

**BYLAWS OF THE GREATER EL PASO ASSOCIATION OF REALTORS®
MULTIPLE LISTING SERVICE, INC.**

ARTICLE 1, NAME

The name of this organization shall be the Greater El Paso Association of REALTORS® Multiple Listing Service, Inc., hereinafter referred to as the Service. The Service is a Texas Non-Profit Corporation, and its sole "Member" is the Greater El Paso Association of REALTORS® (hereinafter referred to as the "Association").

ARTICLE 2, PURPOSES

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of cooperation and compensation to other Participants (acting either as subagents, buyers agents, or in other agency or nonagency capacities defined by law); by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals and other valuations of real property; by which Participants engaging in real estate appraisals contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information among the Participants so that they may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). In addition, the Multiple Listing Service data may be used by third parties for Internet display under specific authority from and contract with the Service.

ARTICLE 3, SERVICE AREA

The area within which the service shall function shall at all times be coextensive with the territorial jurisdiction of the Association.

ARTICLE 4, PARTICIPATION

A. Participation Defined

Participation in the Service is available to the firm, partnership, or corporation of any REALTOR principal member of any Board or Association of Realtors without further qualification except payment of required dues and fees and agreement to abide by these Bylaws and the Rules and Regulations of the Service (or as otherwise stipulated in these Bylaws). However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Participation" unless they hold a current, valid real estate broker's license and are legally capable of accepting and offering compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under the Participant's license(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey

"Participation" or any right of access to information developed by or published by the Service where access to such information is prohibited by law. The REALTOR® principal of any firm, partnership, or corporation or the branch office manager designated by said firm, partnership or corporation shall be termed the "Participant" in the Service and shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the Bylaws and Rules and Regulations of the Service by all persons affiliated with the Participant who utilize the Service.

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who desires access to MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations before access is provided.

B. Application for Participation

Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of the Service and made available to any REALTOR (principal) requesting it. The application form shall contain a signed statement agreeing to abide by these Bylaws and any other applicable Rules and Regulations of the service as from time to time amended or adopted.

C. Discontinuance of Service

Participants of the Service may discontinue the Service by giving the Service 10 days written notice and may reapply to the Service by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid.

D. Subscribers

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

E. Internet Display

The Board of Directors of the Service by majority vote, with the approval of the Board of Directors of the Association, may contract with one or more third parties for the non-exclusive use of Multiple Listing Service data for display, distribution, or use upon the Internet, upon such terms and conditions as the Board of Directors of the Service may determine from time to time.

ARTICLE 5, SERVICE CHARGES

The charges made for participation in the Service shall be as determined, and as amended from time to time by the Board of Directors of the Service, and specified in the Rules and Regulations of the Service.

Non Payment of Financial Obligations. Monthly subscriber fees shall be collected and governed by the Rules and Regulations of the service. If other dues, fees, fines and other

assessments including amounts for monthly subscriber fees owed to the Service are not paid within one month after the due date, the nonpaying Participant is subject to suspension at the discretion of the Board of Directors. Two months after due date, participation by the nonpaying Participant may be terminated at the discretion of the Board of Directors. Three months after due date, Participation of the nonpaying Participant shall automatically terminate unless within that time, the amount due is paid. However, no action shall be taken to suspend or expel a participant for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed by the Board of Directors. A former Participant who has had his membership terminated for nonpayment 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 Service or any of its services, departments, or divisions may apply for reinstatement in a manner prescribed for new applicants for Participation, after making payment in full of all accounts due as of the date of termination. If a terminated Participant wants to join the service, he must bring all accounts current and in addition, any funds paid on behalf of attorneys or collection agents.

ARTICLE 6, GOVERNING BODY

A. Government of the Service

The government of the Service shall be vested in a Board of Directors nominated and elected as described in this Article.

B. Board of Directors and Officers of the Service

There shall be a total of nine Directors. Five directors will be elected as described in Section C below, and four directors will be appointed by the Greater El Paso Association of REALTORS® Board of Directors from among the Participants of the Service. Each year, two of the open Director positions will be filled by appointment, and the balance of open Director positions (either two or three, as the case may be) will be filled by election. The Directors shall elect from among themselves a President, a Vice President, Secretary, and shall have such duties as described in this article. The Directors may elect other officers as they may deem necessary.

C. Nomination and Election of Directors

The five elected Directors of the service shall be nominated by a vote of the Participants in the Service in accordance with the provisions of Article 7, Meetings, of these Bylaws and further set forth following:

1. Nominating Committee. The President of the Service shall appoint a Nominating Committee each year which committee shall be comprised of five (5) Participants of the Service. 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 Directors of the Service not more than sixty (60) nor less than forty (40) days prior to the date of the annual meeting of the Service. The proposed slate of Directors shall be reported to the President and Secretary of the service.

