

**STATE-WIDE MULTIPLE LISTING SERVICE, INC.
BY-LAWS**

ARTICLE I

Name

This organization shall be named the STATE-WIDE MULTIPLE LISTING SERVICE, INC. (and may sometimes be referred to as State-Wide MLS, or “MLS”), all of the shares of stock of which are solely and wholly-owned by the Rhode Island Association of REALTORS® ("RIAR"). RIAR is the sole member of MLS and entitled to all approval rights granted to a member under the Rhode Island Nonprofit Corporation Act.

ARTICLE II

Purpose

The purpose of MLS is to provide a means 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; and 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.

State-Wide MLS is the prime provider of real estate tools and information through a cooperative communication network among its Participants.

ARTICLE III

Service Area

The service area of MLS shall be determined and may be amended from time-to-time by the MLS Board of Directors.

ARTICLE IV

Participation

SECTION 1. As used in these bylaws, a **Participant** means an individual who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification except otherwise stipulated in these bylaws, shall be eligible to participate in the MLS 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 with other Participants, 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 interests of their clients. Use of information developed by or published by MLS 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 MLS where access to such information is prohibited by law.

Note: 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 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 interests of their client(s). "Actively" means: on a continual and on-going 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 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 cooperate with respect to properties of the type that are listed on 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 interests of their clients. This requirement does not permit 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. MLS may evaluate whether a Participant or potential Participant "actively endeavors during the operation of its real estate business" to "cooperate" only if 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 2. As used in these bylaws, a "**Subscriber**" – means a non-principal real estate licensee who is affiliated with a Participant who holds a current, active, valid real estate broker's license, a current, active, valid salesperson's license, or a current, active, valid appraiser's license or certification. A Subscriber's right to utilize information is limited to

those activities authorized to the Participant's office with which said Subscriber is affiliated; said information shall not be used or made available to any non-MLS individuals or firms, nor be used by the Subscriber for any real estate activity outside of the Participant's office.

These are deemed to be unauthorized uses. The Participant is responsible for the conduct of each Subscriber affiliated with such Participant.

SECTION 3. As used in these bylaws, a “User” means an employee of a Participant who is not licensed as a real estate broker, salesperson, or appraiser but has access to the data (e.g. a secretary, office manager, unlicensed personal assistant). The Participant is responsible for the conduct of Users affiliated with such Participant.

SECTION 4. **Application for Participation** - Application for participation shall be made in such manner and form as may be prescribed by the MLS Board of Directors and made available to any individual or entity meeting the requirements of ARTICLE IV, SECTION 1 of these Bylaws. The application form shall contain a signed statement agreeing to abide by these by-laws and any other applicable rules and regulations of MLS as from time to time amended or adopted.

SECTION 5 **Discontinuance of Service** - Participants of MLS may discontinue MLS service by giving 30 days written notice to MLS and may reapply by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid. A Participant who resigns shall not be entitled to any refund of initial membership fee or monthly charges. If a Participant requests to be reinstated, MLS may charge a reinstatement fee and require that the Participant attend an MLS orientation/training program and other educational programs which the Board of Directors may require within 30 days of reinstatement.

ARTICLE V

Service Charges

SECTION 1. The amount of admission fees, dues and other charges shall be fixed from time to time by the MLS Board of Directors.

SECTION 2. Participants and Subscribers in good standing, or the spouse of a Participant or Subscriber in good standing, who has been notified that they will be called away to active military duty for a period of six consecutive months or longer; may request to be changed to an inactive status and have his or her MLS monthly fees waived for the months service member is away.

ARTICLE VI

Rules and Regulations and Enforcement

SECTION 1. The MLS Board of Directors shall formulate rules and regulations for the general management and for the operation of MLS. All Participants and Subscribers shall

comply with such rules and regulations as if they were made a part herein. Such rules and regulations may be amended, modified or repealed by a two-thirds (2/3) vote of the MLS Directors present and voting, provided that a quorum is present. Written notice of any proposed change in the rules and regulations shall first have been sent to each MLS Director at least five (5) days before meeting. Any further change to an amendment submitted for consideration shall be deemed to be a new amendment subject to re-approval of the MLS Board of Directors.

ARTICLE VII

Board of Directors

SECTION 1. The control and administration of the affairs of the MLS shall be vested in the MLS Board of Directors. No compensation shall be paid to directors for their services. Nothing herein shall be construed to preclude any director from providing services to MLS in any other capacity and receiving compensation therefore, as long as they conform to the adopted conflict of interest guidelines.

- a. No director in his or her capacity as a State-Wide MLS Director shall accept personally and/or for any immediate family any gifts, gratuities, or benefits of any kind from individuals and/or firms that do business, or seek to do business, with MLS.
- b. No director shall engage in a business transaction with State-Wide MLS without disclosure to both the CEO, the President of MLS and the approval of the MLS Board of Directors.

