

BYLAWS
of
GULF SOUTH REAL ESTATE INFORMATION NETWORK, INC.

ARTICLE I - NAME

The name of this organization shall be, as designed in the Charter, GULF-SOUTH REAL ESTATE INFORMATION NETWORK, INC., hereinafter referred to as the Service. All shares of stock are solely and wholly owned by the New Orleans Metropolitan Association of REALTORS®, Inc.

ARTICLE II - PURPOSES

A Multiple Listing Service is:

- . a facility for the orderly correlation and dissemination of listing information among participants so that they may better serve their clients and customers and the public.
- . a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in a non-agency capacity defined by law).
- . a means by which information is accumulated and disseminated to enable authorized participants to prepare appraisals and other valuations of real property.
- . a means by which participants engaging in real estate appraisal contribute to common data bases, and
- . a means by which entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale or lease.

ARTICLE III - SERVICE AREA

The area within which this Service shall function at this time shall include, in whole or in part, the natural market area which the Service feels should be prudently developed, and may include the State of Louisiana, the Gulf Coast, or the area generally referred to as the Gulf South Region, but the Service may expand, or limit service, to any area, in accordance with the approving Resolution of the Board of Directors, not inconsistent with the Rules and Regulations of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE IV - PARTICIPATION

Section 1. Participation Defined. Any REALTOR® of this or any other Association of REALTORS who is a principal, partner, corporate officer, or branch office manager acting on behalf of the principal, 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 "Membership" or "Participation" unless they hold a current, valid real estate broker's license and are capable of accepting and offering cooperation and 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 Multiple Listing Service is strictly limited to the activities authorized under a Participant's license(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed by or published by a Board/Association Multiple Listing 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 utilizes the Service.

Section 2. Non-member Broker Participation Defined. A nonmember applicant for MLS Participation who is a principal, partner, corporate officer or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he agrees to complete the Board Orientation Course (a program of no more than 8 classroom hours) and shall agree that if elected as a Participant, he will abide by such Rules and Regulations and pay the MLS fees and dues, including the nonmember differential, as from time to time established. Under no circumstances is any individual or firm entitled to MLS Participation or Membership unless they hold a current, valid real estate broker's license and are capable of offering and accepting cooperation and 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 a Participant's licensure or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey Participation

or Membership or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Section 3. 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 member of this, or any other Board, 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.

The Membership Committee will also consider the following in determining a nonmember applicant's qualifications for MLS Participation or Membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in any other 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 MLS.

Section 4.

- A. **Subscribers.** Subscribers, or users, of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.
- B. **Access.** Additional access shall also be granted to brokers' unlicensed administrative and clerical staff and individuals seeking licensure or certification as real estate appraisers, who are under the direct supervision of an MLS Participant or the Participant's licensed designee.

Section 5. Access to Comparable and Statistical Information. Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in MLS or not.

Section 6. Use of/Discontinuance of Service. Participants and Subscribers may access and use the Service, or, may discontinue the Service, all in accordance with a written Participation Agreement, or Subscriber Agreement, which will be required to be executed by each Participant or Subscriber. Said Participant Agreement or Subscriber Agreement may be amended from time to time, and each Applicant agrees to abide by the terms of said agreement, the Rules and Regulations of the Services as will from time to time be adopted, and these Bylaws and their Amendments.

ARTICLE V - DUES AND ASSESSMENTS

The Board of Directors of the Service, shall establish the dues, assessments, application fee, participation fee, user fee, and other fees and costs on an annual basis, the amount of which shall be provided for in the Rules and Regulations/MLS Fee Structure of the Gulf South Real Estate Information Network, Inc. Each Applicant, Participant or Subscriber agrees to become familiar with and to abide by, in all respect, these Bylaws, and the aforementioned Rules and Regulations.

ARTICLE VI - OFFICERS AND DIRECTORS

Section 1. Directors.

