

(Amended and Restated)

BYLAWS OF

**THE GREATER GREENVILLE
ASSOCIATION OF REALTORS®, INC.**

Adopted: March 19, 2020

TABLE OF CONTENTS

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ARTICLE I - NAME	Page-!-
Section 1 <u>Name</u>	Page -!-
Section 2 <u>REALTORS®</u>	Page -!-
ARTICLE II- OBJECTIVES	Page-!-
Section 1	Page -!-
Section 2	Page -!-
Section 3	Page -!-
Section 4	Page -!-
Section 5	Page -!-
Section 6	Page -1-
ARTICLE III - JURISDICTION	Page -2-
Section 1	Page -2-
Section 2	Page -2-
ARTICLE IV - MEMBERSHIP	Page -2-
Section 1 <u>Classifications of Membership</u>	Page -2-
Section 2 <u>Application for Membership</u>	Page -4-
Section 3 <u>Qualifications for Membership</u>	Page -5-
Section 4 <u>Election to Membership</u>	Page -7-
Section 5 <u>Changes in Membership Status</u>	Page -8-
Section 6 <u>Resignation from Membership</u>	Page -8-
ARTICLE V - PRIVILEGES AND OBLIGATIONS	Page -9-
Section 1	Page -9-
Section 2 <u>Certification by Designated REALTOR®</u>	Page -10-
ARTICLE VI- DISCIPLINE	Page-10-
Section 1 <u>Violations</u>	Page -10-
Section 2 <u>Suspension or Expulsion</u>	Page -11-
ARTICLE VII - CODE OF ETHICS: PROFESSIONAL STANDARDS AND TRAINING.....	Page -12-
Section 1 <u>New Member Code of Ethics Orientation</u>	Page -12-
Section 2 <u>Continuing REALTOR® Code of Ethics Training</u>	Page -13-
Section 3 <u>Discipline of REALTOR® Members</u>	Page -13-
Section 4 <u>Enforcement of the Code</u>	Page -13-

ARTICLE VIII - USE OF THE TERMS REALTOR® AND REALTORS®	Page -14-
Section 1.....	Page -13-
Section 2.....	Page -14-
Section 3.....	Page -14-
Section 4.....	Page -14-
Section 5.....	Page -14-
ARTICLE IX - STATE AND NATIONAL MEMBERSHIP	Page -14-
Section 1.....	Page -14-
Section 2.....	Page -15-
Section 3.....	Page -15-
ARTICLE X - FINANCIAL RESPONSIBILITIES.....	Page -15-
Section 1 <u>Application Fee</u>	Page -15-
Section 2 <u>Dues</u>	Page -15-
Section 3 <u>Nonpayment of Financial Obligation</u>	Page -18-
Section 4 <u>Notice of Dues, Fees, Fines, Assessments, or Other</u>	
<u>Financial Obligations of Members</u>	Page -18-
Section 5 <u>Deposit</u>	Page -18-
Section 6 <u>Expenditures</u>	Page -18-
Section 7 	Page -18-
ARTICLE XI - OFFICERS AND DIRECTORS	Page -19-
Section 1 <u>Titles</u>	Page -19-
Section 2 <u>Board of Directors</u>	Page -19-
Section 3 <u>Eligibility</u>	Page -19-
Section 4 <u>Term</u>	Page -19-
Section 5 <u>Duties of Officers</u>	Page -20-
Section 6 <u>Election of Officers and Directors</u>	Page -20-
Section 7 <u>Vacancies</u>	Page -20-
Section 8 <u>Removal of Officers or Directors</u>	Page -20-
ARTICLE XII - MEETINGS	Page -21-
Section 1 <u>Annual Meetings</u>	Page -21-
Section 2 <u>Meetings of Directors</u>	Page -21-
Section 3 <u>Other Meetings</u>	Page -21-
Section 4 <u>Notice of Meetings</u>	Page -21-
Section 5 <u>Quorum</u>	Page -21-
Section 6 <u>Electric Transaction of Business</u>	Page -21-
Section 7 <u>Director Action without Meeting</u>	Page -21-
Section 8 <u>Proxies</u>	Page -22-
Section 9 <u>Voting Requirements</u>	Page -22-
ARTICLE XIII - COMMITTEES	Page -22-
Section 1 <u>Standing Committees</u>	Page -22-

Section 2	<u>Special Committees</u>	Page -22-
Section 3	<u>Organization</u>	Page -22-
Section 4	<u>President</u>	Page -22-
Section 5	<u>Removal.</u>	Page -22-
ARTICLE XIV - FISCAL AND ELECTIVE YEAR		Page -22-
Section 1	.....	Page -22-
ARTICLE XV - RULES OF ORDER		Page -22-
Section 1	.....	Page -22-
ARTICLE XVI - AMENDMENTS		Page -22-
Section 1	.....	Page -23-
Section 2	.....	Page -23-
Section 3	.....	Page -23-
ARTICLE XVII - DISSOLUTION		Page -23-
Section 1	.....	Page -23-
ARTICLE XVIII - MULTIPLE LISTING SERVICE.....		Page -23-
Section 1	<u>Authority</u>	Page -23-
Section 2	<u>Purpose</u>	Page -23-
Section 3	<u>Governing Documents</u>	Page -23-
Section 4	<u>Participation</u>	Page -23-
Section 5	<u>Supervision</u>	Page -24-
Section 6	<u>Subscribers</u>	Page -24-
ARTICLE XIX - STANDARDS OF CONDUCT AND INDEMNIFICATION.....		Page -24-
Section 1	<u>Standards of Conduct for Officers</u>	Page -25-
Section 2	<u>General Standards for Directors</u>	Page -25-
Section 3	<u>Director Conflict of Interest</u>	Page -26-
Section 4	<u>Authority to Indemnify</u>	Page -27-
Section 5	<u>Mandatory Indemnification</u>	Page -28-
Section 6	<u>Advances for Expenses</u>	Page -28-
ARTICLE XX - FINANCIAL DISCLOSURES AND REQUESTS FOR INFORMATION		Page -28-

