

**Bylaws of the
REALTOR®
Association of the
Greater Pee Dee,
Inc.**

updated November 2020

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**BYLAWS of the REALTOR® ASSOCIATION OF THE
GREATER PEE DEE, INC.**

ARTICLE I - Name

Section 1. Name. The name of this organization shall be REALTOR® Association of the Greater Pee Dee, Incorporated (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.

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. Territorial Jurisdiction is 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.

Section 2. The territorial jurisdiction of the Association as members of the NATIONAL ASSOCIATION OF REALTORS® is Florence, Darlington, Dillon, Marion, Marlboro and Williamsburg Counties, South Carolina.

ARTICLE IV - Membership

A. REALTOR® Members. REALTOR® Members, whether primary or secondary shall be:

1. 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, leasing, managing, appraising for others for compensation, counseling,, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of South Carolina or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall 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.

NOTE: REALTOR® Members may obtain membership in a “secondary” association in another state.

Individuals who are engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications.

- B. **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 National Association of REALTORS® Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) except: obligations related to Association mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization's name; and the right to hold elective office in the Association, State Association and National Association.
- C. **Primary and Secondary REALTOR® Members.** An individual is a primary member if the Association pays State and National Association dues based on such Member. An individual is a secondary Member if State and National Association dues are remitted through another association. One of the principals in a real estate firm must be a Designated REALTOR® member of the Association in order for licensees affiliated with the firm to select the Association as their “primary” Association.
- D. **Designated REALTOR® Members.** Each firm (or office in 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 office manager acting on behalf of the firm’s principal(s) and must meet all other qualifications for REALTOR® Membership.
- E. **Institute Affiliate Members.** Individuals who hold a professional designation by a Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS® that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership.
- F. **Affiliate Members.** 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 article, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Association. Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR® membership in the Association,

provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.

- G. **Public Service Members.** 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.
- H. **Honorary Members.** Individuals not engaged in the real estate professions who have performed notable service for the real estate profession, for the Association, or for the public.
- I. **Student Members.** Individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.
- J. **Privileges of REALTOR® Members.** REALTOR® Members, whether primary or secondary, in good standing whose financial obligations to the Association are paid in full shall be entitled to vote and to hold elective office in the Association; may use the terms REALTOR® and REALTORS® and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Association and the real estate profession.
- K. **Obligations of REALTOR® Members.** It shall be the duty and responsibility of every REALTOR® Member of this Association to abide by the Constitution and Bylaws and the Rules and Regulations of the Association, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS®, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Association as from time to time amended.

ARTICLE V - Qualification and Election

Section 1. Application.

An application for membership shall be made in such manner and form as may be prescribed by the Association's Board of Directors ("Board" or "Board of Directors") and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that

applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, the Constitutions, Bylaws, and Rules and Regulations of the Association, 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 (or to mediate if required by the association) controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®, as from time to time amended, and (2) that applicant consents that the 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 conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2. Qualification.

A. An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that he/she is actively engaged in the real estate profession and maintains a current valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property; has a place of business within the state or 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 South Carolina Association of REALTORS®, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®; shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee; and shall agree that if elected to membership, he/she will abide by such Constitution, Bylaws, Rules and Regulations and Code of Ethics.

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

The Association may only consider criminal convictions 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.

B. Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, or branch office managers, in order to qualify for REALTOR® Membership shall at the time of application, be associated either as an employee or as an independent contractor with a REALTOR® Member of the Association. He/she 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 a place of business within the state (unless a secondary member); have 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 South Carolina Association of REALTORS®, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®; shall pass such reasonable and non-discriminatory written examination thereon as may be required by the Committee; and shall agree in writing that if elected to membership he/she will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®, and by such Constitution, Bylaws, and Rules and Regulations, and Code of Ethics.

NOTE 1: Article IV, Section 2 of the NAR Bylaws prohibits member associations from knowingly granting REALTOR® membership to any applicant who has an unfulfilled sanction pending which was imposed by another association or association of REALTORS® for violation of the Code of Ethics.

C. The Board 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 or association Multiple Listing Service

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 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 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 proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3. Election.

