

Spartanburg Association of REALTORS®, Inc.

Bylaws

ARTICLE I - NAME

Section 1. NAME. The name of this organization shall be the Spartanburg Association of REALTORS®, Inc. (hereinafter 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.

The Association was organized in 1939, became affiliated with the National Association and the South Carolina Association of REALTORS® in 1943, and was issued a Charter by the State of South Carolina in the name of the Spartanburg Real Estate Board on April 12, 1951. Bylaws amended on February 11, 1964 changed the Board name from the Spartanburg Real Estate Board to the Spartanburg Board of REALTORS®, and Charter was issued by the National Association on May 12, 1964. Granting the right to be designated as a "Board of REALTORS®". The Spartanburg Real Estate Board Charter was amended by the State of South Carolina on November 14, 1964. Changing the name of the Corporation from "Spartanburg Board of REALTORS®" to "Spartanburg Board of REALTORS®, Inc.". Bylaws amended on September 17, 2008 changed the Board name from the Spartanburg Board of REALTORS, Inc. to the Spartanburg Association of REALTORS®, Inc.

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, individuals authorized to use the terms "REALTOR®" and "REALTORS®" as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS® ("NAR" or "National Association").

ARTICLE III - JURISDICTION

Section 1. The territorial jurisdiction of the Association as a Member of the NATIONAL ASSOCIATION OF REALTORS® is Spartanburg and Union Counties, South Carolina.

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. REALTOR® Members. 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 of a corporation, who are actively engaged in a 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 (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 sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications. (Amended 03/2019)

Section 2. 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 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; the right to hold elective office in the Association, State Association and National Association. (Amended 03/2019)

Section 3. 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.

Section 4. 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 (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 officer manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR® Membership. (Amended 03/2019)

Section 5. Institute Affiliate Members. Institute Affiliate members shall be individuals who hold a professional designation by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individual who otherwise hold class of membership in such Institute, Society or Council that confers the right to hold office. And such individuals, if otherwise eligible, may elect to hold REALTOR® or REALTOR®-ASSOCIATE membership, subject to payment of applicable dues for such membership. (Amended 03/2019)

Section 6. 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 objects 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."

Section 7. 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.

Section 8. 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. Honorary Membership shall be conferred at the discretion of the Board of Directors.

Section 9. REALTOR® Emeritus Members. A REALTOR® Member who has held membership in a local, state and National Association as a REALTOR®, REALTOR® Associate, or both for a continuous period of forty (40) years and served one (1) year at the National Association level, shall be eligible REALTOR® Emeritus, upon certification by the Board of Directors of the National Association. Upon approval of such individual by the Board of Directors, payment of dues in the local Association shall be waived, and a REALTOR® Emeritus shall continue to receive all services of the Association. (Amended 09/2021)

Section 10. Privileges of REALTOR® Members. REALTOR® Members, whether primary or secondary, in good standing are entitled to vote and to hold elective office in the Association and may use the term REALTOR®. For purposes of this section, the term "good standing" means the member satisfies the "Obligations of REALTOR® Members", is current with all financial and disciplinary obligations to the association and MLS, has completed any new member requirements, and complies with NAR's trademark rules. (Amended 03/2022)

Section 11. Obligation of REALTOR® Members. It shall be the duty and responsibility of every REALTOR® Member of this Association to safeguard and promote the standards, interests, and welfare of the association and the real estate profession, and to protect against conduct that may cause a lack of public confidence in the real estate profession or in REALTORS®. REALTOR® members also must abide by the governing documents and policies of the association, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®, as well as the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to mediate and arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual.

Every REALTOR® member shall maintain a high level of integrity and adhere to the association's membership criteria. Any violent act or threat of violence to person or property, hateful conduct, or acts of moral turpitude impacting the public shall not be tolerated and may be cause for disciplinary action, up to and including termination of membership. (Amended 03/2022)

ARTICLE V - QUALIFICATION & ELECTION

Section 1. Application for Membership.