2. Notice of Proposed Nominees. The President shall cause a list of the proposed nominees selected by the Nominating Committee to be forwarded to the Participants of the Service, setting forth the time, place, and other pertinent conditions of the process to select the final list of nominees by vote of the Participants of the Service. No two nominees or directors shall be from the same Participant firm.

3. Rights of Participants to Select Additional Nominees. The names of additional proposed nominees may be added to the list selected by the Nominating Committee by a petition submitted to the Secretary of the service by 10% of the Participants of the service, with said petition received not less than 7 days prior to the first day of voting of the Participants to select nominees for Directors. The names contained in such petition, if duly received and certified, shall be presented in writing to the Participants as additional Nominees for consideration for such office as specified in the petition.

4. Voting by Written Ballot. Voting for selection of nominees shall be by written secret ballot. Only members of the Election Committee shall have access to the ballots cast for the purpose of verifying the number of votes each participant is entitled to cast.

5. Vote to Select Nominees. Voting shall be in accordance with provisions of Article 7 of these Bylaws, and with the following provisions. The election process shall commence at 8:00 a.m. on Monday preceding the Friday prior to the annual meeting of the Service and continue throughout that week until 5:00 p.m. on the Friday prior to the annual meeting. Election shall be by ballot. The ballot shall contain the names of all candidates and the offices for which they are nominated. Each Participant will be allowed to cast their ballot at the Association office and will be required to supply proper identification prior to obtaining their ballot for the election process. Each participant will sign their name on the ballot stub in a legible manner and will also print their name under their signature. They will place their ballot in a ballot box and the ballot stub in a separate box which will be provided. In order for votes cast to be counted, all ballots must be completed at the Association office and there will be no voting accepted after the Friday, 5:00 p.m. deadline. All participants will be required to vote for the same number of candidates as there are open places on the Board of Directors or that section of the ballot will be declared void. A Participant may also vote by a signed and dated written proxy, which may be delivered by mail or a selected messenger. If delivered by messenger, the person voting the proxy will furnish the original proxy for verification purposes, leave a copy of the proxy at the Association office, and print his/her name and the name of the person on whose behalf the proxy is voted, on the ballot stub. The proxy will be accepted at the Association office at any time during normal business hours, from the date of distribution of the proxy to Participants, until the close of voting.

On the following Monday, after the last day of voting held on Friday, the Election Committee shall meet to count votes cast. Regarding the election of candidates for places on the Board of Directors and subject to other provisions of this section, the nine candidates receiving the most votes of the total votes cast shall be deemed nominated to the Board of Directors.

The President, with the approval of the Board of Directors, shall appoint an Election Committee of three Participants to conduct the election. In the event of a tie vote between any two or more candidates for director, the issue shall be determined by the participants on the day of the Annual Meeting of the Service by holding a written ballot run-off election and the candidate receiving the most votes will be declared the winner. Any and all questions, disputes, or contests relating to the validity or effectiveness of a petition, ballot, or proxy, or otherwise incidental to the election process, shall be determined by the Election Committee; provided that, in questions involving legal issues, the Election Committee shall consult the Service's legal counsel prior to making its decision. The Board of Directors shall have the authority to adopt specific rules and regulations governing the election process not inconsistent with these bylaws, the Service's Articles of Incorporation and the Texas Non-Profit Corporation Act.

6. Nominees Submitted to Member for Election. When nominees for Directors of the Service for the forthcoming fiscal year have been selected by vote of the participants of the Service, such nominees shall be submitted to the Board of Directors of the Association for formal election. Said nominees shall be deemed to be formally elected, unless 80% of the Association's Directors with voting rights vote against said nominee. Upon election by the Board of Directors of the Association, the individuals so elected shall be considered Directors-Elect and shall assume their respective offices on the succeeding January 1.

The term of office for Officers and Directors of the Service shall be on a calendar year basis. In the event (1) or more nominee(s) is/are not elected by the Board of Directors of the Association, and upon notice of such failure of election, the president of the Service shall select a proposed Participant or Participant, as required, subject to confirmation by the Board of Directors, for submission as nominee(s) to the Board of Directors of the Association to be considered for election (using the same 80% vote required to reject described above) to fill the vacancy or vacancies existing.

