

Sanibel & Captiva Islands Association of REALTORS® , Inc.
Multiple Listing Service
Operated as a Committee of the Association
RULES AND REGULATIONS
Approved by NAR July 2019
Revised February 2020

Listing Procedures

Section 1. LISTING PROCEDURES: Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction of the multiple listing service, and are taken by participants on property data forms or profile sheets, shall be entered in to the multiple listing service within three (3) calendar days from receipt and acceptance by the broker.

Section 1.01, Clear Cooperation: However, within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public. (Adopted 11/19)

Note: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings filed under Section 1 and listings exempt from distribution under Section 1.3 of the NAR model MLS rules if it is being publicly marketed, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants.

- (a) Residential/condominium (no time-share or interval ownership or lease hold)* (Amended 06/16)
- (b) Single family homes for sale or exchange
- (c) Vacant lots or acreage for sale or exchange
- (d) Two-family, three-family, and four-family residential buildings for sale or exchange.
- (e) Commercial/Business

NOTE 1: The Multiple Listing Service shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service, although a "property data form" may be required as approved by the Multiple Listing Service. However, the Multiple Listing Service, through its legal counsel:

1. May reserve the right to refuse to accept a listing form, which fails to adequately protect the interests of the public and the Participants.
2. Assure that no listing form filed with the Multiple Listing Service establishes, directly or indirectly, any contractual relationship between the Multiple Listing Service and the client (buyer or seller).

*The listing agreement must be legally enforceable in the State of Florida, which must include but not limited to, the signatures of all parties and a Commencement Date (Effective Date) and a Termination Date (Expiration Date)(Amended 8/19)

The Multiple Listing Service shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing

broker to offer compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both.

The listing agreement must include the seller's authorization to submit the agreement to the Multiple Listing Service.

3. The different types of listing agreements include:

- (a) Exclusive right to sell
- (b) Exclusive agency
- (c) Open (see Note 2)
- (d) ~~Net~~ Limited Services

A listing entered into the MLS must belong to the subscriber and not to an agent who is not an MLS subscriber. No MLS Participant can add a property to the MLS for a non-subscribing agent. (*Adopted March 2013*)

~~For Stats Only Listings will be entered by board staff only at a fee of \$25 per listing~~
may be entered in the MLS. All listings turned in for Comparable entry must have complete information/input sheets filled out and be accompanied by photos. All supporting documents must be turned in before input and it must be an arm's length transaction. (*Adopted Nov. 2015*)

NOTE: Statistics Only properties must mirror the Property Appraiser's information. Commercial Business & Real Property combined sales must be entered separately on the MLS.

No fractional ownership listings accepted, with fractional ownership being defined as ownership whereby a facilitator purchases and then markets shares of a property. (*rev April, 2004*)

The Service may not accept Net listings because they are deemed unethical and, in most states, illegal. Open listings are not accepted except where required by law because the inherent nature of an Open listing is such as to usually not include the authority to cooperate with and to compensate other brokers and inherently provides a disincentive for cooperation.

The exclusive right to sell listing is the conventional form of listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate and compensate other brokers.

The exclusive agency listing authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings with no named prospects

exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right to sell listings with prospect reservations.

NOTE 2: A Multiple Listing Service does not regulate the type of listings its Members may take. This does not mean that a Multiple Listing Service must accept every type of listing. The Multiple Listing Service shall decline to accept Open listings (except where acceptance is required by law) and Net listings and it may limit its service to listings of certain kinds of property. But if it chooses to limit the kind of listings it will accept, it shall leave its Members free to accept such listings to be handled outside the Multiple Listing Service.

~~NOTE 3: A multiple listing service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings. (Adopted 11/92)~~

~~NOTE 3: Auction Properties*. That may be entered into the MLS database are those properties that meet the following four requirements:~~

~~(1) the property must be available for sale prior to the Auction at the full gross listing price entered into the MLS Database in the Listing Price Field, which must be the same full gross listing price at which the Seller has agreed to sell the property prior to the Auction and which is states in the exclusive right to sell or exclusive agency listing contract for which the property is offered for sale prior to the Auction;~~

~~(2) An entry must be made to the Confidential Information Sections that includes the date, time, and location of the auction and whether or not there is a reserve;~~

~~(3) There must be an offer of compensation to cooperating Brokers, and if the sale of the property occurs at Auction, those different offers must clearly be stated in the appropriate fields; and~~

~~(4) Entries in the Property Information Sections stating that the property is an Auction Property is permitted; however, details regarding the Auction are prohibited from being entered into the MLS Database. The Auction Properties must state in the first line of the Property Information "This is an Auction." (Amended 8/19)~~

TYPES OF PROPERTY: The following are some of the types of properties that may be published through the Service, including types described in the preceding paragraph that are required to be filed with the Service and other types that may be filed with the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker:

1. Residential/Condominium (no time share or interval ownership)
2. Residential Income
3. Vacant Lots
4. Acreage
5. Business Opportunity/Commercial

Section 1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:

Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the Rules

and Regulations of the Service upon signature of the seller(s). All listings should be submitted in the name of the owner(s) of record.

Section 1.1a. LISTING ENTRY MUST BE SUBMITTED IN ENGLISH:

All foreign translations must be accurate. The translated document can be added to the MLS through the vendor as an attachment. (Adopted 8/19)

Section 1.2 DETAIL ON LISTINGS FILED WITH THE SERVICE: A listing agreement or property data form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form. The correct form for county strap numbers shall be as follows: section, township, range, area and parcel. Listing brokers will review new and existing Property Data Forms and delete any language that could be considered confidential in nature.

Section 1.21 LISTING PHOTOS: Property photos must be included with all listings, except where sellers expressly direct that photographs of their property not appear in MLS compilations.

(Amended 11/18)

Section 1.22 DESCRIPTIONS OF A PROPERTY:

Only descriptions of a property, its location or community, any exclusions from the sale and/or any legally required statements are allowed in the public access remarks section of any listing in the Association MLS database. Written statements containing listing broker or agent contact information, showing instructions or commission arrangements, are only permitted in the section of the listing that restricts access to MLS subscribers only. Listing broker or agent contact information is not allowed within any graphic image, including virtual tours, displayed within any listing in the Association MLS database. *Modified September 9, 2003*

Section 1.23 PUBLIC REMARKS:

Public disclosures field will be reserved solely for information that affects the value of the property. The MLS retains the right to remove language that does not relate to the property or the transaction in all public viewable fields in the MLS, if not removed by the listing broker when requested. Any additional fees the seller requires the buyer to pay above and beyond the list price, (such as short sale negotiating fees, transaction fees) must be disclosed in the public remarks. *Adopted March 12, 2013 (rev. 8/19)*

Section 1.24 NO PROGRAMMING CODE IN LISTINGS:

There shall be no programming code, e.g. HTML, Java Script, Active X, etc..., in any of the listing information (text, images, or other) entered into MLS Database. (Adopted 8/19)

Section 1.25: ALL FIELDS SHALL BE USED AS INTENDED.