(A) An application for membership shall be made in such manner and form as may be prescribed by the Association's Executive Committee and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant:

1. That the applicant agrees as a condition of membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitution, Bylaws, and Rules and Regulations of the Association, State Association and National Association; and
2. That if elected, the member, will abide by the Constitutions and Bylaws and Rules and Regulations of the local, State and National Associations, and 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 as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION Of REALTORS® as from time to time amended; and
3. That the applicant consents that the Association, 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 and comment furnished to the Association by any person in response to the invitation shall be deemed privileged and shall not form the basis of any action for slander, libel, or defamation of character.
4. 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 2. Qualification.

(A) An applicant for REALTOR® Membership:

1. Who is a sole proprietor, partner, corporate officer or branch office manager of a real estate firm shall supply evidence satisfactory to the Executive Committee or otherwise that the applicant 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 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 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 non-discriminatory written examination thereon as may be required by the Association, and, agrees that if elected to membership, will 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.

(**) The Association may only consider:

- 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.

(B) Who is an individual who is actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers of a real estate firm, 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 Association or 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 recent or pending bankruptcy*, 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 examination thereon as may be required by the Membership Committee, and shall agree in writing that if elected to membership will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by the Constitution, Bylaws, and Rules and Regulations of the local Association, State Association, and the National Association.

(*) 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.

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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.

(C) 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 this or any other REALTOR® association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association of 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 1) 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 arbitration proceedings (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.

(D) 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 Executive Committee from time to time.

Section 3. Election.

The procedure for election to membership shall be as follows.

(A) The Executive Vice President (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 Executive Committee.

(B) If the Executive Committee 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 ninety (90) days from the Association's receipt of their application, membership may, at the discretion of the Executive

Committee, 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 Executive Committee shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Executive Committee, he/she shall be declared elected to membership and shall be advised by written notice.

(C) The Executive Committee 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 Executive Committee may also have counsel present. The Executive Committee shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings. (Amended 04/2017)

(D) If the Executive Committee determines that the application should be rejected, it shall record its reasons with the Executive Vice President (or duly authorized designee). If the Executive Committee 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 4. Status Change.

(A) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Association within thirty (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 Association of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Executive Committee.

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

Section 1. The privileges and obligations of Members, in addition to those otherwise provide in these Bylaws, shall be as specified in this Article.

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Executive Committee for a violation of these Bylaws and Association Rules and Regulations not inconsistent with these Bylaws, after a hearing as 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 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 bases, 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 local Association, the State Association, and the National Association.

Section 3. Resignations of Members shall become effective when received in writing provided, however, that if

any Member submitting the resignation is indebted to the Association for dues, fees, fines, or other assessments of the Association or any of its services, departments, divisions, or subsidiaries, the Association may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

Section 4. 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 boards and 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 Executive Committee shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

(A) 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®.

Section 5. REALTOR® Members.

(A) If a REALTOR® Member is a principal in a firm, partnership or corporation and is suspended or expelled, the firm, partnership, or corporation the firm, partnership or corporation shall not use the term REALTOR® or REALTORS® in connection with its business during the period of suspension, or until his readmission to REALTOR membership or unless connection with the firm, partnership or corporation is severed, which ever 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 until readmission of the disciplined Member 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 discipline Member 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 Association, whichever may apply. If a REALTOR® Member who is other than a principal in the 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.

(B) In any action taken against a REALTOR® member for suspension or expulsion under Section 5(d) 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, Section 5(D) shall apply.

(C) The REALTOR® Broker-in-Charge of a firm may or may not at his discretion require all licensees to apply for REALTOR® Membership in the Association.

(D) The REALTOR® Broker-in-Charge of a firm shall be responsible for the ethical and professional conduct of all his salespeople.

Section 6. Institute Affiliate Members. Institute Affiliate Members shall have such rights and privileges and be subject to obligations prescribed by the Executive Committee 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.

