees as he/she may deem necessary.

SECTION 3. ORGANIZATION. All committees shall be of such size and shall have such duties, functions, and powers as may be assigned to them by the President or the Board of Directors, except as otherwise provided in these Bylaws

SECTION 4. PRESIDENT. The President shall be an ex-officio member of all standing committees except the Grievance, Professional Standards and REALTOR® of the Year Committees and shall be notified of their meetings.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

SECTION 1. THE FISCAL YEAR. The Fiscal Year of the Board shall be the calendar year.

SECTION 2. THE ELECTIVE YEAR. The Elective Year shall the calendar year.

ARTICLE XV - RULES OF ORDER

Roberts Rules of Order, latest edition, as specified by the NATIONAL ASSOCIATION OF REALTORS® and a copy maintained in the Board Office, 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 XVI – AMENDMENTS

SECTION 1. These Bylaws may be amended by majority vote of the REALTOR® members present and qualified to vote at any such meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present approve amendments to the Bylaws which are mandated by NAR policy. Article IX may be amended only by a majority vote of all REALTOR® members.

SECTION 2. Notice by mail of all meetings at which such amendments are to be considered shall be given to every REALTOR® member at least one (1) week prior to the time of the meeting.

SECTION 3. Amendments to these Bylaws affecting the admission or qualification of REALTOR® members and Institute Affiliate Members, the use of the term REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Board shall become effective upon their approval by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVII - DISSOLUTION

AUTHORITY. Upon dissolution or winding up the affairs of This Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the Nevada Association of REALTORS® or within its discretion, to any other non-profit, tax-exempt organization.

ARTICLE XVIII - MULTIPLE LISTING SERVICE

SECTION 1. AUTHORITY. The Board of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be subject to the Bylaws of the Board of REALTORS® and such Rules and Regulations as may hereinafter be adopted.

SECTION 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 a procuring cause of the sale (or lease).

SECTION 3. PARTICIPATION. Any REALTOR® member of this or any other Board who is a principal, partner, or corporate officer, or branch manager acting on behalf of the 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 Services "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.

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 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.

*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 ninety (90) days after access has been provided.

** Generally, Boards of REALTORS® , when there is more than one principal in a real estate firm, define 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.

SECTION 4. SUPERVISION. The activity shall be operated under the supervision of the Multiple Listing committee in accordance with the Rules and Regulations, subject to the approval of the Board of Directors.

SECTION 5. APPOINTMENT OF COMMITTEE. The President shall appoint, subject to confirmation by the Board of Directors, a Multiple Listing Service Committee of eight (8) REALTOR® Members who shall serve one (1) year terms. The Chairman shall be elected by the REALTOR®-Participant Members at the annual meeting of the Board and shall serve a one (1) year term. Five (5) members of the committee shall be REALTOR®-Participants in Multiple Listing and four (4) members of the committee shall be REALTOR® members of the Board who are affiliated with REALTOR®-Participants and have the consent of such REALTOR®-Participants to serve on the Committee if appointed.

SECTION 6. VACANCIES. Unexpired terms shall be filled by appointment as with original appointees.

SECTION 7. ATTENDANCE. Any committee member who fails to attend three (3) consecutive regular or special meetings of the committee, without excuse acceptable to the Chairman of the Committee shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointments.

ARTICLE XIX - DEFENSE & INDEMNIFICATION - OFFICERS AND DIRECTORS

In the event of suits or claims in which one or more current or past officers or directors or employees of the Board are named as a result of their status as such or decisions or actions taken in good faith and reasonably understood to be within the scope of their authority or employment during their term as such, the Incline Village Board of REALTORS® shall, directly or through insurance, secure counsel to act on behalf of and provide a defense for such officers, directors and employees; pay reasonable defense expenses incurred in advance of final disposition of such case; and indemnify such officers, directors and employees with respect to any liability assessed or incurred as a result of any such claim, suit or action.