Willful misuse of any field will be fineable. Adopted 8/19)

Section 1.26: PROCEDURES FOR LIMITED SERVICE LISTINGS:

Limited Service Listings will be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property. Limited Service Listings must be designated in the MLS by using the code LS

under listing type preceded by the type of listing being taken (Exclusive right or Exclusive Agency) (ER/LS) or (EA/LS)(Adopted 8/19)

Listing agreements under which the listing broker will not provide one, or more, of the following services:

- a. Arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s)
- b. Accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s)
- c. Advise the seller(s) as to the merits of offers to purchase
- d. Assists the seller(s) in developing, communicating, or presenting counteroffers
- e. Participate on the seller's(s') behalf in negotiations leading to the sale of the listed property (Adopted 8/19)

Section 1.3 EXEMPTED LISTINGS:

If the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

NOTE 1: A non-participation agreement form must be filed along with a copy of the listing agreement.

NOTE 2: MLS Participants must distribute exempt listings within (1) one business day once the listing is publicly marketed. See Section 1., Clear Cooperation.

Section 1.3A

No Member of the Association may advertise any property for sale or lease that is not listed in the MLS in any print or electronic medium, unless they have first provided the Association with a Non-Participation Agreement, signed by the Owner of the property, stating Owner does not wish their property be listed in the MLS. When a property cannot be found in the MLS and is being advertised in other venues (sign, written or electronic advertisement) the MLS service must be notified in writing. The notification must include property address and brokerage information along with the date of the inquiry. The MLS reserves the right to request a copy of the listing agreement and any other marketing agreement with the seller to verify whether it's an office exclusive or non-participation listing. *(Adopted 1/16)*

Section 1.3B

A letter will be sent to brokers who are not entering listings in the MLS telling them that they must abide by the MLS rules. All listings must be in the MLS, or brokers must provide documentation via the non-participation form that the seller does not wish to have their listing in the MLS. They have 72 hours to comply, or be fined \$500 per listing. If the fines are not paid Section 7 applies. *(Adopted 1/16)*

Section 1.3C COMING SOON LISTINGS

Coming Soon Listings (COMS): If the Seller(s) requests that a listing not be disseminated to the public by the service until certain criteria is met by the Owner or Broker (examples until the property is photographed or certain repairs or replacements have been completed, etc.), the Participant may take the listing and the data may be filed with the Multiple Listing Service as a Coming Soon listing. Coming Soon listings like all listings cannot be entered into the MLS Database before the Commencement Date (Effective Date). Coming Soon listing data will only be accessible to active Multiple Listing Service Participants. Listing Data can remain with a Multiple Listing Service with a Coming Soon status for 14 days at which time if the listing has not been moved to Active or some other status other than Coming Soon by the Broker it will be removed and placed in Withdrawn status by MLS staff. Extensions may be granted by staff for valid extenuating circumstances. Filing of the listing should be accompanied by certification signed by the seller stating that they do not desire the listing to be disseminated to the public at this time by the service and the reason for the delay. Brokers must have a complete and fully executed listing agreement at the time the data is entered into the system and the MLS reserves the right to request a copy of the listing agreement.

Section 1.4 CHANGE OF STATUS OF LISTING: Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and accepted in writing by the broker. Said change shall be entered into the computer within one business day from the date on which the change was received and accepted by the broker. *(Amended 3/16)*

Section 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION: A withdrawal of a listing prior to the expiration date in the original listing agreement shall be authorized in writing by the seller and accepted in writing by the broker. Within three (3) calendar days from seller notification and broker acceptance, the listing broker shall enter it into the computer.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller can document that his exclusive relationship with listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller.

Section 1.5A Termination of Listing prior to Expiration

Listings of property may be terminated from the MLS by the Listing Broker before the expiration date of the listing agreement provided there is a written agreement between the Seller and the Listing Broker which authorizes the termination. (Adopted 8/19)

Sellers do not have the unilateral right to require that their listing be terminated in the MLS Database without the Listing Broker's concurrence. However, when the Seller(s) can document that his/her exclusive relationship with the Listing Broker has been terminated, MLS may terminate the listing in the MLS Database and notify the Listing Agent and the Listing Broker of such action

Section 1.6 CONTINGENCIES APPLICABLE TO LISTINGS: Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants.

Section 1.7 LISTING PRICE SPECIFIED: The listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings. ~~unless the property is subject to auction.~~ (rev. 7/19)

Section 1.8 LISTING MULTIPLE UNIT PROPERTIES: All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the Multiple Listing Service.

Section 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS: The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

Section 1.10 EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS: Listings filed with the multiple listing service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed. (Amended 11/01)

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Extensions and renewals of listings must be signed by the seller(s) and filed with the service. (Amended 11/01)

Section 1.11 TERMINATION DATE ON LISTINGS: Listings filed with the Service shall bear a definite and final termination date as negotiated between the listing broker and the seller.

Section 1.12 SERVICE AREA: (*territorial jurisdiction*): Only listings of the designated types of property located within the service area of the MLS are required to be submitted to the service. Listings of property located outside the MLS's service area will be accepted if submitted voluntarily by a participant, but cannot be required by the service. (Amended 11/17)

Section 1.13 LISTINGS OF SUSPENDED PARTICIPANTS: When a Participant of the Service is suspended from the MLS for failing to abide by membership duty (i.e., violation of the Code of Ethics, Board Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of suspended Participant's listings from the MLS, the suspended Participant should be advised in writing of the intended removal so that the suspended Participant may advise his clients. (Reference Section 7)

Section 1.14 LISTINGS OF EXPELLED PARTICIPANTS: When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS shall, at the expelled Participant's option, be retained in the Service until sold, withdrawn or expired,

and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from the Board (except where MLS participation without Board memberships is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal so that the expelled Participant may advise his clients. (Reference Section 7)

Section 1.15 LISTINGS OF RESIGNED PARTICIPANTS: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

Section 1.16. Listing Agent: All listings entered into the MLS must be entered showing the name of the agent who took the listing. The Multiple Listing Service prohibits the practice of entering any listings in an office under the Broker/Manager's name unless that person actually obtained the listing(s). Non-participants may not enter their listings into the MLS under a participating agent's name. Failure to comply with this Section may result in loss of MLS privileges. (Adopted 7/19)

Selling Procedures

Section 2. SHOWINGS AND NEGOTIATIONS: Appointments for showings and negotiations with the seller for the purchase of listed property filed with the Multiple Listing Service shall be conducted through the listing broker except under the following circumstances:

- (a) The listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
- (b) After reasonable effort, the cooperating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.

Section 2.1 PRESENTATION OF OFFERS: The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so.

Section 2.2 SUBMISSION OF WRITTEN OFFERS: The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. (Adopted 11/87)

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice

where there is a question about whether a pre-existing contract has been terminated. (*Amended 11/05*)

Section 2.3 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller of any offer he secures to purchase. He does not have the right to be present at any discussion or evaluation of that offer by the seller and the listing broker. However, if the seller gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Where the cooperating broker is not present during the presentation of the offer, the cooperating broker can request in writing, and the listing broker must provide, as soon as practical, written affirmation stating that the offer has been submitted to the seller, or written notification that the seller has waived the obligation to have the offer presented. (*Amended 11/19*)

Section 2.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFER: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser (except where the cooperating broker is a subagent). However, if the purchaser gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's written instructions.

Section 2.5 REPORTING SALES TO THE SERVICE: Status changes, including final closing of sales, shall be reported to the multiple listing service by the listing broker within one business day after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within one business day after occurrence and the listing broker shall report them to the MLS within one business day after receiving notice from the cooperating broker. (*Amended 3/16*)

NOTE: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its participants. (*Amended 11/01*)

Section 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES: The listing broker shall report to the Multiple Listing Service within 24 hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement canceled.