(Amended and Restated)
BYLAWS OF
THE GREATER GREENVILLE
ASSOCIATION OF REALTORS®, INC.

Adopted: March 19, 2020

ARTICLE I - NAME

Section 1. Name. The name of this organization shall be THE GREATER GREENVILLE ASSOCIATION OF REALTORS®, INC. (hereafter referred to as the "Association").

Section 2. REALTORS®. Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the Association 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 Association 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 interests 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 in this community with the South Carolina Association of REALTORS® ("State Association") 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, those individuals authorized to use the term REALTOR® and REALTORS® as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS® ("NAR" or "National Association").

ARTICLE III - JURISDICTION

J Section 1. The territorial jurisdiction of the Association as a member of the NATIONAL ASSOCIATION OF REALTORS® is: All of Greenville County, South Carolina and the portion of Pickens County, South Carolina described as follows: Northern Boundary: North Carolina State Line. Eastern Boundaty: Greenville/Pickens County Line. Southern Boundary: Anderson/Pickens County line to Highway 44. Western Boundary: Highway 44 n01ih to Highway 65 north to the intersection of Highway 158; Highway 158 north to Shady Grove; Shady Grove to Highway 149; Highway 149 to Highway 143; Highway 143 to Highway 100 to the Oconee County state line and north to the point of beginning.

Section 2. Territorial Jurisdiction is defined to mean:

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 Association agrees to protect and safeguard the property rights of the NATIONAL ASSOCIATION in the terms.

ARTICLE IV - MEMBERSHIP

Section 1. Classifications of Membership.

A. REALTOR® Members. REALTOR® Members whether primaty or secondaty shall be:

Individuals who, as sole proprietors, partners, corporate officers or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of South Carolina 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 quality for REALTOR® Membership only, and each is required to hold REALTOR® Membership (except as provided in the following paragraph) in an association of REALTORS® within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership.

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 office, or any other offices within the jurisdiction of the association 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.

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.

) NOTE: REALTOR® Members may obtain membership in a "secondary" association in another state.

B. Franchise REALTOR® Members. 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 association 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 Association, State Association and National Association.

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

D. Designated REALTOR® Members. Each firm (or office in 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 (or mediate if required by the Association) pursuant to Article 17 of the Code of Ethics and the payment of Association dues. The "Designated REALTOR®" must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership.

E. 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® or REALTOR® Associate membership, subject to payment of applicable dues for such membership.

F. Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession have a physical location within the Greater Greenville, South Carolina area, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® Membership in the Association, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

G. 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 organization, but are not engaged in the real estate profession on their own account or not associated with an established real estate business.

H. 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 Association or for the public.

I. Life Members. Any Member who reaches the age of 70 and has been a REALTOR® Member of the National Association of REALTORS®, for thirty (30) continuous years shall on request be eligible for Life Membership.

J. Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a 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 profession for their own account or are not associated with an established real estate office.

K. Privileges of REALTOR® Membership. REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and hold elective office in the Association; may use the terms REALTOR® and REALTORS®, and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.

L. Obligations of REALTOR® Membership. It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, 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 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 Association as from time to time amended.

Section 2. Application for Membership.

A. An application for membership shall be made in such a manner and form as prescribed by the Board of Directors and shall be made available to anyone requesting it.

B. The application form shall contain among the statements to be signed by the applicant:

I. That the applicant as a condition of membership has carefully reviewed and, if elected a Member, will abide by the Bylaws, the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association and the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®; and

2. That the applicant, if a REALTOR® Member, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® including the obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics and further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION, as from time to time amended; and

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3. That the applicant consents that the Association may invite and receive information and comment about the applicant from any Member or other persons, and that the applicant agrees that any information and comment furnished to the Association by any person in response to the invitation shall be conclusively deemed to be privileged and shall not form the basis of any action for slander, libel, or defamation of character.

C. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 3. Qualifications for Membership.

A. An applicant for REALTOR® Membership, whether Primary or Secondary:

I. Who is a sole proprietor, principal, partner, corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the Association that the applicant:

(a) Is actively engaged in the real estate profession and maintains a current, valid real estate license or is licensed or certified by an appropriate regulatory agency to engage in the appraisal of real property;

(b) Has a place of business within the state or a state contiguous thereto (unless a secondary member);

(c) Has no record of recent or pending bankruptcy;*

(d) Has no record of official sanctions involving unprofessional conduct;**

(e) Agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Association, the Bylaws of the State Association and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and passes such reasonable and non-discriminatory written examination as may be required by the Association; and

(f) Agrees that if elected to membership to abide by such Constitution, Bylaws, Rules and Regulations and Code of Ethics.