Section 7. Affiliate Members. Affiliate Members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Executive Committee.

Section 8. Public Service Members. Public Service Members shall have such privileges and rights and be subject to such obligations as may be prescribed by the Executive Committee.

Section 9. Honorary Members. Honorary Members are entitled to all privileges of the Association except voting and holding office. Honorary Membership may be terminated by resignation, death, or by action of the Executive Committee.

Section 10. REALTOR® Emeritus Members. REALTOR® Emeritus Members are entitled to all privileges of the Association.

Section 11. State Association President. The President of the South Carolina Association of REALTORS®, for his/her term of office, is a member in good standing of the Spartanburg Association of REALTORS®, Inc. and as such is qualified to serve as the official voting delegate or alternate delegate for the Spartanburg Association of REALTORS®, Inc. at the NATIONAL ASSOCIATION OF REALTORS® meetings. Further all local Association dues are waived for such President during his/her term of office.

Section 12. Certification by REALTOR®. Designated REALTOR® Members of the Association shall certify to the Association during the months of December and January on a form provided by the Association, a complete listing of all individuals licensed or certified in the REALTORS® office(s) and shall designate a primary association for each individual who hold membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR® 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. "Designated" REALTOR® Members shall also notify the Association of any additional individual(s) licensed or certified with the firm(s) within ten (10) days of the date of affiliation observance of the individual.

Section 13. Complaints. It shall be the duty of any Member to report to the Association any breach of these Bylaws, Rules and Regulations, Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the South Carolina License Law, or any business conduct tending to bring discredit on the Association or real estate profession, or on any Member of the Association. Such report shall be in writing and shall be deemed a privileged communication, and shall not subject the Member making such report to liability.

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 (where applicable) shall complete an orientation program on the Code of Ethics of not less than two (2) hours and thirty (30) 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 (1) year or less.

Failure to satisfy this requirement within ninety (90) 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. (02/2020)

Section 2. Continuing Member 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. (Amended 02/2020)

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 the hearing as described in the *Code of Ethics and Arbitration Manual* of the Association, 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. 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®, 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.

Section 5. Cooperative Professional Standards Enforcement Agreement. The responsibility of the Association and Association members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes, and the organization and procedures incident thereto, shall be consistent with the cooperative professional standards enforcement agreement entered into by the Association, which by this reference is made a part of these Bylaws.

ARTICLE VIII - REALTOR® TRADEMARK – USE OF THE TERMS REALTOR® AND 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.

Section 1. Use of the term REALTOR® and REALTORS® by Members shall be at all times subject to the provisions of the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS® and 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®, the 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 Executive Committee 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 privileges of using the term REALTOR® or 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 of an Association or Institute Affiliate Members.

In the case of a 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 4. Institute Affiliate Members shall not use the term 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 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 Association shall be entitled to membership in the NATIONAL ASSOCIATION OF REALTORS® and the South Carolina Association of REALTORS® without further payment of dues. The Association shall continue as a Member of the State and National Associations, unless by majority vote of all of its REALTOR® Members, decision is made to withdraw, in which case the State 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 and the South Carolina Association of REALTORS®.

ARTICLE X - DUES

Section 1. Application Fee. The Executive Committee 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 Association upon final approval of the application.

Section 2. Designated REALTOR® Member Dues.

The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Executive Committee, plus an additional amount to be established annually by the Executive Committee, times the number of real estate salespersons and licensed 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 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, 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 which 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 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®. 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® membership in the Association. However, membership dues shall not be prorated if the licensee held REALTOR® membership during the preceding calendar year.

Section 3. REALTOR® Member Dues. The annual dues of the REALTOR® Members other than the Designated REALTOR® shall be as established annually by the Executive Committee.

Section 4. 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®.

NOTE: The Institute, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$105.00). The National Association shall credit \$35.00 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 \$35.00 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 \$35.00 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.

Section 5. Affiliate Members. The annual dues of each Affiliate Member shall be as set by the Executive Committee.