SECTION 2. The MLS Board of Directors shall be comprised of not more than fourteen (14) Participants/Subscribers of MLS, consisting of the officers (director-officers), and Participants/Subscribers representative of separate and different segments of constituency. Not more than 49% of the directors may be nominated from among Subscribers other than Participants, who are affiliated with Participants and serve with consent of the Participants. One director may be nominated to serve a two-year term for each expiring director's term. No director of the MLS Board of Directors may be nominated for more than two successive terms of appointment. Terms of directors who serve as officers are further described in Article VIII. Vacancies of the MLS Board of Directors created by other than expiration of a term may be filled by the MLS Board of Directors for the unexpired term, and ratified by the RIAR Board of Directors. An Officer or Director may be removed from office with or without cause by a majority vote of the MLS Board of Directors and ratified by the RIAR Board of Directors, and an Officer or Director may be removed with or without cause by a majority vote of the RIAR Board of Directors.

Nomination and Election of Directors -

- a. The President shall appoint a nominating committee each year, which committee shall be comprised of (7) seven Participants/Subscribers of MLS in good standing. The committee shall be composed of the Immediate Past President of MLS; the second most recent Past President of MLS; the Immediate Past President of

RIAR; and the RIAR President-Elect. The MLS President shall appoint (2) two delegates and (1) one alternate. The RIAR President shall appoint (1) one delegate and (1) one alternate (the MLS and RIAR alternates shall serve only in the absence of a member). The most immediate Past President of MLS shall serve as Chairperson. The appointment of the nominating committee shall be made by such a date as to enable the committee to meet and select a proposed slate of MLS Directors no later than (90) ninety days prior to the Annual Meeting. The proposed slate of directors shall be reported to the President and the Secretary of the MLS for approval by the MLS Board of Directors. All MLS Directors shall be elected by the members at the Annual Meeting of Members.

- b. The installation of officers and directors may be held at the annual membership meeting of MLS.
- c. The term of office of each member of the MLS Board of Directors who does not serve as an officer shall commence immediately following installation and shall terminate twenty-four (24) months later, unless appointed to a second two-year term, or unless s/he resigns or is removed in accordance with these bylaws. The MLS Immediate Past President shall serve as ex-officio, non-voting members of the MLS Board of Directors for a period of one year.

SECTION 3. Only duly elected Participants/Subscribers shall be eligible to serve as members of the MLS Board of Directors, but any Participant/Subscriber may attend a Board of Director's meeting as an observer with no floor or voting privileges. If the Board of Directors meeting goes into executive session, all non-voting observers will be excused.

SECTION 4. A Participant/Subscriber, whether as an individual or principal or designated REALTOR® of a participating office, shall not serve as a director or officer of MLS until all past-due fees, fines and assessments levied by MLS are paid in full even if the entity obligated to pay such amounts is not in existence, or is not participating in State-Wide MLS.

SECTION 5. Any director who accumulates 3 (three) absences from regular or special meetings of the MLS Board of Directors within a twelve month period shall be deemed to have resigned from the MLS Board of Directors and from any office he or she may hold in MLS which vacancy shall be filled as herein provided. Requests for reinstatement shall be made in writing, and shall be considered by the MLS Board of Directors. Reinstatement shall be made only upon approval by the majority of the MLS Board of Directors.

SECTION 6. The MLS Board of Directors shall administer the finances of MLS and shall set the fees, dues and other charges of MLS. The accounts of MLS shall be audited annually by a certified public accountant.

SECTION 7. Meetings of the Board of Directors - 51% of the MLS Board of Directors shall constitute a quorum. A majority vote by such Directors present and voting at a meeting where a quorum has been established are sufficient for passage of motions.

SECTION 8. The MLS Board of Directors may retain outside legal and other professional counsel as approved by the CEO unless the need for counsel relates to the conduct of the CEO.

ARTICLE VIII

Officers

SECTION 1. The officers of MLS shall consist of director-officers to include the President, President Elect, and Secretary/Treasurer. All director-officers shall be elected by the current MLS Board of Directors for the following year from among the MLS Board of Directors. The date of appointment and commencement of service of each officer shall coincide with the date of appointments of the MLS Board of Directors at the annual membership meeting of the MLS or as soon as may be reasonably made thereafter. Following the expiration of the term(s) of the President, the President-Elect shall automatically succeed to the Presidency. The CEO shall be the Staff Officer and is entitled to serve on the Board of Directors and on the Executive Committee as a non-voting member.

SECTION 2. Elected director-officers shall hold office for a term of one year and may not succeed themselves more than one time in any particular officer position.

SECTION 3. MLS shall pay for and provide the following: (a) Employee Theft Insurance for staff, and (b) Director and Officer Insurance for all MLS Directors and Officers, in an amount as may be determined by the MLS Board of Directors. *Rev. 2019*

SECTION 4. There shall be an Executive Committee of the MLS Board of Directors, consisting of the director-officers. The MLS Immediate Past-President shall be invited to attend Executive Committee meetings as a non-voting member. This committee shall meet at such times as the MLS President deems necessary for the purpose of formulating and recommending to the board, for approval, general and budgetary policies regarding the operation of the MLS, and shall keep a record of its acts and proceedings.