Section 2.7 ADVERTISING OF LISTING FILED WITH THE SERVICE: A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker. The term “advertising” or “advertised” as used herein shall include the display of a listing on a real estate brokerage company’s website or a real estate agent’s web page that is accessible to the general public.

Section 2.8 REPORTING CANCELLATION OF PENDING SALE: The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

Note: Immediately (within one business day)

Section 2.9. Disclosing the Existence of Offers: Listing brokers, in response to inquiries from buyers or cooperating brokers shall, with the seller’s approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing broker shall also disclose, if asked, whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker.

Section 2.10. Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

Refusal to Sell

Section 3. REFUSAL TO SELL: If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the Service and to all Participants.

Immediately (within one business day)

Prohibitions

Section 4. INFORMATION FOR PARTICIPANTS ONLY: Any listing filed with the Service shall not be made available to any broker or firm not a Member of the MLS without the prior consent of the listing broker.

Section 4.1 "FOR SALE" SIGNS: Only the "For Sale" sign of the listing broker may be placed on a property. Any signs placed on a property by a broker or their agent should comply with the rules and restrictions adopted by the controlling government authority for the region in which the property is located. (Amended 11/18)

Section 4.2A "SOLD" SIGNS: Prior to closing, only the “sold” sign of the listing broker may be placed on a property, unless the listing broker authorizing the cooperating (selling) broker to post such a sign.

Section 4.2B "SOLD" SIGNS: Sold signs on Sanibel should be removed day of closing from property (Captiva does not allow sold signs). If not removed within 5 calendar days Section 7 will apply. (Amended 7/17)

Section 4.3 SOLICITATION OF LISTINGS FILED WITH THE SERVICE: Participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practice and its Case Interpretations.

NOTE 1: This Section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This Section is intended to encourage sellers to permit their properties to be filed with the Service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker.

This Section is also intended to encourage brokers to participate in the Service by assuring them that other Participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this Section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers.

This Section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

Section 4.4 USE OF THE TERMS MLS AND MULTIPLE LISTING SERVICE, MODEL MLS RULES AND REGULATIONS (ALL TYPES): No MLS participant, subscriber or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate and MLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise. (Adopted 11/07)

Article I. Division of Commissions

Section 5. COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing filed with the multiple listing service, the compensation offered to other multiple listing service participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise

of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. (Amended 11/98)

In filing a property with the multiple listing service of an association of REALTORS[®], the participant of the service is making blanket unilateral offers of compensation to the other MLS participants, and shall therefore specify on each listing filed with the service, the compensation being offered to the other MLS participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.* (Amended 11/96)

*The compensation specified on listings filed with the multiple listing service shall appear in one of two forms. The essential and appropriate requirement by an association multiple listing service is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. by showing a percentage of the gross selling price
2. by showing a definite dollar amount (Amended 5/10)

Note: MLSs may also, as a matter of local discretion, allow participants to offer cooperative compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions (as defined by the MLS unless otherwise defined by state law or regulation). (Adopted 5/08)

The listing broker retains the right to determine the amount of compensation offered to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different. (Amended 11/96)

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. (Amended 5/10)

Note 1: The association multiple listing service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the association multiple listing service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The association multiple listing service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other multiple listing service participants for their services with respect to any listing by advance published notice to the service so that all participants will be advised. (Amended 4/92)

Note 3: The multiple listing service shall make no rule on the division of commissions between participants and nonparticipants. This should remain solely the responsibility of the listing broker.

Note 4: Multiple listing services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction. (Amended 5/10)

Note 5: Nothing in these MLS rules precludes a listing participant and a cooperating participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction. (Adopted 11/05)

Note 6: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential

information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential “remarks” available only to participants and subscribers. (Amended 5/09)

Section 5.0.1: DISCLOSING POTENTIAL SHORT SALES: Participants may, but are not required to, disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) to other participants and subscribers. (Amended 5/09)

Section 5.1 PARTICIPANT AS PRINCIPAL: If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in property, the listing of which is to be disseminated through the Multiple Listing Service, that person shall disclose that interest when the listing is filed with the Multiple Listing Service and such information shall be disseminated to all Multiple Listing Service Participants.

Section 5.2 PARTICIPANT AS PURCHASER: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 5.3 DUAL OR VARIABLE RATE COMMISSION ARRANGEMENTS: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code or symbol as required by the MLS. This listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

Article II. Service Charges

Section 6 SERVICE FEES AND CHARGES: The following service charges for operation of the Multiple Listing Service are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed:

- (a) **Initial Participation Fee:** An application for participation in the Service shall pay an application fee of \$1,000 with such fee to accompany the application.

NOTE: The Initial Participation Fee shall approximate the cost of bringing the Service to the Participant.

- (b) Recurring Participation Fee: The annual participation fee of each Participant shall be an amount equal to the current fee times each salesperson and licensed or certified appraiser who has access to and use of the Service, whether licensed as a broker, sales licensee or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. Payment of such fees shall be made on or before the first day of the fiscal year of the Multiple Listing Service. Fees shall be prorated on a monthly basis.

However, MLSs must provide participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS or CIE where the principal broker participates. MLSs may, at their discretion, require ~~waiver recipients and their~~ that participants to sign a certification for nonuse of its MLS services by their licensees, which can include penalties and termination of the waiver if violated.* (Adopted 11/17)

NOTE: To be eligible for the subscription waiver, licensees affiliated with a Participant must meet the following criteria:

- Waiver Applicant is currently an active member with another Multiple Listing Service that meets the criteria for a Multiple Listing Service as defined by the National Association of REALTORS®. Verification can include, but is not limited to: 1) invoices, 2) receipts, 3) letters of good standing, or 4) any other approved documentation that can demonstrate that subscription is held in another MLS.
- Waiver Applicant will NOT act as a representative for any active Listing included in the SanCap MLS;
- Waiver Applicant will NOT directly or indirectly access or use in any manner whatsoever the Listing information stored in the SanCap MLS that is limited to only SanCap MLS participants and subscribers. Such access and use includes, but is not limited to, direct access to or use of the SanCap MLS and the use of the other devices or services provided by the SanCap MLS or its affiliated or licensed vendors or suppliers that permit access to and use of any confidential Listing information from the SanCap MLS;
- Waiver Applicant is NOT part of a designated real estate “Team” where one or more of the other Team members are subscribers to the MLS
- Waiver Applicant will NOT use, directly or indirectly, in any manner whatsoever information from the SanCap MLS to list properties for sale or lease, to identify or locate properties for any potential buyers or lessees, and does not participate in SanCap MLS; and
- Waiver Applicant will NOT access any non-listing services offered by SanCap MLS including but not limited to attending MLS Tours and trainings. (Amended 11/18)

SEE APPENDIX I: MLS Waiver Application

NOTE 1: A Multiple Listing Service may elect to have such fees payable on a quarterly or even a monthly basis. However, added administrative services are necessitated by increased frequency of such payments.

NOTE 2: Multiple listing services that choose to include affiliated unlicensed administrative and clerical staff, personal assistants, and/or individuals seeking licensure or certification as real

estate appraisers among those eligible for access to and use of MLS information as subscribers may, at their discretion, charge recurring fees. (Amended 11/17)

- (c) Listing Fee: A Participant may be required to pay a yearly Listing Fee as established by the Board of Directors.