(*) If the applicant or the applicant's real estate firm is named as a debtor in such bankruptcy proceeding, membership may not be denied unless the Board establishes that its interests and those of its members and the public could not be adequately protected by requiring that the applicant pay cash in advance for Association dues and Association MLS fees for up to one (1) year from the date that membership is approved. 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 that 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:

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A. civil judgments against the applicant imposed within the past seven (7) years involving judgments of (1) civil rights laws, (2) real estate license laws, (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities.

B. criminal convictions if within the past seven (7) years involving a crime that reasonably relates to the real estate business or puts clients, customers, or other real estate professionals at risk. The applicant must provide and the Association must consider mitigating factors relating to that criminal history.

Note 1: Article IV, Section 2, of the NAR Bylaws prohibits Member Associations from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has unfulfilled sanction pending which was imposed by another board or association of REALTORS® for violation of the Code of Ethics.

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2. Individuals who are actively engaged in the real estate profession other than as a sole proprietor, partners, corporate officer, 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 another Association (if a 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 Association, 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 Board of Directors and shall agree in writing that if elected to membership he will abide by such Constitution, Bylaws, Rules and Regulations, and the Code of Ethics.

3. The Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

- (1) All final findings of Code of Ethics violations and violations of other membership duties in any other REALTOR® association within the past three (3) years
- (2) Pending ethics complaints (or hearings)
- (3) Unsatisfied discipline proceeding
- (4) Pending arbitration requests (or hearings)
- (5) Unpaid arbitration awards or unpaid financial obligations to this or any other association or association MLS
- (6) Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm.

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2(a), NOTE I) provided all other qualifications for membership have been satisfied. The Association may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six (6) months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the Association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitrations proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. (Amended 11/09)

B. An applicant for any of the other classes of membership shall complete an application and pay such fees and dues as shall be determined by the Board of Directors from time to time. Additionally, an applicant for Secondary Membership shall also be required to attend and complete the orientation course of the Association.

C. An applicant for reinstatement of membership in any class shall be required to submit such application and meet such qualification as required for an applicant applying for membership in that class for the first time.

Section 4. Election to Membership.

The procedure for election to membership shall be as follows:

A. The Chief Executive Officer (or duly authorized designee) shall determine whether the applicant is applying for the appropriate class of membership. If the Association has adopted provisional membership, applicants for REALTOR® membership may be granted provisional membership immediately upon submission of a completed application form and remittance of applicable Association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to final review of the application by the Association's Board of Directors.

B. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within sixty (60) days from the Association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received Association services and any application fee. The Board of Directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he/she shall be declared elected to membership and shall be advised by written notice.

C. The Board of Directors may not reject an application without providing the applicant with advance notice of the findings, an opportunity to appear before the Board of Directors, to call witnesses on his/her behalf, to be represented by counsel, and to make such statements as he/she deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

D. If the Board of Directors determines that the application should be rejected, it shall record its reasons with the Chief Executive Officer (or duly authorized designee). If the Board of Directors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant, it may specify that denial shall become effective upon entry in a suit by the Association for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

Section 5. Changes in Membership Status.

A. A REALTOR® who changes the conditions under which he holds membership shall be required to provide notification to the Association within thirty (30) days.

B. A REALTOR® (non-principal) who becomes a principal in the firm with which the REALTOR® 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.

C. If the REALTOR® (non-principal) fails to satisfy the requirements established in these Bylaws for the category of membership to which that person is transferring within ninety (90) days of the date on which that person advised the Association of change in status, the new membership application with terminate automatically unless otherwise directed by the Board of Directors.

D. 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.

E. 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.

Section 6. Resignation from Membership.

A. Resignations shall become effective when received in writing by the Association staff.

B. If the Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or of any of its services, the Association may require payment in full of all such monies owed before accepting reapplication.

C. If a Member resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the complaint shall be processed until the decision of the Association with respect to disposition of the complaint is final by this Association (if respondent does not hold membership in any other Association) or by any other Association in which the respondent continues to hold membership. If an ethics respondent resigns or otherwise causes membership in all Associations to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the Association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an Association of REALTORS®.

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

ARTICLE V - PRIVILEGES AND OBLIGATIONS

Section 1.

A. REALTOR® Members. The privileges and obligations of REALTOR® Members, whether primary or secondary are provided in these Bylaws.

B. Institute Affiliate Members.

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 the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate members except that no Institute Affiliate member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as president of the local association; or to be a participant in the local association's multiple listing service.

C. Affiliate Members.

Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

D. Public Service Members.

Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

E. Life Members.

Honorary Membership shall confer only the right to attend meetings and participate in discussions.

F. Life Members.

Life Members shall be members of the Association only and shall have all rights and privileges, with the exception of those privileges specified in Article X, Section 2.E. for which the payment of dues is required. Life Members, with the exception of those who pay the portion of Association dues which apply to State and NATIONAL Membership, shall not be eligible to obtain an MLS Entry Card or to utilize other MLS services or to use the term REALTOR® or to be eligible for designations and other benefits provided by the South Carolina Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®.

G. Student Members.

Student Members shall have rights and privileges and shall be subject to obligations prescribed by the Board of Directors.

Section 2. Certification by Designated REALTOR®.