ARTICLE IX

Professional Staff

SECTION 1. There shall be a professional staff to serve the MLS, the MLS Board of Directors, the MLS officers, and the Participants and Subscribers thereof in all matters of common interest to the MLS.

SECTION 2. The Chief Executive Officer of MLS (as used herein "CEO") shall be the chief administrative officer of the staff and shall serve at the pleasure of the MLS Board of Directors under terms and conditions to be approved by the MLS Board of Directors and the RIAR Board of Directors. The CEO shall perform all duties assigned from time to time by the MLS Board of Directors. During intervals between meetings of the board, the CEO shall be empowered to approve day-to-day working decisions within budgetary constraints and shall be authorized to conduct business on an emergency basis. Any such decisions shall be reported at the next meeting of the board.

SECTION 3. There shall be other professional, clerical and employees as the CEO shall determine from time to time as needed within budgetary constraints. All employees of MLS shall be subject to the direction of the CEO.

ARTICLE X

Meetings

SECTION 1. General Participant meetings of MLS shall be called by the MLS President whenever the President shall deem such meetings necessary or desirable or whenever requested by a majority of the MLS Board of Directors. Written notice of all General Meetings shall be provided to the Participants at least thirty (30) days prior to date of the meeting.

SECTION 2. Special meetings may be called as needed by the MLS President. Written notice of all special meetings shall be provided to all Participants at least five (5) days prior to date of the meeting.

Board of Director Meetings

SECTION 3. Meetings of the MLS Board of Directors shall be called by the MLS President whenever the President shall deem such meetings necessary or desirable or whenever the President is requested to do so by a majority of the MLS Board of Directors. Notice of meetings of the MLS Board of Directors shall be provided to each member of the MLS Board of Directors at least five (5) days prior to the date of the meeting.

Member Meetings

SECTION 4. There shall be an Annual Meeting of members held on the ___ day of ___ each year. Special meetings of members may be called by the President or by the MLS Board of Directors. A report of the activities of MLS for the prior year shall be given at the Annual Meeting.

SECTION 5. *ROBERT'S RULES OF ORDER*, latest edition, shall be recognized as the authority governing the meeting procedures of the MLS, its Board of Directors, and committees in all instances wherein its provisions do not conflict with these bylaws.

ARTICLE XI

Committees

SECTION 1. The MLS President, subject to the approval of the MLS Board of Directors, shall establish such standing, special, temporary, or other committees of the MLS as shall be determined from time to time, and shall determine the extent of authority and responsibility of such committees, the number of members thereof and, in the case of temporary committees, the time when such committees shall be required to take action and report thereon.

SECTION 2. The MLS President shall be an ex-officio, non-voting member of all committees.

SECTION 3. All actions of the committees shall be subject to the approval of the MLS Board of Directors.

ARTICLE XII

Offices

The principal office of MLS shall be located at 100 Bignall Street, Warwick, Rhode Island, or at such other place or places that the MLS Board of Directors may from time to time designate.

ARTICLE XIII

Fiscal Year

The fiscal year of the MLS shall begin on the first day of January in each year and end on the last day of December of such year.

ARTICLE XIV

Amendments

SECTION 1. These by-laws may be amended at any meeting of the MLS Directors by an affirmative vote of two-thirds (2/3) of the MLS Board of Directors, provided that written notice of the substance of any proposed amendment shall first have been sent to each director at least five (5) days in advance of the meeting. Additions or changes to, or amendments of these by-laws are subject to the approval of the MLS Board of Directors and National Association of REALTORS® (“NAR”).

SECTION 2. Any by-laws requirements mandated by NAR shall become effective upon the sole approval of the MLS Board of Directors.

ARTICLE XV

Indemnification

SECTION 1. MLS shall, except to the extent prohibited by law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of MLS) by reason of the fact that such person is or was a director or an officer, director, employee or agent of MLS, or is or was serving at the request of MLS as an officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in

or not opposed to the best interest of MLS and, with respect to any criminal action or proceeding, such person had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which such person reasonably believed to be in or not opposed to the best interest of MLS, and with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

ARTICLE XVI

Dissolution

In the event MLS shall at any time terminate its activities, the MLS Board of Directors shall consider and adopt a plan of liquidation and dissolution with the approval of three quarters (¾) of the directors of MLS. Approval of the Rhode Island Association of REALTORS® Board of Directors is required of MLS said approved plan. Said plan shall provide for the collection of assets, the payment of liabilities, and the remaining portions thereof, to be assigned to Rhode Island Association of REALTORS®.

Approved by NAR 06/2015

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Draft 2/4/16

Draft 2/29/16

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Approved by NAR 5/12/17

Newest Revisions -

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Approved by RIAR BOD 10/22/19

Approved by NAR 11/4/19

Approved rev MLS BOD2020

Approved rev RIAR BOD April2020

*Approved rev MLS BOD 9/2022 **Officers***

Approved rev RIAR BOD 10/22

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