NOTE: An alternative provision for the "Listing Fee" is "For filing a new listing or renewal of a listing with the Service fee currently established by the Board of Directors shall accompany each listing when filed with the Service."

OPTIONAL: It is a matter of agreement between the listing and selling broker as to whether or not the cooperating broker shall reimburse the listing broker for the Listing Fee. The Multiple Listing Service shall not be concerned as this is an arrangement between cooperating brokers and the Multiple Listing Service Rules do not dictate the compensation offered to cooperating brokers by the listing broker.

- (d) Subscription Fees: One complete set of current listings shall be supplied to the Participant upon payment of the Application Fee and the Participation Fee, and the Participant shall be responsible for a Subscription Fee of \$ (varies monthly, based on the number of subscribers) for each additional set of listings to be supplied to each individual, employed by or affiliated as an independent contractor (including licensed or certified appraisers) with the Participant, who has access to and who utilizes the Service.

NOTE: This should be a minimal charge based on actual costs of producing and distributing the information.

NOTE: Any combination of charges may be used if they are in accordance with the National Association's Multiple Listing Policy Point No. 3. Multiple Listing Policy Point No. 3 prohibits a fee that is contingent on the sale of a listed property.

NOTE: Financing from the Multiple Listing Service should be adequate but not in such amounts as to be the source of financing the Association's operation. The Multiple Listing Service should pay its own way and allow for a reasonable operating reserve but it is merely another service of the Association and not the principal activity or reason for the Association's existence. So long as it is able to restrict its services exclusively or primarily to Association Members, the Service is not properly an Association profit center.

NOTE: Multiple Listing Services that choose to include affiliated unlicensed administrative and clerical staff, personal assistants and/or individuals seeking licensure or certification as real estate appraisers among those eligible for access to and use of MLS information as "subscribers" may, at their discretion, amend Sections 6(b) and (d) as necessary to include such individuals in the computation of MLS fees and charges.

Compliance with Rules

Section 7, Compliance with Rules – Authority to Impose Discipline

General Information

Purpose: The purpose of the MLS Sanction Program is to achieve and maintain timely and accurate information in the MLS Database.

Sanctions are intended to encourage corrective action so that future errors of the same kind are avoided. Further, the discipline program is meant to be simple to understand and easy to administer, while still preserving the Brokers' and Agents' rights.

By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- A. Letter of warning
- B. Letter of reprimand
- C. Attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- D. Appropriate, reasonable fine not to exceed \$15,000
- E. Suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- F. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

Note: A participant (or user/subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a participant (or user/subscriber, where appropriate) is placed on probation the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (Revised 05/14)

The lack of enforcement of one clause does not affect the ability of the Association to enforce any and all other clauses. The following action may be taken for noncompliance with the Rules:

Who May Receive Sanctions: Agents or Brokers, depending on who violated the MLS rule.

Administration Of Fines: The MLS Staff is authorized to confirm Violations of these Rules and Regulations and to impose fines as specified in these Rules and Regulations.

Referral To MLS Committee: If MLS Staff is reasonably certain that a Violation has occurred but either cannot confirm that a Violation has occurred or is unable to bring the administration of the Violation to a successful conclusion, then MLS Staff will refer the matter to the MLS Committee for its determination and action.

The Basic Steps In The Process:

1. **Violation:** An Agent or Broker commits a Violation.
2. **Notification:** MLS Staff will notify the Agent and/or Broker with the information appropriate to the Violation.

Notice will include but is not limited to:

- a. The type of Violation
- b. The corrective action to take
- c. The timeframe to correct the Violation.

An Agent’s Broker will be copied and/or informed of all notifications to the Agent.

Notice may also include if known at the time:

- d. Whether there is a Penalty and/or Fine and its amount
- e. The number of Violations the Agent has committed in the current Fine Period.

3. **Action:** The Agent should take the appropriate action to correct the Violation.
4. **Further Notification/Consequences:** MLS Staff notifies the Agent and/or the Broker if the Violation has not been corrected, and informs the Agent and/or Broker of the consequences of not correcting the Violation. If the Violation has not been corrected in a timely matter, this notification will be considered a Second Violation of the same Rule.

Sanction Program Quick Reference Chart

This table is a simple general summary of the Sanction Program and Fine Process. Violations must be corrected within one business day after notification. There are some Rules with penalties that override the procedures outlined in the summary.

Read the entire Article 7, 9 and all Appendix for a complete understanding of the MLS Sanction Program.

Violation	A requirement of an MLS rule has not been met; or failure to correct an infraction of the MLS rule in the time allotted for the correction. Each individual act or omission is a separate violation; provided however, that a single act or omission that affects more than one listing shall be treated as a single violation without regard to the number of listings affected.
Fine Period	The prior 12 months.
No Fines	First Violation of different MLS rules. Generally No Agent or Broker will be fined for the First Violation of any rule if the Violation is corrected in the allotted time specified in the notification. There may however be some specific rules which override this general procedure.

Fines	An Agent and/or Broker is fined when the same MLS rule is violated again or an infraction of a previously violated rule has not been corrected in the allotted times specified in the notification of the Violation. The first Business Day starts the day after the date of the notification.
	Second Violation: \$100 Fine.
	Third Violation: \$250 Fine and Completion of appropriate class within 90 days.
	Fourth Violation: \$500 Fine.
Referral to MLS Committee	Fifth Violation: When five Violations have been committed, this is referred to MLS Committee, and the MLS Committee may assess a fine not to exceed \$15,000.00.
Payment of All Fines	The Agent and/or Broker are responsible for paying all fines assessed for Violations.

Description Of Violations And The Fining Process

First Violation of an MLS Rule in a Fine Period— Commonly No Fine.

For the First Violation of an MLS rule in a Fine Period, MLS will notify the Agent and/or Broker of the Violation. If the Violation is corrected in the allotted time outlined in the notification of the Violation there will be no fine. The first Business Day starts the day after the date of the notification. If the Violation is not corrected in the allotted time frame it will be deemed another Violation of the same MLS rule and escalates to a Second Violation.

Second Violation of an MLS Rule in a Fine Period—\$100.00 Fine.

For the Second Violation of the same MLS rule in a Fine Period, MLS will notify the Agent and/or Broker of the Violation and the Agent will be fined \$100.00. The Violation must be corrected within the allotted time frame outlined in the new notification or it will be deemed another Violation of the same MLS rule and escalates to a Third Violation. The first Business Day starts the day after the date of the notification.

Third Violation of an MLS Rule in a Fine Period—\$250.00 Fine.

For the Third Violation of the same MLS rule in a Fine Period, MLS will notify the Agent and/or Broker of the Violation and the Agent will be fined \$250.00 and completion of appropriate class within 90 days. The Violation must be corrected within the new allotted time frame outlined in the new notification or it will be deemed another Violation of the same MLS rule and escalates to a Fourth Violation. The first Business Day starts the day after the date of the notification.

Fourth Violation in a Fine Period—\$500 Fine.

When the Agent and/or Broker and/or Broker have committed a total of Four Violations of the same or different MLS Rule in a Fine Period, the Agent will be fined \$500.00. The Violation must be corrected within the allotted time frame outlined in the new notification or it will be deemed another Violation of the same MLS rule and escalates to a Fifth Violation. The first Business Day starts the day after the date of the notification.

Fifth Violation in a Fine Period.