- A. The governing body of this Corporation shall be a Board of Directors consisting of nine (9) members, seven (7) of whom shall be At-Large Directors elected annually and shall serve in staggered terms of three (3) years each. These terms shall be staggered by the Board of Directors so as to allow for, and to maintain, expired terms to occur on an annual rotation basis of 3-2-2. That is, three (3) Directors to be elected every third year; and two (2) Directors to be elected for each of the other two years. The Board of Directors shall provide for an election process which results in; three Directors to be serving in the first year of their term; two Directors to be serving in the second year of a term; and two Directors to be serving in the last or final year of a term. The immediate Past President of this Corporation shall serve, Ex-Officio as the eighth Director and the current President of the New Orleans Metropolitan Association of REALTORS®, Inc. shall serve Ex-Officio as the ninth Director. In the initial year, or years of organization, the Board of Directors shall have discretion, in their judgment, to create and maintain a system to provide for the aforementioned staggered terms, including the initial appointment of an individual to serve as the initial Ex-officio Director as Past President of this Corporation.
- B. No more than one (1) At-Large Director position shall be filled from the same company. For the purpose of this rule "Company" means any legal

entity, including but not limited to, a parent, subsidiary, franchise, or related company which is owned or controlled, in whole or in part, by the same member. Thus, in the event a company has one member currently serving, no further nominees are eligible to serve as a Director. The above rule shall not bar more than two nominees from the same company from seeking election to a Directorship, when such company has no Director serving. However, after election, the Election Committee shall be required to tabulate all votes cast and certify the results as follows: All nominees shall be considered elected in the order of those receiving the greatest number of votes cast, unless such election results in more than one At-Large Director from the same firm serving on the Board of Directors. In that event, the nominee from the same firm receiving the greater number of votes for the eligible Directorship shall be considered elected, and the other nominee(s) from that company shall be considered disqualified. In the event of such disqualification, the Election Committee shall assign Directorships to other nominees, not of the same company, in order of those receiving the next greatest number of votes cast. This rule shall be enforced consistent with the provisions of Article 6, Section F, which require that at least four (4) of the At-Large Directors be Participants, Broker Owners or Managers.

- C. In the event that circumstances arise, where more than one Director from the same company is serving on the Board, such as a change of company affiliation, the company and those Directors involved, shall be required to confer and to determine which Director may remain on the Board. The Board of Directors shall be given written notice of their choice within fifteen (15) days of the date the conflict occurred. If the company and their Directors involved cannot, or do not agree, and so notify the Board of Directors within fifteen (15) days, then the Board of Directors shall, at its next regular meeting, decide the issue by majority vote. thereafter, the Board shall fill the vacancy as provided in the Bylaws. When an existing Director's firm is merged into or acquired by another firm, the existing member Director's firm limitation is suspended until expiration of the existing member Director's current term.
- D. A Director is limited to two (2) consecutive terms unless serving as President Elect. The one year served as President of the Board may be in addition to their two (2) consecutive terms.
- E. After being off the Board of Directors for a full year, members may be eligible to run for a Directorship again. The immediate Past President shall serve as Ex-officio member of the Board for one (1) year. However, upon completion of a President's term, any remaining portion of his/her Directorship shall be vacated. The remaining term vacated by the President will be filled by a majority vote of the Board of Directors.
- F. The Board of Directors, shall at all times, be maintained so as to have at least four (4) of the At-Large Directors be Participants, Broker Owners or Managers. For the purpose of this rule, manager is defined as one who holds a real estate brokers license and is acting in a managerial capacity.