A. Designated REALTOR® Members shall certify to the Association during the month of April, on a form provided by the Association, a complete listing of individuals licensed or certified in the REALTORS'® office(s) and shall designate a primary Association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTORS'® office(s) and if Designated REALTOR® Dues have been paid to another association based on said non-member licensees, the Designated REALTOR® shall identify the association to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2.A. of the Bylaws.

B. Designated REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within thirty (30) days of the date of affiliation or severance of the individual.

ARTICLE VI- DISCIPLINE

Section I. Violations.

A. Violations of Bylaws or Association Rules and Regulations.

Any member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws or of the Association Rules and Regulations not inconsistent with these Bylaws, after a hearing is provided in the Code of Ethics and Arbitration Manual of the Association.

Although members other than REALTORS® are not subject to the Code of Ethics, nor its enforcement by the Association, 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®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the Association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 2. Suspension or Expulsion.

A. Sole Proprietors, Partners and Officers. If a REALTOR® member is a sole proprietor in a firm, a partner in a partnership, an officer or branch office manager in a corporation, and is suspended or expelled, the following action shall be in order:

I. The firm, partnership or corporation of the suspended member shall not use the terms REALTOR® or REALTORS® in connection with its business until the suspended or expelled individual is readmitted to REALTOR® membership or until that individual's connection with the firm, partnership or corporation is severed, or until management control is relinquished, whichever may apply.

2. The membership of all other principals, partners, or corporate officers shall suspend or terminate:

- (a) during the term of suspension of the disciplined member; or
- (b) until readmission of the disciplined member; or
- (c) unless connection of the disciplined member with the firm, partnership or corporation is severed; or
- (d) unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until readmission to Membership, whichever may apply.

3. Removal of an individual from any form or degree of management control must be certified by notarized signatures to the Association by the Member who is being suspended or expelled and by the individual who is assuming management control.

4. In the event the suspended or expelled Member is certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected.

(a) In such case, the firm, partnership, or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former member is readmitted to membership in the Association.

(b) The foregoing is not intended to preclude a suspended or expelled member from functioning as an employee or independent contractor, provided that no management control is exercised.

B. REALTOR® Members Other than Proprietors, Partners, and Officers.

I. The membership of REALTORS® who are not sole proprietors, partners in a partnership or officers in a corporation, who are employed by or affiliated as independent contractors or employees with a suspended or expelled member who is a sole proprietor, a partner in a partnership, or officer in a corporation, shall suspend or terminate:

- (a) during the period of suspension of the disciplined Member; or
- (b) until re-admission of the disciplined Member; or
- (c) unless connection of the disciplined Member with the firm, partnership or corporation is severed or management control is relinquished; or
- (d) unless the REALTOR® Member (non-principal) elects to serve his connection with the suspended or expelled REALTOR® and to affiliate with another REALTOR® in good standing in the Association, whichever may apply.

2. If a REALTOR® member other than a sole proprietor in a firm, partner in a partnership, or officer in a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected.

C. The action of the Board of Directors in the discipline of a Member shall be by majority vote, but the Member in question shall not vote.

D. Notice of Suspension. If any REALTOR® member is suspended or expelled under Article VI, Section 2, 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, Section 2 shall apply.

ARTICLE VII - CODE OF ETHICS:
PROFESSIONAL STANDARDS AND TRAINING

Section 1. New Member Code of Ethics Orientation.

Applicants for REALTOR® membership and provisional REALTOR® members shall complete a local 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® membership 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 sixty (60) 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.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NATIONAL ASSOCIATION OF REALTORS®.

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Section 2. Continuing REALTOR® Code of Ethics Training.

Effective January 1, 2019, through December 31, 2021 and for successive three year periods thereafter, each REALTOR® member of the association (with the exception of REALTOR® members granted REALTOR® Emeritus status by the National Association) shall be required to complete ethics training of not less than two (2) hours and thirty (30) minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another REALTOR® association, the State Association of REALTORS®, or the NATIONAL ASSOCIATION OF REALTORS®, 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 three year cycle shall not be required to complete additional ethics training until a new three year cycle commences.

Failure to satisfy the required periodic ethics training shall be considered a violation of a membership duty. Failure to meet the requirement in any three year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any three 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 3. Discipline of REALTOR® Members.

Any REALTOR® Member of the Association 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 Association shall precede any discipline imposed is consistent with that 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 OF REALTORS®.

Section 4. Enforcement of the Code. The responsibility of the association and of association 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 amended from time to time, 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.

ARTICLE VIII - REALTOR® TRADEMARK-

Inclusion and retention of the Registered Collective Membership Mark REALTORS® in the name of the Association shall be governed by the *Constitution and Bylaws* of the NATIONAL ASSOCIATION OF REALTORS® as from time to time amended.

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 association shall have the authority to control, jointly and in full cooperation with the NATIONAL ASSOCIATION OF REALTORS®, use of the terms 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 Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

Section 3. A REALTOR® principal member may use the terms REALTOR® and REALTORS® only if all 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.

Section 4. In the case of REALTOR® principal member 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 holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal holds REALTOR® membership, the term REALTOR® or REALTORS® may not be used in any reference to those additional places of business.