When the Agent and/or Broker has committed a total of Five Violations in a Fine Period, the Agent and/or Broker will be requested to appear before the MLS Committee, and the MLS Committee may fine the Agent an amount not to exceed \$15,000.00.

Correction of Violations.

Violations must be corrected within one business day after notification.

MLS Committee's Right to Review Fine History.

At any time the MLS Committee reserves the right to review details of the history of MLS rule Violations, the associated Fines.

Payment of Fines by Agent.

Fines are to be paid within ten (10) Business Days from the "Invoice Date" of the fine. The "Invoice Date" is the date that notification of the fine is given to the agent who violated the MLS rule. The "Payment Due Date" is the tenth Business Day after the day that notification of the fine is sent to the Agent and the Agent's Broker who violated the MLS rule.

Previous Fine Added to Current Fine.

The fine amount for a previous offense, if not paid, is added to the fine amount of the current offense.

Suspending Computer Access.

If an Agent does not pay a fine within the Payment Due Date of the fine, as defined above, the Agent's computer access to the MLS Database will be suspended until fines are paid in full.

Steps In Reporting Violations And Assessing Fines.

1. A violation is discovered by, or reported to, MLS. The reporting may be oral or in writing. The reporting individual's name will remain confidential unless the individual is willing to have his/her name revealed to the person about whom he/she is submitting the complaint and/or to the MLS Committee.
2. In the event that the individual reporting the violation does not want his/her name revealed to the MLS Committee and the violation has been referred to the MLS Committee and the MLS Committee cannot make a determination whether a violation has occurred, the matter will be closed without further action.
3. If MLS Staff cannot determine whether a violation has occurred without certain documentation, MLS Staff is authorized to submit a written request for confirming documents, which are to be supplied within the allotted time frame. The first Business Day starts the day after the date of the request. Such requested documents are considered confidential information.
4. When all requested documents are provided and MLS Staff determines that a violation has occurred, MLS Staff will process the violation in accordance with Article 9, Section 9.1

RESPONSIBILITY FOR PAYMENT OF FINES

Whoever, Agent or Broker, is fined for a Violation will be responsible for paying the fine. The Broker will be alerted of any notifications sent to an Agent affiliated with the Broker regarding Violations, and if a fine is to be assessed for the Violation, the Broker will be informed of the fine.

If the Agent is fined, payment of the fine will be the Agent's responsibility and not the Broker's. The Agent cannot avoid payment of a fine by changing MLS Participating Offices. If the Agent moves from one MLS Participating Office to another MLS Participating Office, the fine follows the Agent. If the Agent leaves the MLS, the fine will be the Agent's responsibility if he/she returns to MLS.

REFERRAL TO MLS COMMITTEE

If the MLS Staff cannot determine or confirm that a Violation of a rule has occurred, then the matter will be referred to the MLS Committee for its determination and action. If the MLS Staff is unable to administratively bring the Violation of a rule to a successful conclusion, then MLS Staff will refer the matter to the MLS Committee for its determination and action.

Broker/Agent Contests Fine By MLS Staff

If a Broker or Agent feels that a fine, levied by MLS Staff, is unwarranted, the Broker or Agent may write the MLS Committee explaining the reason. The MLS Committee will decide, based on the written information, whether the fine levied by MLS Staff is warranted and so inform the Broker or Agent. If the Broker or Agent appeals the MLS Committee's decision, final determination will be made using the appropriate process described in Article 9 of the MLS Rules and Regulations. However, the fines must be paid when due. If the Broker's or Agent's appeal is successful, the amount of the fine authorized by the appropriate entity will be refunded.

Suspension/Termination Of Service For Nonpayment Of Fines

Agents

If an Agent does not pay a fine by the "Payment Due Date," the Agent's computer access to the MLS Database will be suspended until fines are paid in full. The "Invoice Date" is the date that notification of the fine is sent to the agent who violated the MLS rule. The "Payment Due Date" is the tenth Business Day after the day that written notification of the fine is sent to the agent or broker who violated the MLS rule.

Brokers

A Broker's fine will be added to the Broker's bill for MLS services and be subject to the procedures for payment associated with such billing. The Broker, on a case by case basis, may elect to pay an Agent's fine, in which case the Broker must notify MLS of that decision prior to the Agent's "Payment Due Date," and the Agent's fine will be added to the Broker's bill for MLS services and be subject to the procedures for payment associated with such billing.

Suspension/Termination Of Service For Nonpayment Of MLS Bill

For failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) day notice has been given, the Service shall be suspended until service charges or fees are paid in full.

Failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply.

NOTE: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the Rules and Regulations of the Multiple Listing Service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the Rules and Regulations of the Service.

Payment of all dues and fees must be received within thirty (30) days from the date of the invoice. If payment is not received within the thirty (30) day period, a notice will be sent by certified mail, or by personal delivery requiring payment in full within ten (10) days from receipt of such notice. If the amount continues unpaid, the Participant's membership in the MLS Service will be suspended and all services and supplies will be terminated.

The Participant will be charged a \$100.00 fee to reinstate their MLS membership plus the costs incurred to enforce payment.

Section 7.1 APPLICABILITY OF RULES TO USERS AND/OR SUBSCRIBERS: Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS

are subject to these Rules and Regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the Rules and Regulations. Further, failure of any user or subscriber to abide by the Rules and/or any sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participants ultimate responsibility and accountability for all users or subscribers affiliated with the Participant.

Note: Adoption of Section 7.1 is optional and it should be adopted by Multiple Listing Services desiring to establish authority to impose discipline on non-principal "users" or "subscribers" affiliated with MLS "Members" or "Participants".

Section 7.2 APPROPRIATE PROCEDURES FOR RULES AND ENFORCEMENT FOR NON-MEMBER PARTICIPANTS: In any instance where non-Board Member who is a Participant in a Board Multiple Listing is charged with a violation of MLS Bylaws or Rules and Regulations of the Service, it may be administratively considered and determined by the MLS governing committee, and if a violation is determined, the committee may direct the imposition of sanction, provided that the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board. If the Participant refuses to accept any sanction or discipline proposed, the circumstances and discipline proposed shall be appealed to the Board of Directors of the Association of REALTORS® which shall, if it deems the finding a violation proper and the sanction appropriate to the offense, delay the effective date of sanction until final entry by a court of competent jurisdiction in a suit filed by the Board for declaratory relief, except in those states where declaratory relief is not available, declaring that the disciplinary action and proposed sanction violates no rights of the Multiple Listing Service Participant.

Section 7.3 INCLUSION OF EXCLUSIVE AGENCY LISTING IN MLS COMPILATION AND DATA BASES A Board Multiple Listing Service shall not establish or maintain any rule or policy prohibiting inclusion of exclusive agency listings that would be otherwise acceptable for inclusion in the compilation of current listing information nor shall it require submission of such listings by Participants except at the discretion of Participants. MLS Rules & Regulations Page 16 of 42

EXPLANATION: This policy shall not be construed as requiring any REALTOR® to accept an exclusive agency listing if the REALTOR® determines that such acceptance is not in his best interest or that if his affiliated sales licensees, clients or customers nor does it permit the establishment or maintenance of rules that require submission of such listings for inclusion in MLS compilations except at the discretion of the listing brokers. However, this policy does preclude collective agreements between REALTORS® affiliated with different firms or other to refuse to accept exclusive agency listings or to refuse to accept offers of sub agency through the Multiple Listing Service or otherwise. This policy contemplates that the Board of the Multiple Listing Service will clearly distinguish between exclusive right to sell and exclusive agency listings in multiple listing compilations of brokers who cooperate in the sales of such listings.