The Nominating Committee is charged with the responsibility of seeking qualified nominees consistent with this rule. However, this rule does not bar candidates, whether they be Participants or Subscribers, from seeking election. However, after election, the Election Committee shall be required to tabulate all votes cast and certify the results as follows: All nominees shall be considered elected in the order of those receiving the greatest number of votes cast, unless it would result in more than three (3) Subscribers, serving as an At-Large Director. In that event, the Election Committee shall separately tabulate the total number of votes cast for each Subscriber and each Participant. Those Subscriber Candidates, not of the same company receiving the greatest number of votes cast will be considered elected to the available Subscriber Directorships and similarly, those Participant Candidates not of the same company receiving the greatest number of votes cast for the available Participant Directorships shall be considered elected. All other nominees shall be considered disqualified. This rule shall be enforced consistent with the requirement of maintaining a Board of Directors with no more than one At Large Director from any one company, as hereinbefore provided.

Section 2. Election of Directors.

- A. At least thirty five (35) working days, exclusive of Saturdays and Sundays before the annual election, a Nominating Committee of not less than three (3), but no more than five (5) REALTOR® members shall be appointed by the President with the approval of the Board of Directors. No member who is a candidate for office shall serve on the Nominating Committee. The Nominating Committee shall be encouraged to select at least two (2) candidates for each open Directorship, and in their selection process shall consider that no more than one At Large Director, whether participant or Subscriber, from the same firm can serve as a Director. The report of the Nominating Committee shall be made available to each MLS Participant (by either regular mail, e-mail, office fax, posting on the Association's website, or in person) at least twenty-five (25) working days (exclusive of Saturdays and Sundays) preceding the election and should be filed with the Secretary. Additional candidates for office may be placed in nomination by Petition signed by at least ten percent (10%) of the Participant members, which Petition shall be filed with the secretary at least twelve (12) working days before the election. Thereafter, the secretary shall mail notice of all nominations, together with the voting ballot, to all Participant members, which Notice and Ballot shall be in a form approved by the Board of Directors and include the option of (1) voting for the candidate(s) of choice by mail or (2) voting in person by attending such Annual Meeting. The date and location of the Annual Meeting shall be included in the Notice mailed by the Secretary. If Option #1 is exercised, the Ballot must be received at the Service Office by 5:00pm, two calendar days, exclusive of Saturdays and Sundays, prior to election day. The Notice shall contain the time and date the Ballot

must be received by the Board.

- B. The election of Directors shall take place at the Annual Meeting. Election shall be by Ballot, and all votes cast, either by Ballot by mail, or in person by attendance at the Election Meeting. The Ballot shall contain the names of all candidates who shall be segregated into Subscriber Candidates and Participant Candidates, and shall be listed in the appropriate category, in alphabetical order. The election of such Directors, by the Participants at the Annual Meeting, shall be subject to ratification and approval by majority vote of the shareholder which vote shall also occur at such Annual Meeting or other time as designated by shareholder on or before, but no later than the next regularly scheduled meeting of the Board of Directors of the shareholder.
- C. The President, with the approval of the Board of Directors, shall appoint an Election committee of three (3) Participant members to conduct the election.
- D. Voting members must cast a full Ballot. Ballots containing votes for more or less than the number of Directors to be elected shall be invalidated by the Election Committee. In case of a tie vote, the issue shall be determined by lot.

Section 3.

- A. **Terms.** For the purpose of computing "consecutive terms" two-thirds of the time served shall be considered a full term.
- B. **Vacancies.** Vacancies among the Board of Directors and Officers shall be filled by simple majority vote of the Board of Directors. The Board shall be bound in its selection to adhere to the provisions of Article VI, Sections 1(B) and 1(F) of these Bylaws.

Section 4.