Section 6. Public Service Members. The annual dues of each public Service Member shall be as set by the Executive Committee.

Section 7. Honorary Members. Dues payable, if any, shall be at the discretion of the Executive Committee.

Section 8. REALTOR® Emeriti Members. Dues payable, if any, shall be at the discretion of the Executive Committee.

Section 9. Dues Payable.

(A) Dues for all Members shall be payable annually in advance on January 1. Dues shall be computed from the date of application and granting of provisional membership.

(B) In the event a sales licensee or licensed appraiser who holds REALTOR® Membership is dropped for nonpayment of Association dues, and the individual remains with the Designated REALTOR's® firm, the dues obligation of the Designated REALTOR® (as set forth in Article X, Section 2) 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 thirty (30) days of the notice of termination.

(C) A fee as set by the Executive Committee will be charged for the following:

1. REALTOR® changes in affiliation (including branch office changes).
2. Non-Member salesperson changes in affiliation (including branch office changes).
This fee will be imposed upon the new designated REALTOR®.
3. Changes in firm names and address.
4. Changes in Designated REALTOR®.

(D) All dues are to be paid in full to the Association and are non-refundable.

Section 10. Non-payment of Dues. Unless written verification is received from the Designated REALTOR® of the identity of the association to which the licensee's dues have been remitted or that the licensee's license has been surrendered to the S.C. Department of Labor, Licensing and Regulations Real Estate Commission, if dues are not received in the Association office within fifteen (15) days after the due date, or, on an annual renewal basis, not received in the Association office by 5:00 p.m., January 16 of each year (or, if not

a business day, the first business day thereafter), the Member may be dropped from Membership by the Executive Committee in its discretion and without reference to any other provision of the Bylaws. Such an action shall become final one (1) month after giving written notice of the action unless, within that time and subject to acceptance by the Executive Committee, the dropped Member may apply for reinstatement in the manner prescribed for new applicants for membership, after making payment in full of all past dues accounts including a \$50.00 late payment fee.

Section 11. Non-Payment of Financial Obligations. If dues, fees, fines or other assessments including amounts owed to the Association or the Association's Multiple Listing Service are not paid within one (1) month after the due date, the non-paying Member is subject to suspension at the discretion of the Executive Committee. Two (2) months after the due date, membership of the non-paying Member may be terminated at the discretion of the Executive Committee. Three (3) months after the due date, membership of the non-paying Member shall automatically terminate unless within that time the amount due is paid. However, no action shall be taken to suspend or expel a Member for non-payment of disputed amounts until the accuracy of the amount owed has been confirmed by the Executive Committee. A former Member who has had his membership terminated for non-payment of dues, fees, fines, or other assessments duly levied in accordance with the provisions of these Bylaws or the provisions of other Rules and Regulations of the Association or any of its services, departments, divisions or subsidiaries may apply for reinstatement in a manner prescribed for new applicants for membership, after making payment in full of all accounts due as of the date of termination.

Section 12. Deposits. All monies received by the Association for any purpose shall be deposited to the credit of the Association in a financial institution or institutions selected by resolution of the Executive Committee.

Section 13. Expenditures. The Executive Committee shall administer the finances of the Association, but shall not incur an obligation in excess of One Thousand (\$1,000.00) Dollars over the budget without authorization by vote of the Association's membership. Any motion for expenditure of funds over and above the budget, originating from the floor at an Association meeting shall be referred to the Executive Committee for study and recommendation to the Association membership for final approval. However, unbudgeted expenditures required for the protection of capital assets or to respond to emergency situations may be authorized by the Executive Committee.

Section 14. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All dues, fees, fines, assessments, or other financial obligations to the Association or Association Multiple Listing Service shall be noticed to the delinquent Association Member in writing setting forth the amount owed and due date.