The procedure for election to membership shall be as follows:

a) The Chief Executive Officer of the Association (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 Board of Directors.

(b) If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the Association's Bylaws, or, if the individual does not satisfy all of the requirements of membership (for example, completion of a mandatory orientation program) within forty-five (45) days from the Association's receipt of their application, membership may, at the discretion of the board of directors, be terminated. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received Association services and any application fee. The Board of Directors shall vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Directors, he/she shall be declared elected to membership and shall be advised by written notice.

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

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

Section 4. Status Changes.

A. A REALTOR® who changes the conditions under which he/she 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/she 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 thirty (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 Board of Directors.

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

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

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

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

ARTICLE VI - Privileges and Obligations

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

Section 2. Any Member of the Association may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Association Rules and Regulations consistent 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 of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, the State Association, and the NATIONAL ASSOCIATION OF REALTORS®.

Section 3. Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

Section 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 associations to terminate before an ethics complaint is filed alleging unethical conduct occurred while the respondent was a REALTOR®, the complaint, once filed, shall be processed until the decision of the association with respect to disposition of the complaint is final. In any instance where an ethics hearing is held subsequent to an ethic respondent's resignation or membership termination, any discipline ratified by the Board of Directors shall be held in abeyance until such time as the respondent rejoins an association of REALTORS®.

(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 sole proprietor in a firm, a partner in a partnership or an officer in a corporation, and is suspended or expelled, the firm, partnership or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® membership, or unless connection with the firm, partnership or corporation is severed, or management control is relinquished, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® who is suspended or expelled removes himself from any form or degree of management control of the firm for the term of the suspension or until readmission to membership, whichever may apply. Removal of an individual from any form or degree of management control must be certified to the Board by the Member who is being suspended or expelled and by the individual who is assuming management control, and the signatures of such certification must be notarized. In the event the suspended or expelled Member is so certified to have relinquished all form or degree of management control of the firm, the membership of other partners, corporate officers, or other individuals affiliated with the firm shall not be affected, and the firm, partnership or corporation may continue to use the terms REALTOR® and REALTORS® in connection with its business during the period of suspension or until the former Member is admitted to membership in the Board. The foregoing is not intended to preclude a suspended or expelled Member from functioning as an employee or independent contractor, providing no management control is exercised. Further, the membership of REALTORS® other than principals who are employed or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or management control is relinquished, 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 other than a sole proprietor in a firm, partner in a partnership, or an officer of a corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership or corporation shall not be affected. *

Section 6. Institute Affiliate Members. Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS.

NOTE: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR 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 rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 8. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 9. Honorary Members. Honorary Membership shall confer only the right to attend meetings and participate in discussions.

Section 10. Student Members. Student Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors.

Section 11. Certification by REALTOR®. "Designated" REALTOR® Members of the Association shall certify to the Board during the month of **December** on a form provided by the Board, a complete listing of all individuals licensed or certified in the REALTOR®'s office(s) and shall designate a primary association for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s 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 Board of any additional individual(s) licensed or certified with the firm(s) within twenty-one (21) days of the date of affiliation or severance of the individual.

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 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.

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 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 association, the South Carolina Association of REALTORS®, the NATIONAL ASSOCIATION OF REALTORS®, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the NATIONAL ASSOCIATION OF REALTORS® from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any three (3) year cycle shall not be required to complete additional ethics training until a new three (3) year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty. Failure to meet the requirement in any three (3) year cycle will result in suspension of membership for the first two months (January and February) of the year following the end of any two (2) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated.

Section 3. Discipline of REALTOR® Members. Any REALTOR® Member of the Association may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Association, 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®, as from time to time amended, which is by this reference incorporated into these Bylaws,

provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with State Law.

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

Section 2. REALTOR® Members of the Association shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege.

Section 3. A REALTOR® principal Member may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members or Institute Affiliate Members.

Section 4. In the case of 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 5. Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IX - State and National Memberships

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

Section 2. Designated REALTOR® Members Dues.