Article III. Meetings

Section 8. MEETINGS OF MLS COMMITTEE: The Multiple Listing Service Committee shall meet for the transaction of its business at a time and place to be determined by the Committee or at the call of the Chairperson.

Section 8.1. MEETINGS OF MLS PARTICIPANTS: The Committee may call meetings of the Participants in the Service to be known as meetings of the Multiple Listing Service.

Section 8.2. CONDUCT OF MEETINGS: The Chairperson or Vice Chairperson shall preside at all meetings or, in their absence, a temporary Chairperson from the membership of the Committee shall be named by the Chairperson or, upon his failure to do so, by the Committee.

Article IV. Enforcement of Rules or Disputes

Section 9. CONSIDERATION OF ALLEGED VIOLATIONS: The Committee shall give consideration to all written complaints having to do with a violation of the Rules and Regulations. By Becoming and remaining a participant, each participant agrees to be subject to these rules and regulations, the enforcement of which are at the sole discretion of the committee (Board of Directors)

Section 9.1 VIOLATIONS OF RULES AND REGULATIONS FOR REALTOR® PARTICIPANTS: If alleged offense is a violation of the Rules and Regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Multiple Listing Service Committee, and if a violation is determined, the Committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws of the Association of REALTORS® and Rules and Regulations of the Association of REALTORS® within twenty (20) days following receipt of the Committee's decision. If, rather than conducting an administrative review, the Multiple Listing Committee, has a procedure established to conduct hearings, the decision of the Multiple Listing Committee may be appealed to the Board of Directors of the Association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations, involving unethical conduct, shall be referred to the Association's Grievance Committee for processing in accordance with the professional standards procedures of the Association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Association of REALTORS®.

Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the committee to the Professional Standards Administrator of the association of Realtors® for appropriate action in accordance with the professional standards procedures established in the association's bylaws. (Amended 11/88)

Section 9.3 Complaints of Unauthorized Use of Listing Content

Any participant who believes another participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No participant may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures outlined in this Section 9.3 of the MLS rules.

Upon receiving a notice, the committee (Board of Directors) will send the notice to the participant who is accused of unauthorized use. Within ten (10) days from receipt, the participant must either. 1)

remove the allegedly unauthorized content, or 2) provide proof to the committee (Board of Directors) that the use is authorized. Any proof submitted will be considered by the Committee (Board of Directors), and a decision of whether it establishes authority to use the listing content will be made within thirty (30) days.

If the Committee (Board of Directors) determines that the use of the content was unauthorized, the Committee (Board of Directors) may issue a sanction pursuant to Section 7 of the MLS rules, including a request to remove and /or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS rules, that too will be considered at the time of establishing an appropriate sanction.

If after ten (10) days following transmittal of the Committee's (Board of Director's) determination the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

Section 9.4 MLS Rules Violations

MLS participants may not take legal action against another participant for alleged rules violation(s) unless the complaining participant has first exhausted the remedies provided in these rules

Note: Adoption of Sections 9.3 and 9.4 are not required if the MLS has adopted alternative procedures to address alleged misuse of listing content that includes notice to the alleged infringer.

Article V. Confidentiality of MLS Information

Section 10. CONFIDENTIALITY OF MLS INFORMATION: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with the Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants.

Section 10.1 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

Section 10.2 ACCESS TO COMPARABLE AND STATISTICAL INFORMATION: Association members who are actively engaged in real estate brokerage, management, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS 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 provided in these Rules and Regulations. (11/05)

Ownership of MLS Compilations* and Copyrights

Section 11. By the act of submitting any property listing content to the MLS the participant represents and warrants that he or she is fully authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations, and also thereby does grant to the MLS license to include the property listing content in its copyrighted MLS compilation and also in any statistical report on "Comparables." Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property. (Revised 3/17)

Each participant who submits listing content to the MLS agrees to defend and hold the MLS and every other participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or any inadequacy of ownership, license, or title to the submitted listing content

Section 11.1 All right, title, and interest in each copy of every Multiple Listing Compilation created and copyrighted by the Sanibel & Captiva Islands Association of REALTORS®, and in the copyrights therein, shall at all times remain vested in the Sanibel & Captiva Islands Association of REALTORS®.

Section 11.2 Each Participant shall be entitled to lease from the Sanibel & Captiva Islands Association of REALTORS® a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such Compilation. The Participant shall pay, for each such copy, the rental fee set by the Sanibel & Captiva Islands Association of REALTORS®. **

Participants shall acquire by such lease only the right to use the MLS Compilations in accordance with these Rules.

* The term MLS Compilation, as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to Participants, including, but not limited to, bound book, loose-leaf binder, computer database, card file, or any other format whatever.

** This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling or appraising the types of properties which are required to be filed with the MLS, and who does not, at any time, have access to nor use of the MLS information or MLS facility of the Association.

***The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or “safe harbors” from copyright infringement liability for online service providers (OSP) that satisfy

certain criteria. Courts construe the definition of “online service provider” broadly, which would likely include MLSs as well as participants and subscribers hosting an IDX display.

One safe harbor limits the liability of an OSP that hosts a system, network or website on which Internet users may post user-generated content. If an OSP complies with the provisions of this DMCA safe harbor, it cannot be liable for copyright infringement if a user posts infringing material on its website. This protects an OSP from incurring significant sums in copyright infringement damages, as statutory damages are as high as \$150,000 per work. For this reason, it is highly recommended that MLSs, participants and subscribers comply with the DMCA safe harbor provisions discussed herein.

To qualify for this safe harbor, the OSP must:

- (1) Designate on its website and register with the Copyright Office an agent to receive takedown requests. The agent could be the MLS, participant, subscriber, or other individual or entity.
- (2) Develop and post a DMCA-compliant website policy that addresses repeat offenders.
- (3) Comply with the DMCA takedown procedure. If a copyright owner submits a takedown notice to the OSP, which alleges infringement of its copyright at a certain location, then the OSP must promptly remove allegedly infringing material. The alleged infringer may submit a counter-notice that the OSP must share with the copyright owner. If the copyright owner fails to initiate a copyright lawsuit within ten (10) days, then the OSP may restore the removed material.
- (4) Have no actual knowledge of any complained-of infringing activity.
- (5) Not be aware of facts or circumstances from which complained-of infringing activity is apparent.
- (6) Not receive a financial benefit attributable to complained-of infringing activity when the OSP is capable of controlling such activity.

Full compliance with these DMCA safe harbor criteria will mitigate an OSP’s copyright infringement liability. For more information see 17 U.S.C. §512 (*Amended 2/16*)

Use of Copyrighted MLS Compilations

Section 12. DISTRIBUTION: Participants shall at all times maintain control over the accessibility of the MLS database compilation, whether the database is accessible online through direct dial up or via Internet browser software, or off-line after being downloaded to a computer or server in the Participant’s office. Participant shall insure that access to the MLS database compilation is made available only to persons who are affiliated with such Participant as real estate broker or sales person, licensees or as individuals who 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 MLS is strictly limited to the activities authorized under a Participant’s licensure(s) or certification

and unauthorized uses are prohibited including the dissemination of data from the MLS database to any person or entity except as expressly permitted in these Rules and Regulations. 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. (Amended 12/98)

Section 12.1 DISPLAY: Participants and those persons affiliated as licensees with such Participants shall be permitted to display the MLS Compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation.