Section 5. Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, or the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX- STATE AND NATIONAL MEMBERSHIP

Section 1. The Association shall be a Member of the NATIONAL ASSOCIATION OF REALTORS® and the South Carolina Association of REALTORS®. By reason of the Association's Membership, each REALTOR® Member of The Greater Greenville Association of REALTORS®, INC. shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the South Carolina Association REALTORS® without further payment of dues. The Association shall continue as a member of the State Association and National Associations, unless by a majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case the State Association and National Associations shall be notified at least one month in advance of the date designated for the termination of such membership.

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

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

ARTICLE X - FINANCIAL RESPONSIBILITIES

Section I. Application Fee.

A. REALTOR® Membership. The Board of Directors may adopt an application fee for REALTOR® Membership in a reasonable amount, not exceeding three (3) times the amount of the annual dues for REALTOR® membership, which shall be required to accompany each application for REALTOR® membership and shall become the property of the Association upon final approval of the application.

B. Affiliate Membership. An application fee shall be required to accompany each application for membership.

C. Reinstatement of Membership. An application fee shall be required to accompany each application for reinstatement of membership.

D. Changes in Membership. An 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.

Section 2. Dues. The annual dues of Membership shall be as follows:

A. Designated REALTOR® Members Dues. The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors 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 other association in the state or a state contiguous thereto or Institute Affiliate Members of the Association. In calculating the dues payable to the Association by a designated REALTOR® Member, non-member licensees as defined in (1) and (2) of this paragraph shall not be included in the computation of dues if the designated REALTOR® has paid dues based on said non-member licensees in another association in the state or a state contiguous thereto, provided the designated REALTOR® notifies the Association in writing of the identity of the association 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 Association.

A REALTOR® Member of a Member association 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, is actively engaged in the real estate profession as defined in Article III, Section 1, of 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 is engaged in other aspects of the real estate business provided that such licensee is not otherwise included in the computation of dues payable by the principal of the entity.

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 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®. Designated REALTORS® shall notify the Association within three (3) days of any change in status of licensees in a referral firm.

The exemption for any licensee included on the certification form shall automatically be revoked upon the individual being engaged in real estate licensed activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

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® or REALTOR®-Associate membership in the Association. However, membership dues shall not be prorated if the licensee held REALTOR® or REALTOR®-Associate membership during the preceding calendar year.

2. If two (2) or more REALTORS® are principals of the same firm, partnership, or corporation, then only the Designated REALTOR® shall be required to pay the portion of the dues which is computed on the basis of the number of real estate salespersons employed by or affiliated as independent contractors or who are otherwise directly or indirectly licensed with the Designated REALTOR® or firm, partnership or corporation.

B. REALTOR® Members Dues. The annual dues of each REALTOR® members other than the Designated REALTOR® Member shall be such amount as established annually by the Board of Directors.

C. Institute Affiliate Member Dues. The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION of REALTORS®.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$105). The National Association shall credit \$35 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of

that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$35 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. The National Association shall also credit \$35 to the account of state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe. (Amended 11/2013)

D. Affiliate Members. The annual dues of each Affiliate Member shall be such amount as established annually by the Board of Directors.

E. Public Service Members, Honorary Members, and Student Members. The annual dues for these classes of Membership shall be in such amount as established annually by the Board of Directors.

F. Life Members. Life members shall not be required to pay Association dues unless the member:

1. Is the Designated REALTOR® (Broker-in-Charge) of a firm and has other individuals licensed with the firm.

2. Wishes to remain eligible for an MLS Entry Card and other MLS Services, if applicable.

3. Wishes to continue using the term REALTOR® or to be eligible to hold designations and other benefits provided by the South Carolina Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®.

If any of the above conditions apply, the Life Member shall pay only the portion of the Association dues required by the South Carolina Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®.

G. REALTOR Emeriti, Past Presidents of the NATIONAL ASSOCIATION OF REALTORS® or recipients of the National Distinguished Service Award. The Association waives dues requirements for these individuals except as may be required to meet the Association's obligation to the State Association with respect to such individuals.

H. New Member Dues. 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.

I. Renewal Dues. Dues for all Members shall be payable annually in advance on the first day of January.

Section 3. Nonpayment of Financial Obligation.

A. In the event a sales licensee or licensed or certified appraiser, who holds REALTOR® membership is dropped for nonpayment of Association dues and the licensee remains with the firm

of the Designated REALTOR®, the dues obligation of the Designated REALTOR® as set forth in Article X, shall 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 thirty (30) days of the notice of termination.

B. If dues, fees, fines or other assessments of the Association, including amounts owed to the Association or the Multiple Listing Service of the Association, are not paid within ten (10) days after the due date, the nonpaying Member is subject to suspension and/or a late penalty as may be determined from time to time by the Board of Directors.

I. Twenty (20) days after due date, the membership of the nonpaying Member shall automatically terminate unless within that period the amount due is paid.

2. No action shall be taken to suspend or expel a Member for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors.

C. A former Member who has had his membership terminated for nonpayment of dues, fees, fines or other assessments may apply for reinstatement after making payment in full of all accounts due as of the date of termination and the payment of all amounts required for new applicants for membership.

Section 4. Notice of Dues, Fees, Fines, Assessments, or Other Financial Obligations of Members. Notice of all dues, fees, fines, assessments, or other financial obligations to the Association or the Multiple Listing Service of the Association shall be forwarded to the delinquent Association Member in writing setting forth the amount owed and due date.

Section 5. Deposit. All money received by the Association of any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Board of Directors.