The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any board or association in the state or a state contiguous thereto or Institute Affiliate Members of the Board. In calculating

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

A REALTOR® Member of a Member association shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the NATIONAL ASSOCIATION OF REALTORS®. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and 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 activities (listing, selling, leasing, renting, managing, counseling, or appraising real property) other than referrals, and dues for the current fiscal year shall be payable.

Membership dues shall be prorated for any licensee included on a certification form submitted to the Association who during the same calendar year applies for REALTOR® or REALTOR-ASSOCIATE® membership in the Association. However, membership dues shall not be prorated if the licensee held

REALTOR® or REALTOR-ASSOCIATE® membership during the preceding calendar year.

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

Section 4. Institute Affiliate Members Dues. The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

NOTE: The Institutes, Societies and Councils of the National Association shall be responsible for collecting and remitting dues to the National Association for Institute Affiliate Members (\$105.00). 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 established annually by the Board of Directors.

Section 6. Public Service Members. The annual dues of each Public Service Member shall be as established annually by the Board of Directors.

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

Section 8. Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 9. Dues Payable. Dues for new Members shall be computed from the date of application and granting of membership.

Dues for all Members shall be payable annually prior to the 15th day of December preceding the membership (current fiscal) year. That portion of Association dues to be retained by the Association and not utilized to fulfill the Association's dues obligations to the National and State Associations shall begin on the first day of the month in which a licensee associates with a Member and shall be prorated for the year. Association dues in an amount sufficient to enable the REALTOR® Association of the Greater Pee Dee, Inc., to

meet its dues obligations to the National Association and the South Carolina Association shall begin on the first day of the quarter in which a licensee associates with a Member and shall be prorated for the year. A licensee, or licensed or certified appraiser has thirty (30) days from date of association with a Member to make application for membership in the Association. If application for membership is not made during this time, the Designated REALTOR® will be assessed a prorated amount effective from date of licensee's association.

Section 6. Nonpayment of Financial Obligations. If dues are not paid within one (1) month after the date due, the Member will be suspended. If dues are not paid within two (2) months after the due date, the membership is automatically terminated. A former member may apply for reinstatement in the manner prescribed for new applicants for membership, after making payment in full of all past due accounts.

Section 7. Deposits and Expenditures. 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 Board of Directors. The Board of Directors shall administer the finances of the Association. Unbudgeted expenditures in excess of Ten Thousand (\$10,000) Dollars may not be made unless authorized by a majority of the Association members eligible to vote and present at a duly called meeting of the Members.

Section 8. 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.

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

NOTE: The Association's dues obligation to the National Association is reduced by an amount equal to the amount which the association is assessed for a REALTOR® member, times the number of REALTOR® Emeriti (as recognized by the National Association), past presidents and past treasurers of the National Association, and recipients of the Distinguished Service Award of the National Association who are REALTOR® members of the association. The dues obligation of such individuals to the local association should be reduced to reflect the reduction in the association's dues obligation to the National Association. The association may, at its option, choose to have no dues requirement for such individuals except as may be required to meet the Association's obligation to the State Association with respect to such individuals. The Association should determine whether the dues payable by the Association to the State Association are reduced with respect to such individuals. It should be noted that this does not affect a "designated"

REALTOR®'s dues obligation to the Association with respect to those licensees employed by or affiliated with the "designated" REALTOR® who are not members of the Association.

ARTICLE XI - Officers and Directors

Section 1. Officers. The elected officers of the Association shall be: a President, a Vice President, a Secretary, a Treasurer, and a President-elect. The Treasurer shall be elected for a two (2) year term. The other officers shall be elected for a term 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 Board of Directors. It shall be the particular duty of the Executive Officer to keep the records of the Board and to carry on all necessary correspondence with the NATIONAL ASSOCIATION OF REALTORS® and the South Carolina Association of REALTORS®.

It shall be the duty of the President-elect to assume the responsibilities of the President in the absence, resignation, or removal of the President.

Section 3. Board of Directors. The governing body of the Board shall be a Board of Directors consisting of Five (5) elected REALTOR® Members of the Association (herein "directors"), the elected officers and the immediate past President of the Board. Directors shall be elected to serve for terms of two (2) years. Directors shall be elected each year as are required to fill vacancies.