Participant's shall not, under any circumstances, allow prospective purchasers, or any non-Participant, to have direct access to the MLS database compilation whether from the Participant's office or from a website operated by or on behalf of Participant, or the brokerage company with which the Participant is affiliated.

Section 12.2 REPRODUCTION: Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the MLS compilation and distribute to prospective purchasers a reasonable number of single copies of property listing data contained in the MLS compilation which relate to any properties in which the prospective purchasers are or may, in the judgment of the participant or their affiliated licensees, be interested.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the participant.

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the participant and those licensees affiliated with the participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support valuations on a particular properties for clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs

incurred by the MLS in adding or enhancing its downloading capacity for this purpose. information confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations. (Amended 05/14)

* It is intended that the Participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable", as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS Compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

Uses of MLS INFORMATION

Section 13. LIMITATIONS ON USE OF MLS INFORMATION: Use of information from the MLS compilation of current listing information, from the Association's "Statistical Report," or from any "sold" or "comparable" report of the Association or its MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Association or its MLS must clearly demonstrate the period of time over which such claims are based and must include the following notice:

"Based on information from the Sanibel & Captiva Islands Association of REALTORS® (alternatively, from the Sanibel & Captiva Islands MLS) for the period (date) through (date)."

Changes in Rules and Regulations

Section 14. CHANGES IN RULES AND REGULATIONS: Amendments to the Rules and Regulations of the Service shall be by a majority vote of the Members of the Multiple Listing Service Committee, subject to approval by the Board of Directors of the Association of REALTORS®.

Arbitration of Disputes

Section 15. ARBITRATION OF DISPUTES: By becoming and remaining a participant in the MLS, each Participant agrees to arbitrate disputes involving contractual issues and questions and specific non-contractual issues and questions defined in Standard Practice 17-4 of the Code of Ethics

with MLS Participants in different firms arising out of their relationships as MLS Participants, subject to the following qualifications:

- (a) If all disputants are members of the same Association of REALTORS®, or have their principal business within the same Association's territorial jurisdictions, they shall arbitrate pursuant to the procedures of that Association of REALTORS®.
- (b) If the disputants are members of different Associations/Boards of REALTORS®, or if their principal place of business is located within the territorial jurisdiction of different Associations/Boards of REALTORS®, they remain obligated to arbitrate in accordance with the procedures of the Florida Association of REALTORS®.

Interboard Arbitration Procedures: In instances where the State Association does not provide interboard arbitration, the arbitration shall be conducted in accordance with any existing interboard agreement or, alternatively, in accordance with the Interboard Arbitration Procedures in the *Code of Ethics and Arbitration Manual* of the National Association. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Association of REALTORS®.

Awards: The obligation to arbitrate includes the duty to either 1) pay an award to the party(ies) named in the award or 2) deposit the funds with the Professional Standards Administrator to be held in an escrow or trust account maintained for this purpose. Failure to satisfy the award or deposit the funds with the association within ten (10) days may be considered a violation of the MLS rules and may subject the participant to disciplinary action at the sole discretion of the MLS. (*Amended 2/16*)

Standards of Conduct for MLS Participants

Section 16. STANDARDS OF CONDUCT FOR MLS PARTICIPANTS:

Section 16.1 MLS Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other MLS Participants have with clients. (*8/04*)

Section 16.2 Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord.

Section 16.3 MLS Participants acting as subagents or as buyer/tenant representatives or brokers, shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker. (*8/04*)

Section 16.4 MLS Participants shall not solicit a listing currently listed exclusively with another broker. However, if the listing broker, when asked by the MLS Participant, refuses to disclose the expiration date and nature of such listing; i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the MLS Participant may contact the owner to secure such information and may discuss the terms upon which the MLS Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.

Section 16.5 MLS Participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an MLS Participant, refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the MLS Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the MLS Participant might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

Section 16.6 MLS Participants shall not use information obtained from listing brokers, through offers to cooperate made through Multiple Listing Services through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers. (Amended 11/18)

Section 16.7 The fact that an agency agreement has been entered into with an MLS Participant shall not preclude or inhibit any other MLS Participant from entering into a similar agreement after the expiration of the prior agreement.

Section 16.8 The fact that a prospect has retained a MLS Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other MLS Participants from seeking such prospect's future business. (8/04)

Section 16.9 MLS Participants are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Section 16.10 When MLS Participants are contacted by the client of another MLS Participant regarding the creation of an exclusive relationship to provide the same type of service, and MLS Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agency agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

Section 16.11 In cooperative transactions, MLS Participants shall compensate cooperating MLS Participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other MLS Participants without the prior express knowledge and consent of the cooperating broker.

Section 16.12 MLS Participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another MLS Participant. A general telephone canvass, general mailing or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed "general" for purposes of this standard.

The following types of solicitations are prohibited:

Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their

property with another MLS Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another MLS Participant when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, "for sale" or "for rent" signs, or other sources of information intended to foster cooperation with MLS Participants. (8/04)

Section 16.13 MLS Participants, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service. (8/04)

Section 16.14 MLS Participants, acting as buyers or tenants, representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller /landlord's representative or broker not later than execution of a purchase agreement or lease. (8/04)

Section 16.15 On unlisted property, MLS Participants acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement.

MLS Participants shall make any request for anticipated compensation from the seller/landlord at first contact. (8/04)

Section 16.16 MLS Participants, acting as agents representatives or brokers of sellers/landlords or as subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement. (7/04)

Section 16.17 MLS Participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage). However, information received through a Multiple Listing Service or any other offer of cooperation may not be used to target clients of other MLS Participants to whom such offers to provide services may be made.

Section 16.18 MLS Participants, acting as subagents or buyer/tenant agents or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer's agents or brokers or make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.

Section 16.19 All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement represented shall be carried on with the client's agent or broker, and not with the client, except with the consent of the client's agent or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, MLS participants shall ask prospects whether they are a party to any exclusive representation agreement. MLS participants shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects. (Amended 11/18)

Section 16.20 Participants, users, and subscribers, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude participants from establishing agreements with their associated licensees governing assignability of exclusive agreements. (Adopted 1/98, Amended 1/10)

Section 16.21 These rules are not intended to prohibit ethical, albeit aggressive or innovative business practices, and do not prohibit disagreements with other MLS Participants involving commission, fees, compensation or other forms of payment or expenses.

Section 16.22 MLS Participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices. (Amended 01/12)

Section 16.23 MLS Participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of licensees affiliated with a participant's firm shall disclose the firm's name and the licensee's state(s) of licensure in a reasonable and readily apparent manner. (11/07)

Section 16.24 MLS Participants shall present a true picture in their advertising and representations to the public, including Internet content posted, and the URLs and domain names they use, and participants may not:

- a. engage in deceptive or unauthorized framing of real estate brokerage websites;
- b. manipulate (e.g., presenting content developed by others) listing content in any way that produces a deceptive or misleading result; or
- c. deceptively use metatags, keywords or other devices/methods to direct, drive or divert Internet traffic.

EXAMPLE: Primary Location is based upon the physical property lines of the listed property. Any inaccurate selection for Primary Location will be considered deceptive or misleading. (Amended 3/17)

- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers, including use of misleading images.