Section 6. Expenditures. The following persons are authorized to sign checks for the Association: President, Vice President, Secretary/Treasurer, Chief Executive Officer, and Vice President of Multiple Listing Services. Checks for non-budgeted items in excess of Five Hundred Dollars (\$500.00) shall require authorization by a majority vote of the Board of Directors. Checks for authorized and budgeted items may be signed by the Chief Executive Officer. In addition, the Association shall not incur any unbudgeted obligation in excess of One Thousand Dollars (\$1,000.00) without authorization by a majority vote of the Board of Directors present at meeting duly noticed.

Section 7. The dues of REALTOR® members who are REALTOR® Emeriti (as recognized by the National Association), past treasurers of the National Association or recipients of Distinguished Service Award shall be as determined by the board of directors. (Amended 11/2013)

Note: The Association's dues obligation to the National Association shall be reduced by an amount equal to the amount which the Association is assessed for a REALTOR® member, times the number of REALTORS® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association, and recipients of Distinguished Service Award of the National Association who are REALTOR® members of the Association. The dues obligation of

y such individuals to the local Association should be reduced to reflect the reduction in the Association's dues obligation to the National Association. The Association may, as its option, choose to have no dues requirements for such individuals except as may be required to meet the Association's obligation to the State Association with respect to such individuals. The Association's Board of Directors shall determine whether the dues payable by the Association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated" REALTOR®'s dues obligation to the Association with respect to those licensees employed by or affiliated with the "designated" REALTOR who are not members of the local Association. (Amended 11/2013)

ARTICLE XI - OFFICERS AND DIRECTORS

Section 1. Titles. There shall be the following elected officers of the Association: a President, a Vice President, and a Secretary/Treasurer. There shall also be employed by the Board of Directors a Chief Executive Officer to serve the Association. The Secretary/Treasurer positions shall be held by one person.

Section 2. Board of Directors. Beginning in 2013, the governing body of the Association shall be a Board of Directors which shall consist of twelve (12) REALTOR® Members of the Association. Of these twelve (12) members of the Board of Directors, four (4) shall be: the President, the Vice President, the Secretary/Treasurer, and the Immediate Past President of the Association. Of the remaining eight (8) Directors seven (7) shall be elected to the Board by the membership, and one will consist of the Chairman of the Multiple Listing Service Committee.

Section 3. Eligibility.

A. Except as provided herein, no more than two (2) REALTOR® members affiliated with the same firm, partnership or corporation shall be elected or appointed as a member of the Board of Directors at the same time. "Affiliated" is defined to mean all Members licensed with a firm, partnership or corporation, whether in a single office or in multiple offices of that firm, partnership, or corporation.

Section 4. Term.

- A. Each officer shall serve for a period of one (1) year or until a successor is elected.
- B. The seven (7) non-officer directors shall be elected to serve a three (3) year staggered term.
- C. The Chair of the Multiple Listing Service Committee shall serve on the Board so long as he/she holds that position

Section 5. Duties of Officers.

A. The duties of elected officers shall be such as are commonly performed as indicated by the titles of office. Officers may also be assigned duties from time to time by the President or the Board of Directors.

B. The Chief Executive Officer shall have duties detailed in the position description approved by the Board of Directors and such other duties as the Board of Directors may delegate. The Chief Executive Officer may employ additional staff as needed within the allowances approved in the annual budget and shall advise the Board of Directors of all personnel changes.

Section 6. Election of Officers and Directors.

A. Nominating Committee. A Nominating Committee of nine (9) REALTOR® Members shall be approved by the Board of Directors at least two (2) months before the Annual Election. The Nominating Committee shall consist of the Immediate Past President of the Association, who shall serve as Chairman, two Past Presidents, and six (6) REALTOR® Members who shall be appointed by the current President.

1. Duties. The Nominating Committee with the approval of the Board of Directors shall select a slate of Officers and Directors to be voted on at the Annual Meeting.

2. Report. The report of the Nominating Committee shall be communicated to REALTOR® Members eligible to vote at least three (3) weeks preceding the election. Additional candidates for the positions to be filled may be placed in nomination by petition signed by at least twenty percent (20%) of the REALTOR Members and delivered to the Chief Executive Officer of the Association at least two (2) weeks prior to the election.

B. Pre-Election Voting. Absentee ballots may be obtained and cast in the office of the Association at any time within regular working hours during the seven (7) calendar day period prior to the Annual Meeting.

C. Election. The slate of Officers and Directors may be voted on electronically in the month of September or at the Annual Meeting.

Section 7. Vacancies. Vacancies in the Offices or on the Board of Directors shall be filled for the unexpired term by a simple majority vote of the Board of Directors.

A. If the office of the President should become vacant during an election term, the Vice President shall fill the vacancy and complete the unexpired term. The Vice President who fills a vacancy in the office of the President shall remain eligible to become President for a full term after completion of the unexpired term.

B. In the event, in the opinion of the Board of Directors, the President is incapacitated and unable to perform the duties of President, the Vice President shall be his successor and will act for the President until such time as the President is fully capable of performing the duties of President. Vacancies among the other officers and the Board of Directors shall be filled by simple majority vote of the Board of Directors until the next election.