E. Term of Office

The Officers, elected by and from among the Directors, shall serve for a one-year term. The Directors shall serve for staggered two year terms; provided, however, that the initial Directors shall all serve one-year terms, and their successors shall draw lots to determine which five shall serve two-year terms and which four shall serve one-year terms. Each year, two of the open Director positions will be filled by appointment, and the balance of open Director positions (either two or three, as the case may be) will be filled by election. Officers and Directors shall take office upon the effective date of their offices and shall continue until their successors are elected, qualified, and installed. No Officer or Director shall be nominated and elected to the same office for more than two consecutive terms.

E. Duties of Officers and Directors

The duties of the Officers and Directors shall be as follows:

1. The President shall be the chief officer of the Service and shall preside at its meetings and those of the Board of Directors, and shall perform all the duties of President subject to declared policies and, as required, subject to confirmation of the Board of Directors.
2. The Vice President shall, in the absence of the President, perform all duties of the President.
3. The Secretary/Treasurer shall be the custodian of the funds of the Service and shall keep an accurate record of all receipts and disbursements. The Secretary /Treasurer shall provide to all Members of the Board of Directors a quarterly statement of all accounts and financial affairs for the Service.
4. The Board of Directors of the Service shall be the governing body of the Service and shall have control of all the affairs of the Service and shall authorize all expenditures of funds. The Board of Directors shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the Service for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the Participants of the Service for approval on a date not less than 60 days prior to the first day of the fiscal year. The Board of Directors shall not incur an obligation in excess of \$10,000 over the total budget without the authorization by vote of a two-thirds majority of REALTOR Participants of the Service present and voting unless such excess is the result of an increase in the volume of listings processed by the Service over that projected in preparing the annual budget. The Board of Directors shall employ on behalf of the Service such office personnel deemed necessary to care for and maintain the properties of the Service and otherwise conduct the administrative business of the Service; provided, however, that the Service shall contract with the Association to provide all its personnel needs, with said contract to include a provision for addressing any dissatisfaction by the Service in the personnel services provided by the Association. The Service shall be initially headquartered and housed at the same address as the Association, and shall lease space from the Association, at fair market rental, and reimburse the Association for its proportional share of office and overhead expenses. The Board of Directors shall have the right to make an audit of all books and accounts at any time without notice. Except as otherwise provided in these Bylaws and Rules and Regulations, the action of the Board of Directors shall be final.

F. Removal of Officers

Any officer or director may be removed from office under the following procedure:

1. A petition requiring the removal of an officer or director and signed by Participants holding not less than 33-1/3% of the voting rights in the Service, or by a majority of all Directors, shall be filed with the president, or if the president is subject to the petition, with the next ranking officer, and shall specifically set forth the reasons for the removal of the subject thereof.

2. Upon receipt of the petition, not less than 20 days or more than 45 days thereafter, a special meeting of the Participants of the Service shall be held and the sole business of the meeting shall be to consider whether to remove the officer or Director.

3. A special meeting shall be noticed to all Participants at least 10 days prior to the meeting and shall be conducted by the president of the Service, 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 Participants. Provided a quorum is present, two-thirds of voting rights represented by Participants present and voting at the meeting shall be required for recommended removal from office. Any recommended removal from office shall be reported to the Board of Directors of the Association, which recommendation shall be accepted, causing such removal to be final and automatically effectuated, unless 80% of the Association Directors with voting rights vote against the recommended removal.

4. Officers and Directors of the Corporation may also be removed by the vote of 80% of the Directors of the Association having voting rights.

G. Vacancies of Officers and/or Directors

In the event a vacancy is created by resignation, removal, or death, of any director, the President may appoint, with the approval of 80% of the directors, an active Participant, to fill the open director position for the unfinished term created by the vacancy.

In the event a vacancy is created by resignation, removal, or death, of any officer, the President may appoint, with the approval of 80% of the directors, an active Director to fill the open officer position for the unfinished term created by the vacancy.

ARTICLE 7, MEETINGS

A. Annual Meeting

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

B. Special Meetings of the Service

Special meetings of Participants of the Service may be called from time to time by the President, the Board of Directors, or by 10% of the Participants of the Service. Written notice stating the day, place, and hour of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered to all REALTORS who are Participants in the Service not less than 10, but not more than 50, days prior to said meeting.

C. Quorum and Voting at Meetings of the Service

For the transaction of business, 10% of the Participants (both by number of Participants and by the total number of votes they are entitled to cast) of the service shall be considered a quorum. A

majority vote by such participants present and voting in person or by proxy shall be required for passage of motions at Participant's meetings. A majority vote of those Directors present and voting at a board of Directors meeting attended by a quorum shall be required for passage of motions at such meetings. Each participant shall be entitled to cast a number of votes equal to the number of licensees and certified appraisers affiliated with the Participant as of January 1 each year (including the Participant) and not exempt from calculation of MLS charges.