ARTICLE XI - OFFICERS AND EXECUTIVE COMMITTEE

Section 1. Officers. The elected officers of the Association shall be: a President, a President-Elect, a Vice President, a Secretary, and a Treasurer. The Secretary and Treasurer may be the same person. They shall be elected for terms of one (1) year.

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Executive Committee. In the absence of the President, or if the Office of the President should become vacant between elections, the Vice President shall preside, if present, or shall fill the vacancy. If the office of the President-Elect should become vacant the office will remain vacant until the next called or annual election. It shall be the particular duty of the Executive Vice President to keep the records of the Association and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the South Carolina Association of REALTORS®. (Amended 09/05)

Section 3. Executive Committee. The governing body of the Association shall be the Executive Committee

consisting of the elected officers, the immediate past President, two (2) REALTOR® Members (Members at Large), and the President of the Association's Multiple Listing Service. The immediate past President cannot succeed himself on the Executive Committee. The two (2) Members at Large shall be elected for a term of one (1) year and may be re-elected for an additional one (1) year term.

Section 4. Eligibility.

(A) No more than two individuals from the same firm (including branch offices) can serve on the Executive Committee at the same time in any given year with no more than one serving as an Officer and one serving as a Member at Large or Immediate Past President. Furthermore, a vacancy occurs immediately when an Officer or Member at Large moves his or her real estate license to a firm which has an existing Officer and Member at Large. The vacancy shall occur in the office held by the Officer or Member at Large moving, unless the other Officer or Member at Large at the firm prefers to resign their office. In the event the Immediate Past President moves his/her real estate license to a firm where an existing Officer and Member at Large are licensed, the Immediate Past President shall serve in an ex-officio capacity. (Amended 09/10)

(B) No REALTOR® Member shall be eligible to be elected or to serve as an officer or Member at Large at the same time that such REALTOR® Member serves as a Director of the Multiple Listing Service of Spartanburg, Inc.

Section 5. Election of Officers.

(A) **Nominating Committee.** The Nominating Committee of the Spartanburg Association of REALTORS®, Inc. and Multiple Listing Service of Spartanburg, Inc. ("MLS") will consist of six (6) members. At least sixty (60) days before the annual elections, the current President of the Spartanburg Association of REALTORS®, with the approval of the Executive Committee shall appoint six (6) members of the Nominating Committee consisting of: the immediate past President of the Association, who shall serve as Chairman, the Association President-Elect, the MLS President-Elect, a past Association President and two (2) REALTOR® Members. The Association President and MLS President will serve on the committee in an ex-officio capacity. Individuals serving on the Nominating Committee will not be eligible for nomination that year.

- (1) **Duties.** The Nominating Committee shall elect one (1) candidate for the office of President-Elect, Vice President, Secretary and Treasurer, and one (1) candidate for each place to be filled on the Executive Committee. The Nominating Committee further shall select one (1) candidate for each place to be filled on the Executive Committee.
- (2) **Report.** The report of the Nominating Committee shall be published to REALTOR® Members at least fifteen (15) days preceding the election. Additional candidates for the offices to be filled may be placed in nomination from the floor at the Association's Annual Meeting of Members ("Annual Meeting").

(B) Election at Annual Meeting.

- (1) The election of Association Officers and members of the Executive Committee shall take place at the Annual Meeting. Election shall be by secret ballot if there are nominations from the floor, and all votes must be cast in person. The ballot shall contain the names of all candidates and the offices for which they are nominated. Nominations from the floor may be written in opposite the office to be filled.
- (2) The President, with the approval of the Executive Committee shall appoint an Election Committee of three (3) Active Members of the Association to conduct the Election. In case of a tie vote, the issue shall be determined by lot.

- (3) The Members do not vote on any candidate for the office of President, as the President-Elect, having served his full term, automatically becomes the President for a full term.
- (4) The Association's Executive Vice President shall notify all persons in writing of their election, along with the date and time of installation.

Section 6. Vacancies. Vacancies among the Officers and the elected Executive Committee shall be filled by the Executive Committee until the next annual election.