- (a) Term Limits. No director shall serve for more than two (2) consecutive two (2) year terms.

Section 4. Election of Officers and Directors.

(a) At least two (2) months before the Association's Annual Meeting of Members, a Nominating Committee of five (5) REALTOR® Members shall be appointed. The Nominating Committee, which is comprised in the following manner: Two (2) are to be appointed by the President with the approval of the Board of Directors and three (3) elected by the Board of Directors. This committee shall select at least one (1) candidate for each office and for each director. The report of the Nominating Committee shall be mailed or where permitted by state law, electronically transmitted to each Member eligible to vote at least three (3) weeks preceding the election. Additional candidates for the offices to be filled may be placed in nomination from the floor at the meeting preceding the annual election.

(b) Where permitted by state law, and in accordance with applicable state requirements, election of officers may be conducted by electronic means, in accordance with procedures established by the Board of Directors.

(c) The President, with the approval of the Board of Directors, shall appoint an Election Committee of 3 REALTOR® Members to conduct the election. In case of a tie vote, the issue shall be determined by lot.

Section 5. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors until the next annual election.

Section 6. Removal of Officers and Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure:

(a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the voting membership or a majority of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.

(b) Upon receipt of the petition, and not less than ten (10) days or more than sixty (60) 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 Director, and to render a decision on such petition.

(c) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting and shall state the purpose of the special meeting as required by SC Code Section 33-31-808(e), and shall be conducted by the President of the Board unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting of the hearing by the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office.

Section 7. Executive Officer. There shall be an Executive Officer, appointed by the Board of Directors, who shall be the chief administrative officer of the Board. The Executive Officer shall have the authority to hire, supervise, evaluate and terminate other staff, if any, and shall perform such other duties as prescribed by the Board of Directors. The Board of Directors shall be responsible for setting wages and making salary adjustments as necessary. The Executive Officer may be terminated without cause by the Board subject to the terms of any Employment Agreement that may be entered into.

Article XII- Meetings

Section 1. Annual Meetings. The date, place, and hour of the Annual Meeting of the Association shall be designated each year by the Board of Directors.

Section 2. Meetings of Board of Directors. The President shall designate a regular time and place of meetings and may call special meetings of the Board of Directors. A special meeting of the Board of Directors may also be called by a majority of the Board members. Absence from two regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation. A quorum for the transaction of business shall be a majority of the Board of Directors, except as may otherwise be required by state law.

Section 3. Other Meetings. Meetings of the Members may be held at other times as the President or the Board of Directors may determine, or upon the written request of at least ten (10%) percent of the Members eligible to vote.

Section 4. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least ten (10) days and not more than sixty (60) days preceding all meetings in accordance with SC Code Section 33-31-705(c). If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting.

Section 5. Quorum. A quorum for the transaction of business at general and/or special meetings of the membership shall consist of 25% of the Members eligible to vote, except as may otherwise be required by state law.

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

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

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

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

ARTICLE XIII - Committees

Section 1. Standing Committees. The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

- **Professional Standards:** *Appointments are made based upon two consecutive years of service on the Grievance Committee*
- **Grievance:** *Appointments are made based upon attending the Professional Standards Training provided by the South Carolina Association of REALTORS.*

--RPAC/Legislative

-Public Relations/Communications

-Member Services

-Education/Professionalism

-Community Service

-Young Professionals

-Events

-Technology

Section 2. Special Committees.

The President shall appoint, subject to confirmation by the Board of Directors, such Special Committees as may be deemed necessary.

Section 3. Organization of Committees.

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

Section 4. President. The President shall be an ex-officio member of all standing committees and shall be notified of their meetings.

Section 5. Action without Meeting. Any committee may act by consent of a majority of its members in writing or by electronic means without a meeting. 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 members of the committee or the approval by electronic means. Any action approved by the committee must be presented to and approved by the Board of Directors.

Section 6. Attendance by Telephone. Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall be at the discretion of the President or Committee Chair and shall constitute members presence at the meeting.