Section 8. Removal of Officers or Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected and who is unwilling to resign from office voluntarily, an 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 by 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. Not less than twenty (20) days or more than forty-five (45) days after the receipt of the petition, a Special Meeting of the voting membership of the Association shall be held, and the sole business of the Special Meeting shall be to consider the charge against the Officer or Director and to render a decision on such petition. The affirmative vote of at least three-fourths (3/4) vote of the Members present and voting at the Special Meeting shall be required for removal from office.

ARTICLE XII - MEETINGS

Section 1. Annual Meetings. The Annual Meeting of the Association shall be held during the month of October 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 meetings.

Section 3. Other Meetings. Meetings of the Members or Board of Directors may be held at such other times as the President, or in the President's absence or inability the Vice President, or the Board of Directors may determine. Upon the written request of at least ten percent (10%) of the Members eligible to vote a meeting may be called.

Section 4. Notice of Special Meetings. Written notice shall be given to every Member entitled to participate in the Special Meeting at least ten (10) days and not more than sixty (60) days preceding all meetings. If a Special Meeting is called, it shall be accompanied by a statement of the purpose of the meeting. Special Meetings shall be conducted by the President unless the subject of the Special Meeting as the President's continued service in office; in such case, the next ranking officer shall conduct the meeting.

Section 5. Quorum. Ten (10%) percent of the REALTOR® Members of the Association in good standing present in person or by proxy, at a meeting duly announced shall constitute a quorum for the transaction of business pursuant to SC Code Section 33-31-722. A simple majority of the Board of Directors shall constitute a quorum for the transaction of business.

Section 6. Electronic Transaction of Business. To the fullest extent permitted by law, the Board of Directors or membership may conduct business by electronic means.

Section 7. Director Action without Meeting. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more directors. All the approvals evidencing the consent shall be delivered to the Association Executive to be filed in the corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.

Section 8. Proxies. A Member may appoint a proxy, in writing, to vote for the Member. The appointment of a proxy is effective upon receipt by the Secretary of the Association or other person authorized to tabulate votes. Directors may not vote by proxy.

Section 9. Voting Requirements. The affirmative vote of a majority of Members present, in person or by proxy, where a quorum is present, is the Act of the membership.

ARTICLE XIII - COMMITTEES

Section I. Standing Committees. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

Commercial Alliance	Multiple Listing Service
Grievance	Nominating
Housing Opportunity	Professional Standards
Legislative/RPAC	

Section 2. Special Committees. The President shall appoint, subject to confirmation by the Board of Directors, special committees as deemed necessary.

Section 3, Organization. All committees shall be of such size and shall have duties, functions and powers as assigned 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 Association committees with the exception of the Nominating Committee and shall be notified of all committee meetings.

Section 5. Removal. If a committee member is found guilty of an ethics violation, he/she will be removed from the committee/committees on which they serve, for a period of two years.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section I. The fiscal and elective year of the Association shall be the calendar year.

ARTICLE XV - RULES OF ORDER

Section 1. Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, 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 in person or by proxy and voting at any meeting at which a quorum is present, provided that 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.

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Section 2. Notice of all meetings at which amendments are to be considered shall be communicated to REALTOR® Members eligible to vote at least ten (10) days and not more than sixty (60) days prior to the meeting.

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

ARTICLE XVII - DISSOLUTION

Section 1. Upon the dissolution or winding up of the affairs of this Association, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the South Carolina Association of REALTORS® or, within its discretion, to any other non-profit, tax-exempt organization.

ARTICLE XVIII - MULTIPLE LISTING SERVICE

Section 1. Authority. The Association of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be a lawful corporation of the State of South Carolina, all of the stock of which shall be owned by the Association.

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 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 a procuring cause of the sale or lease.

Section 3. Governing Documents. The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Constitution, Bylaws, Rules, Regulations, Policies, practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Participation. Any REALTOR® Member of this Association or any other Board/Association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, shall be eligible to participate in Multiple Listing Service upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm regardless of

membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by the 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 or published by the 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 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.

Section 5. Supervision. The activities shall be operated under the supervision of the Board of Directors. There shall be no co-mingling of funds or accounts of the Multiple Listing Service and the Association. The Secretary/Treasurer shall be responsible for presenting monthly financial statements on the operation of the Multiple Listing Service to the Board of Directors.

Section 6. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

ARTICLE XIX-STANDARDS OF CONDUCT AND INDEMNIFICATION

Section 1. Standards of Conduct for Officers.

(a) An officer with discretionary authority shall discharge his duties under that authority:

(1) in good faith;

(2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and

(3) in a manner the officer reasonably believes to be in the best interests of the Association, and its members, if any.

(b) In discharging his duties, an officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(1) one (1) or more officers or employees of the Association who the officer reasonably believes to be reliable and competent in the matters presented;

(2) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

(c) An officer is not acting in good faith if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (b) unwarranted.

(d) An officer is not liable to the Association, any member, or other person for any action taken or not taken as an officer, if the officer acted in compliance with this section.

(e) Subject to applicable statutes, an action against an officer asserting the officer's failure to act in compliance with this section and consequent liability must be commenced before the sooner of (i) three (3) years after the failure complained of or (ii) two (2) years after the harm complained of is, or reasonably should have been, discovered. This limitations period does not apply if the failure to act in compliance with this section has been fraudulently concealed.

Section 2. General Standards for Directors.

(a) A director shall discharge his duties as a director, including his duties as a member of a committee:

(1) in good faith;

(2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances;

(3) in a manner the director reasonably believes to be in the best interests of the Association.