- A. **Officers.** The three Officers of this Association shall consist of a President, a President Elect and a Secretary-Treasurer, all who may be Participant or Subscriber members. The President Elect and Secretary Treasurer are to be elected annually by those outgoing Directors and newly elected Directors, as provided in the next paragraph, and shall serve one (1) year, or until their successors are duly elected and installed. The current President Elect shall automatically assume the position of Presidency. It shall be the duty of those outgoing Directors and newly elected Directors who will serve on the Board to attend a Special Meeting within thirty (30) days following their election for the purpose of voting to elect Officers for the upcoming year.
- B. **Duties of Officers.** The duties of the Officers shall be such as their titles would indicate, and such as may be assigned to them from time to time by the Board of Directors, which duties shall generally be as follows:
 - 1. The President shall be the Chief Elected 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 President Elect shall, in the absence of the President, perform all of the duties of President.
3. The Secretary Treasurer shall be the custodian of the corporate records as well as custodian of the funds of the Service and shall, under his/her direction, maintain and devise a method to keep the minutes of all meetings and to preserve and maintain the records, documents and business affairs of the Corporation, as well as keep and maintain accurate records of all receipts and disbursements. Further, the Secretary-Treasurer will arrange to provide to the Members of the Board such periodic financial statements of accounts and financial affairs which the Board may from time to time require.
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. A budget shall be prepared reflecting the projected costs and expenses of the Service for the next fiscal year, which budget shall be submitted to the Board of Directors of the Service for approval on or before August 31, for the next fiscal year. The Board of Directors shall employ such executive, legal and office personnel it deems necessary to care for and maintain the properties of the Service and otherwise conduct the administrative business of the Service. The Board of Directors shall have the power, from time to time, to adopt such Rules and Regulations that they may deem appropriate, subject to final approval of the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc. Except as otherwise provided in these Bylaws and Rules and Regulations, the actions of the Board of Directors shall be final.

C. Removal of Officers & 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:

1. 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.
2. Upon receipt of the Petition, and not less than twenty (20) days or more than forty five (45) days thereafter, a Special Meeting of the voting membership 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.
3. The Special Meeting shall be noticed to all voting members, at least ten

(10) days prior to the meeting, in the event the Petition is presented by one third (1/3) of the voting membership. Such Special Meetings shall be noticed to all members of the Board of Directors in the event such Petition arises by a majority of such Directors.

4. In either event, this Special Meeting 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. A quorum of the Board of Directors or Participants at such Special Meeting shall be required, and a three fourths (3/4) vote of the members present, or three fourths (3/4) vote of the Board of Directors, which ever is applicable, and voting shall be required for removal from office.

ARTICLE VII - MEETINGS

Section 1. Annual Meeting. The Annual Meeting of the Participants of the Service and election of the Board of Directors shall be held during the month of October, at a time and place specified by the Board of Directors.

Section 2. Special Meetings of the Service. Special Meetings of the Participants of the Service may be called from time to time by the President, the Board of Directors, or by 33% of the Participants of the Service. Written notice stating the day, place and hour of the meeting, and the purpose(s) for which the meeting is called shall be delivered to all REALTOR® Participants not less than seven (7) days prior to said meeting.

Section 3. Quorum and Voting At Meetings of Participants other than Election Meetings. A quorum at any meeting of the Participants, other than Election Meetings, shall consist of 25% of the Participants of the Service who are in good standing, and who are personally present at such meeting. A majority vote by such Participants present, shall be required for the passage of motions or business.

Section 4. Meetings of the Board of Directors.

- A. The Board of Directors shall meet at any time it deems advisable on the Call of the President, or on a majority of the Board of Directors. A majority of the entire Board of Directors of the Service shall constitute a quorum. A majority vote by the Directors present and voting in a meeting attended by a quorum shall be required for the passage of all motions and business.
- B. In the case of emergencies, or other need to expedite a vote of the Board, the Directors may, at the discretion of the President, elect to transact business discussions by telephone, E-mail, Fax, or similar communication, and may cast their respective votes by Fax or Email to the GSREIN corporate office to the Executive Vice-President, or his/her designee, who shall tabulate all votes and notify the Board of the final

results. At the next regular scheduled meeting of the Board, the directors shall be required to ratify their votes and the results of any action should be recorded in the minutes.