D. Meeting of the Board of Directors

The Board of Directors shall designate a regular time and place of meetings. Absence of a Director from more than three (3) regular meetings within a twelve (12) month period shall be construed as resignation therefrom. Five Directors (including Officers) shall constitute a quorum. A majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for passage of motions.

E. Presiding Officer

At all meetings of the Participants of the Service, or of the Board of Directors, the president or, in the absence of the President, the Vice President shall be the residing officer. In the absence of the Vice President, the Secretary/Treasurer shall be the presiding officer. In the absence of the President Vice President, and Secretary, the President shall name a temporary Chairperson from among the Directors or, upon the President's failure to do so, the Board of Directors of the Service shall appoint a temporary Chairperson from among the Directors.

ARTICLE 8, COMMITTEES

A. Appointment of Committees

The President, with the approval of the Board of Directors, shall create such standing or Ad Hoc Committees as the President deems desirable and shall appoint their Members. Each Committee shall consist of not less than three Participants in the Service, but may also include REALTORS employed by or affiliated as independent contractors with a REALTOR Participant serving as a representatives of said REALTOR Participants and with their consent, and who may serve either as a Chairperson or Member of a Committee.

B. Executive Committee

The volunteer officers of the organization shall constitute the membership of the Executive Committee. The Executive Committee shall be authorized in an emergency, to take any and all necessary action on behalf of the Board of Directors. In the event the Executive Committee exercises this emergency authority provision, the full board shall be informed in writing within three days of the action, and the action shall be placed on the agenda for the next meeting of the Directors as a Ratification of Action agenda item.

ARTICLE 9, FISCAL YEAR

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

ARTICLE 10, AMENDMENTS TO BYLAWS AND RULES AND REGULATIONS

A. Amendments to Bylaws

Amendments to these Bylaws shall be by vote of the Participants of the Service, and shall be determined at an Annual Meeting or Special Meeting of the Service in accordance with the provisions of Article 7 concerning Meetings of the Service, except that the Board of Directors of the service may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy. Amendments to the Bylaws of the Service approved by the Participants, or Directors of the Service if mandated by NAR, shall further be subject to approval of the Board of Directors of the Association, which approval shall be deemed given unless 80% of the Association Directors with voting rights vote against said amendment.

When amendments to the Bylaws of the Service have been approved by the Board of Directors of the Association as set out above, said amendments shall be effective immediately or as stated in the amending resolution.

If the proposed amendments to the Bylaws of the Multiple Listing Service are disapproved by the Board of Directors of the Association, the Board of Directors of the Service shall be informed, and advised that the proposed amendment or amendments to Bylaws be further considered and resubmitted to the Association's Board of Directors as approved by the Participants of the Multiple Listing Service.

B. Rules and Regulations

Adoption of and amendments to the Rules and Regulations of the Service shall be by consideration and approval of the Board of Directors of the Multiple Listing Service in accordance with the provisions of Article 7, Section D, concerning Meetings of the Board of Directors, subject to final approval by the Board of Directors of the Association, which approval shall be deemed given unless 80% of the Association Directors with voting rights vote against said amendment.

When approved by the Board of Directors of the Association as described, the amendments to the Rules and Regulations of the Multiple Listing Service shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the Multiple Listing Service Rules and Regulations fail approval by the Board of Directors of the Association, the Board of Directors of the Service shall be

informed, and advised that the proposed amendment or amendments must be further considered and resubmitted to the Association's Board of Directors as approved by the Board of Directors of the Service.

ARTICLE 11, DISSOLUTION

In the event this service shall at any time terminate its activities, the Board of Directors of the Service shall consider and adopt a plan of liquidation and dissolution with the approval of the participants thereof and of the Board of Directors of the Association. Said plan shall provide for the collection of all assets, the payment of all liabilities, and that the remaining portions of the assets be assigned to the Association.

As approved by the Participants of the Greater El Paso Association of REALTORS® , the Board of Directors of the Greater El Paso Association of REALTORS® Multiple Listing Service, Inc. and the Board of Directors of the Greater El Paso Association of REALTORS® , and incorporating amendments through September 26, 2003.

Attest: _____ Date September 17, 2003
Secretary/Treasurer, Greater El Paso Association
of REALTORS® Multiple Listing Service Inc.

Attest: _____ Date September 26, 2003
Secretary/Treasurer, Greater El Paso Association
of REALTORS®