ARTICLE XIV - Fiscal and Elective Year

The fiscal and elective year of the Association shall be January 1 to December 31. (Officers elected in 2019 shall serve until December 31, 2020.)

ARTICLE XV - Rules of Order

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors, and committees, in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XVI - Amendments

Section 1. These Bylaws may be amended by the majority vote of the Members qualified to vote electronically and/or 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 Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the Bylaws which are mandated by NAR policy.

Section 2. Notice of all meetings at which amendments are to be considered shall be mailed to every member eligible to vote at least ten (10) days but 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 Board shall become effective upon their approval as authorized by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS®.

Section 4. Electronic votes cast prior to meeting at which bylaw amendment changes are on the agenda will count toward quorum at said meeting.

ARTICLE XVII - Dissolution

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

ARTICLE XVIII - Multiple Listing Corporation

Section 1. Authority. The Association of REALTORS® shall maintain for the use of its members a multiple listing service which shall be a lawful corporation of the state of South Carolina known as the Greater Pee Dee Multiple Listing Service, Inc., all the stock of which shall be owned by the Pee Dee REALTOR® Association, Inc.

Section 2. Purpose. A multiple listing service is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). **Section 3. Governing Documents.** The Board of Directors shall cause any multiple listing service established by it pursuant to this article to conform its corporate charter, constitution, bylaws, rules, regulations, policies, practices, and procedures at all times to the constitution, bylaws, rules, regulations, and policies of the National Association of REALTORS®.

Section 4. Participation. Any REALTOR® 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 offer or accept compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by an 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 an association multiple listing service where access to such information is prohibited by law. Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and

compensation made by listing brokers or agents in the MLS. “Actively” mean 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 business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a “Virtual Office Website (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants.

*Optional qualifications which may be adopted at the Association’s discretion: Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS Rules and Regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided.

The Association is not required to establish prerequisites for MLS participation beyond holding REALTOR® (principal) membership in the Association. However, if the association wishes to establish these requirements for MLS participation or for access to MLS-generated information, the requirement of attendance at an orientation program is the most rigorous requirement that may be established.

** Generally, associations of REALTORS® when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS participant. If each principal is defined as a participant, then each shall have separate vote on MLS matters. Brokers or salespersons other than the principals are not considered principals of the service, but have access to and use of the service through the principal(s) with whom they are affiliated.

ARTICLE XIX – Standards of Conduct and Indemnification

Section 1. Standards of Conduct for Officers.

(a) An officer with discretionary authority shall discharge the officer's duties under that authority:

(1) in good faith;

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

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

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

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

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

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

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

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

Section 2. General Standards for Directors.

(a) A director shall discharge the director's duties, including duties as a member of a committee:

(1) in good faith;

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

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

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

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

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

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

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

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

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

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

Section 3. Officer and Director Conflict of Interest.

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

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

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

(ii) the members of the Board of Directors approving the transaction in good faith reasonably believe that the transaction is fair to the Association.

(c) For purposes of this section, an officer or director of the Association has an indirect interest in a transaction if another entity is a party to the transaction in which the officer or director has a material interest or in which the officer or director is a director, officer, member, shareholder of at least ten (10%) percent of the shares or trustee.

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

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

Section 4. Authority to Indemnify.

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

(1) conducted himself or herself in good faith; and

(2) reasonably believed:

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

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

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

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

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

(d) The Association may not indemnify an officer or director under this section:

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

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

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

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

Section 6. Advances for Expenses.

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

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

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

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

(b) The undertaking required by subsection (a)(2) must be an unlimited general obligation of the officer or director but need not be secured and may be

accepted without reference to financial ability to make repayment.

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

ARTICLE XX – Financial Disclosures and Requests for Information

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

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

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

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

NAR Approved 1995

NAR Approved 1998

NAR Approved 2001

Rev-Bylaw Committee May 2006

Rev- Bylaw Committee August 2008

NAR Approved 2012

Revised - 2014

NAR Approved 2014

Amended 7/2015

NAR Approved 6/2017

Amended 2/2020

Amended 11/2020