Section 5. Presiding Officer. At all meetings of the Participants of the Service, or the Board of Directors, the President, or in the absence of the President, the President Elect shall serve as the presiding officer. In the absence of the President and President Elect, the President shall name a temporary chairperson or upon the President's failure to do so, the Board of Directors of the Service shall appoint a temporary chairperson.

Section 6. Absence From Meetings. Absence from three regularly scheduled meetings during any one elective year without an excuse or a total of five shall be construed as resignation therefrom. Absence from meetings because of conflict of attendance at other business related matters of the Association, at any level, Local, State or National, shall not constitute "absence" if acknowledged and recognized by the Board of Directors. Request for an excused absence must be made in writing and received by the Board of Directors no later than the next regular meeting.

ARTICLE VIII - COMMITTEES

Section 1. The President, with the approval of the Board of Directors shall create such Committees as the President deems desirable and shall appoint their members subject to the approval of the Board of Directors.

Section 2. Special Committees. The President may appoint, subject to the confirmation by the Board of Directors, Special Committees. At the sole discretion of the President, one or more Task Forces may be appointed by the President as is deemed desirable or necessary.

Section 3. President. The President shall be an Ex-Officio member of all committees and task forces and shall be notified of their meetings.

ARTICLE IX - FISCAL AND ELECTIVE YEAR

Section 1. The fiscal and elective year of this Corporation shall be January 1 to December 31.

ARTICLE X - RULES OF ORDER

Section 1. Roberts Rules of Order, latest edition, should be recognized as the authority governing the meetings of this Service and its committees in all instances wherein its provisions do not conflict with these Bylaws.

ARTICLE XI - AMENDMENTS

Section 1. Amendments to Bylaws. These Bylaws may be amended by a majority vote of the Board of Directors when a quorum is present at any regularly scheduled meeting or special meeting, called in accordance with the provisions of these Bylaws concerning such meetings of the Service.

Section 2. Amendments to Rules and Regulations. Amendments to the Rules and Regulations of the Service shall be considered and approved by the Board of Directors and may be amended by majority vote of the Board when a quorum is present.

Section 3. Amendments Subject to Approval of Board of Directors of the Shareholder. All Amendments to these Bylaws, or to the Rules and Regulations of the Service, after approval by the Board of Directors of the Service, shall be further subject to the approval of the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, the shareholder. When Amendments to the Bylaws of the Service have been so approved by the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc., said Amendments shall be effective immediately, or as stated in the amending resolution. If the proposed Amendments to the Bylaws or the Rules and Regulations to the Service fail to gain the approval of the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc., then the Board of Directors of the Multiple Listing Service shall be informed and advised that the proposed Amendment(s) were rejected. To the extent being reasonable and necessary, the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc., may, upon rejection of a proposed Amendment disclose its reason(s) for rejection, together with recommendations to resolve the proposed Amendment at hand. The Board of Directors of the Service may thereafter consider the recommendation and resubmit the Resolution in its original form, or in a modified form, for reconsideration or approval by the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc.

Section 4. Other Matters Requiring Shareholder Approval. In addition to the foregoing Amendment to Bylaws, or Amendment to Rules and Regulations which require the shareholders' approval, any change, alteration or amendment resolution or conduct relating to the financial welfare of this corporation, such as expanding its territory of business operations, limiting its territory of business operations, hiring or firing of personnel, management fees or contracts, reduction or increase of fees related to the Service, removal of Officers or Directors, merger, consolidation, reorganization and Act of Bankruptcy or relocation shall further be subject to the approval of the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc., the shareholder, by majority vote of the entire Board.

ARTICLE XII - DISSOLUTION

In the event the Service shall at any time terminate its activities, the Board of Directors shall consider and adopt a plan of liquidation and dissolution with the approval of the Board of Directors of the New Orleans Metropolitan Association of REALTORS®, Inc. Said plan shall provide for and address the collection of all assets, the payment of all liabilities, and in general, those matters relating to the affairs of this Corporation.