Section 7. Removal of Officers and Directors. In the event that an Officer or a Member at Large is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Member at Large may be removed from office under the following procedure:

(A) A petition requiring the removal of an Officer or Member at Large and signed by not less than 10% of the voting membership or a majority of all the Executive Committee 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 Association shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or a Member at Large, 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 Association 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 majority vote of Members present and voting shall be required for removal from office.

Section 8. Executive Vice President.

(A) The Administrative Committee may employ an Executive Vice President on behalf of the Association, and may delegate to him/her all or part of the duties of the Secretary and Treasurer and may otherwise prescribe his/her functions.

(1) The Executive Vice President shall receive for his/her services such compensation as the Administrative Committee shall determine.

(2) The Executive Vice President shall not have the right to vote or be a Member of the Association.

(B) All actions of the of the Administrative Committee are subject to the final approval by the Executive Committee.

ARTICLE XII - MEETINGS

Section 1. Annual Meeting. The Annual Meeting of the Association's Members shall be held in September of each year. There shall be no program for that date. Guests may be excused before the business commences.

Section 2. Meeting of the Spartanburg Association of REALTORS®. The meetings of the Spartanburg Association of REALTORS®, Inc. shall be held at a time and place to be determined by the Executive Committee.

Section 3. Meeting of the Executive Committee. The President shall designate a regular time and place for meetings. Absence from three (3) consecutive or four (4) regular meetings shall be construed as resignation there from. A majority of the Executive Committee shall constitute a quorum.

Section 4. Other Meetings. Meetings of the Members may be held at such other times as the President or Executive Committee may determine, or upon the written request of at least ten (10) percent of the REALTOR® Members.

Section 5. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least two (2) days preceding all meetings; if a special meeting, it shall be accompanied by a statement of the purpose of the meeting.

Section 6. Quorum. A quorum for the transaction of business shall consist of those REALTOR® Members in attendance at a meeting.

Section 7. Electronic Transaction of Business. To the fullest extent permitted by law, the Executive Committee may conduct business by electronic means.

Section 8. Action Without Meeting. Unless specifically prohibited by the articles of incorporation, any action required or permitted to be taken at a meeting of the Executive Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Executive Committee. 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 of the Executive Committee. All the approvals evidencing the consent shall be delivered to the Executive Vice President to be filed in the corporate records. The action taken shall be effective when all the Executive Committee have approved the consent unless the consent specifies a different effective date.

ARTICLE XIII - COMMITTEES

Section 1. Standing Committees. The President shall appoint, subject to confirmation by the Executive Committee, the following standing committees:

- Administrative
- Community Service
- Finance
- Governmental Affairs/RPAC
- Grievance (SCR Professional Standards Cooperative)
- Professional Standards (SCR Professional Standards Cooperative)
- REALTOR® Recognition

The Administrative Committee shall be comprised of the President of the Association, the President-Elect of the Association, the President of the MLS, the President-Elect of MLS, the past President of the Association, the past President of the MLS and the Treasurer. In the event that one or more of the above is unable to serve, the Executive Committee will appoint a replacement or replacements.

The Finance Committee shall be comprised of the Treasurer of the Association as Chairman, the President of the MLS and three (3) at large members, all of whom shall be REALTORS®. One (1) of these Members at large shall be a MLS Director who has served as a MLS Director at least one (1) year. The Members of the Committee shall be appointed by the Finance Committee Chairman, subject to confirmation by the Executive Committee. Two of the Members at large may succeed themselves for an additional one (1) year term.

Members of the Grievance Committee and Professional Standards Committee appointed by the Board shall be required to attend a Professional Standards Training Session as a yearly obligation in order to serve or continue to serve on this Committee.

The REALTOR® Recognition Committee will be composed of the Association President, Association President-Elect, MLS President, a past recipient of the REALTOR® Hall of Fame, the past three active REALTOR® of the Year recipients, and a REALTOR® who has been an active Member with our Association for at least ten years. Each year the Executive Committee for the qualifying year will appoint the chairperson from the makeup of the Recognition Committee.