(b) In discharging his or her duties, a director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

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(1) one (1) or more officers or employees of the Association who the director reasonably believes is reliable and competent in the matters presented;

(2) legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence;

(3) a committee of the board of which the director is not a member, as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence.

(c) A director is not acting in good faith if the director has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (b) unwarranted.

(d) A director is not liable to the Association, a member, or any other person for any action taken or not taken as a director, if the director acted in compliance with this section.

(e) A director shall not be deemed to be a trustee with respect to the Association or with respect to any property held or administered by the Association, including without limit, property that may be subject to restrictions imposed by the donor or transferrer of the property.

(f) Subject to applicable statutes, an action against a director asserting the director's failure to act in compliance with this section and consequent liability must be commenced before the sooner of (i) three (3) years after the failure complained of or (ii) two (2) years after the harm complained of is, or reasonably should have been, discovered. This limitations period does not apply if the failure to act in compliance with this section has been fraudulently concealed.

Section 3. Director Conflict of Interest.

(a) A conflict of interest transaction is a transaction with the Association in which a director of the corporation has a direct or indirect interest. A conflict of interest transaction is not voidable or the basis for imposing liability on the director if the transaction was fair to the Association at the time it was entered into or is approved as provided in subsections (b) or (c).

(b) A transaction in which a director has a conflict of interest may be authorized, approved, or ratified by the vote of the Board of Directors or a committee of the board if:

(i) the material facts of the transaction and the director's interest are disclosed or known to the board or committee of the board; and

(ii) the directors approving the transaction in good faith reasonably believe that the transaction is fair to the Association.

(c) For purposes of this section, a director of the Association has an indirect interest in a transaction if:

(1) another entity in which the director has a material interest or in which the director is a general partner is a party to the transaction; or

(2) another entity of which the director is a director, officer, or trustee is a party to the transaction.

(d) For purposes of subsections (b) a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the directors on the board or on the committee who have no direct or indirect interest in the transaction, but a transaction may not be authorized, approved, or ratified under this section by a single director. If a majority of the directors on the board who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this section. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under subsections (b)(1) if the transaction is otherwise approved as provided in subsection (b).

(e) The articles, bylaws, or a resolution of the board may impose additional requirements on conflict of interest transactions.

Section 4. Authority to Indemnify.

(a) Except as provided in subsection (d), the Association may indemnify an individual made a party to a proceeding because the individual is or was a director against liability incurred in the proceeding if the individual:

(1) conducted himself in good faith; and

(2) reasonably believed:

(i) in the case of conduct in his official capacity with the Association, that his conduct was in its best interests; and

(ii) in all other cases, that his conduct was at least not opposed to its best interests; and

(3) in the case of a criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

(b) A director's conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirements of subsection (a)(2)(ii).

(c) The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director did not meet the standard of conduct described in this section.

(d) The Association may not indemnify a director under this section:

(1) in connection with a proceeding by or in the right of the Association in which the director was adjudged liable to the Association; or

(2) in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by the director.

(e) Indemnification permitted under this section in connection with a proceeding by or in the right of the Association is limited to reasonable expenses incurred in connection with the proceeding.

Section 5. Mandatory Indemnification. Unless limited by its Articles of incorporation, the Association shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of a proceeding to which the director was a party because he is or was a director of the Association against reasonable expenses actually incurred by the director in connection with the proceeding.

Section 6. Advances for Expenses.

(a) The Association may pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:

(1) the director furnishes the Association a written affirmation of his good faith belief that he has met the standards of conduct described in Section 33-31-851;

(2) the director furnishes the Association a written undertaking, executed personally or on the director's behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct; and

(3) a determination is made that the facts then known to those making the determination would not preclude indemnification under this chapter.

(b) The undertaking required by subsection (a)(2) must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment.

(c) Determinations and authorizations of payments under this section must be made in the manner specified in S.C. Code Section 33-31-855.

ARTICLE XX - FINANCIAL DISCLOSURES AND REQUESTS FOR INFORMATION

The Association is required to provide copies of their Tax Exempt Application (including all Schedules and attachments and other material submitted with the Application) and any letter or other document issued by the IRS, with respect to the Application, and copies of its annual information returns (IRS Form 990) for the past three (3) years upon request by a member of the Association. Documents will be provided promptly in response to any in-person request and within thirty (30) days of a written request. The Association may require payment in advance for actual postage costs and a copying fee of One Dollar (\$1.00) for the first page and fifteen cents (\$0.15) for each page thereafter. However, the Association does not have to provide copies if the

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materials are posted on its website or widely available on the internet. (See IRS Exempt Organization Public Disclosure and Availability Requirements).

) Financial reviews of the Association's financial statements are required annually by applicable IRS rules. A financial audit will be obtained when deemed necessary by the Board of Directors.

The Board has the fiduciary responsibility to ensure that its budgets, accounts and spending are monitored with the appropriate Internal Controls. These Internal Controls shall be reviewed each year by the Association's accountants during their annual review or audit. Financial statements will be reviewed by the Board of Directors on a monthly basis. A member of the Association may request a copy of the annual review or audit for the prior year. Their written request will be honored within thirty (30) days.

Requests for other accounting and financial records, organizational documents, minutes and other information, of the Association, will be considered by the Board in accordance with SC Code §33-31-1601 et. seq.