Section 2. Special Committees. The President shall appoint, subject to confirmation by the Executive Committee, other special committees as 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 Executive Committee as applicable, except as otherwise provided in these Bylaws.

Section 4. President and President-Elect. The President and President Elect shall be voting Ex-Officio Members of all standing committees and shall be notified of their meetings.

Section 5. Absentees from Meetings. A Member of any Committee who is absent from three (3) consecutive meetings without a valid reason shall automatically forfeit membership in that committee.

Section 6. Quorum. A quorum of any committee (except the Executive Committee) shall be one-third of the committee.

ARTICLE XIV - FISCAL AND ELECTIVE YEAR

Section 1. The fiscal year of the Association shall be the calendar year. All elected Officers and Directors shall assume Office on December 1, and shall serve until their successor are elected and assume office.

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 Executive Committee 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 a 2/3 vote of the REALTOR® Members present at any 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 Executive Committee at which a quorum is present, may approve amendments to the Bylaws which are mandated by the NATIONAL ASSOCIATION OF REALTORS® policy.

Section 2. Notice of all meetings at which such amendments are to be considered shall be published to REALTOR® Member 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 by the Association of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE XVII - DISSOLUTION

Section 1. Upon the dissolution of this Association, the Executive Committee, 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 nonprofit 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 ("MLS"), which shall be incorporated and known as the Multiple Listing Service of Spartanburg, Inc., (hereinafter referred to as the "Service"), with principal place of business at Spartanburg South Carolina, and shall be subject to its own Articles of Incorporation, Bylaws and Rules and Regulations.

Section 2. Purpose. A Multiple Listing Service is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public; a means of enhancing cooperation among Participants 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; a means by which Participants engaging in real estate appraisal contribute to common databases. (Revised 08/12/2024)

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, and Policies Practices, and Procedures at all times to the Constitution, Bylaws, Rules and Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Participation Defined. Any REALTOR® of this or any other Association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service membership or participation unless they hold a current, valid real estate broker's license and cooperate, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. Use of information developed by or published by a Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Association Multiple Listing Service where access to such information is prohibited by law. (Revised 08/12/2024)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperate 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, share information on listed property and make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their client(s). "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. (Revised 08/12/2024)

The key is that the participant or potential participant actively endeavors to cooperate with respect to properties of the type that are listed on the MLS in which participation is sought. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. This requirement does not permit a 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 cooperate. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to cooperate 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. (08/12/2024)

Section 5. Management. The property, business and affairs of the Service shall be managed and controlled by its Board of Directors acting in accordance with Articles of Incorporation, Bylaws and Rules and Regulations of the Service or in any manner not inconsistent there with, subject to the approval of the Executive Committee of the Association.

Section 6. Election. The Directors of the Service shall be elected at the Annual Meeting of the Multiple Listing Service of Spartanburg, Inc. by the Participants of the Service.

Section 7. Ownership. The Service, as incorporated under the laws of the State of South Carolina, shall be a wholly owned subsidiary of the Spartanburg Association of REALTORS®, Inc. No Member of said Association may own any stock in the Service, nor he receive dividends therefrom.

Section 8. Access to Comparable and Statistical Information. Only licensed real estate agents and licensed or certified appraisers who are Members of the Spartanburg Association of REALTORS, Inc., but who do not participate in the MLS or licensed or certified appraisers who are Affiliate Members of the Spartanburg Association of REALTORS®, Inc., are nonetheless entitled to receive by purchase or lease all information other than current listing information that is generated wholly or in part by the MLS on a yearly basis, including comparable information, sold information, and statistical report. This information is provided for the exclusive use of these members and individuals affiliated with these members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm, except as otherwise provided in these rules and regulations.

Section 9. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

It is understood that, in every instance where he, his or him is used, that it can mean, she, her and hers.