EXAMPLE: Any information on a listing that claims a source of information must reflect the correct information of that source. Any inconsistencies with that source, unless otherwise stated in the listing will be considered deceptive or misleading. (Amended 3/17)

Article VI. Orientation

Section 17. ORIENTATION:

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 and the operation of the MLS within thirty (30) days after access has been provided.

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated orientation and additional training remotely. (Amended 11/17)

Note: These model rules, originally adopted in November 2001, are updated to reflect enhancements to the IDX policy approved in November 2009.

Section 18. IDX Defined: IDX affords MLS participants the ability to authorize limited electronic display and delivery of their listings by other participants via the following authorized mediums under the participant's control: websites, mobile apps, and audio devices. As used throughout these rules, "display" includes "delivery" of such listings. (Amended 5/17)

Section 18.1. AUTHORIZATION: Participants' consent for display of their -listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download or frame or display the aggregated MLS data of other participants.

Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display or other electronic forms of display or distribution. (Amended 05/12)

Section 18.2. PARTICIPATION: Participation in IDX is available to all MLS participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other participants. (Amended 11/09)

Section 18.2.1 – Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (Amended 05/12)

Section 18.2.2 – MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 05/12)

Section 18.2.3 – Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing brokers to withhold their listing or the listing’s property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) or other electronic forms of display or distribution. (Amended 03/18)

Section 18.2.4 – Participants may select the listings they choose to display through IDX based only on objective criteria including, but not limited to, factors such as geography or location (“uptown,” “downtown,” etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed through IDX must be independently made by each participant. (Amended 03/18)

Section 18.2.5 – Participants must refresh all MLS downloads and displays automatically fed by those downloads not less frequently than every 12 hours. (Amended 11/14)

Section 18.2.6 – Except as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. (Amended 05/12)

Section 18.2.7 – Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, “control” means the ability to add, delete, modify, and update information as required by the IDX policy and MLS rules. (Amended 05/12)

Section 18.2.8 – Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

Either or both of those features shall be disabled or discontinued for the seller’s listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants’. Except for the foregoing and subject to Section 18.2.9, a participant’s IDX display may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (Amended 05/12)

Section 18.2.9: Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property

upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Amended 05/12)

Section 18.2.10: An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, “co-mingling” means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (Adopted 11/14)

Section 18.2.11: Participants shall not modify or manipulate information relating to other participants’ listings. MLS participants may augment their IDX displays of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated from the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. (*Adopted 2/16*)

Section 18.2.12: All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.* (Amended 3/18)

* Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the devices application. (Amended 3/18)

Section 18.3 DISPLAY: Display of listing information pursuant to IDX is subject to the following rules:

Section 18.3.1- Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed. (Amended 05/12)

Section 18.3.1.1- The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. (Amended 05/12)

Section 18.3.2 - (*Deleted 2/16*)

Section 18.3.3 – (Amended 05/12) (Moved to Section 18.2.12)

Section 18.3.5 - Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 18.3.7 – All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 05/12)

Section 18.3.8 – Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g., “thumbnails,” text messages, “tweets,” etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 05/12)

Section 18.3.10 – The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in this MLS.

Section 18.3.11– Listings obtained through IDX feeds from REALTOR® Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) must display the source from which each such listing was obtained. Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 11/14)

Note: An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, “co-mingling” means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (Adopted 11/14)

Section 18.3.12 – Section 18.3.12 -- Display of expired, withdrawn, and sold listings* is prohibited. (Amended 2/16)

* **Note:** If “sold” information is publicly accessible, display of “sold” listings may not be prohibited. (Adopted 11/14)

*Sold Listings displayed in an IDX display must clearly identify the Selling Broker and Listing Broker in a readily visible place on each listing.

*Sold Data in Participants’ IDX displays only includes publicly accessible sold information maintained by the MLS as of January 1, 2012.

Section 18.3.13 – Display of seller’s(s’) and/or occupant’s(s’) name(s), phone number(s), and e-mail address(es) is prohibited. (Adopted 03/13)

Section 18.3.14 – Participants are required to employ appropriate security protection such as firewalls on their websites and displays, provided that any security measures required may not be greater than those employed by the MLS. (Amended 05/12)

Section 18.3.15 – Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. (Amended 05/12)

Section 18.3.16 – Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant’s logo and contact information is larger than that of any third party. (11/09)

Section 18.4 – Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (Adopted 11/01, Amended 5/05)

Section 19.1 (a): A Virtual Office Website (“VOW”) is a Participant’s Internet website, or a feature of a Participant’s website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant’s oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant’s consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant’s oversight, supervision, and accountability.

(b) As used in Section 19 of these Rules, the term “Participant” includes a Participant’s affiliated non-principal brokers and sales licensees – except when the term is used in the phrases “Participant’s consent” and “Participant’s oversight, supervision, and accountability”. References to “VOW” and “VOWs” include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner (“AVP”) on behalf of a Participant.

(c) “Affiliated VOW Partner” (“AVP”) refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant’s supervision, accountability

and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

(d) As used in Section 19 of these Rules, the term “MLS Listing Information” refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 19.2 (a): The right of a Participant’s VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.

(b) Subject to the provisions of the VOW Policy and these Rules, a Participant’s VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange (“IDX”).

(c) Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant’s VOW.

Section 19.3 (a): Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

(i) The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter “Registrants”). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.

(ii) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.

(iii) The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.

(b) The Participant must assure that each Registrant’s password expires on a date certain but may

provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

(c) If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

(d) The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:

i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;

ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;

iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;

iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;

v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

(e) The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.

(f) The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

Section 19.4: A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed

on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

Section 19.5: A Participant’s VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, “scraping”, and other unauthorized use of MLS Listing Information. A Participant’s VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

(NOTE: MLSs may adopt rules requiring Participants to employ specific security measures, provided that any security measure required does not impose obligations greater than those employed by the MLS.)

Section 19.6 (a): A Participant’s VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller’s listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

(b) A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision:

Seller Opt-Out Form

1. Please check either Option a or Option b

a. I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.

OR

b. I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.

2. I understand and acknowledge that, if I have selected option a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search.

initials of seller

(c) The Participant shall retain such forms for at least one year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater.

Section 19.7:

(a) Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 19.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

Section 19.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 19.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 19.10: Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 19.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 19.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 19.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the

VOW Policy, and any other applicable MLS rules or policies.

Section 19.14: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 19.15: A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a) Expired, and withdrawn listings

Note: Due to the 2015 changes in IDX policy and the requirement that participants be permitted to make MLS listing information available to Registrants of VOW sites where such information may be made available via other delivery mechanisms, MLSs can no longer prohibit the display of pending ("under contract") listings on VOW sites. (Amended 2/16)

- b) The compensation offered to other MLS Participants.
- c) The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
- d) The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- e) Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.
- f) Sold information

Note: If sold information is publicly accessible in the jurisdiction of the MLS, Subsection 19.15f. must be omitted.

Section 19.16: A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields

Section 19.17: A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

Section 19.19: A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 500 current listings and not more than 500 sold listings in response to any inquiry.

Note: The number of listings that may be viewed, retrieved, or downloaded should be specified by the MLS in the context of this rule, but may not be fewer than five hundred (500) listings or fifty percent (50%) of the listings in the MLS, whichever is less. (Amended 3/18)

Section 19.20: A Participant shall require that Registrants' passwords be reconfirmed or changed every 180 days.

(Note: The number of days passwords remain valid before being changed or reconfirmed must be specified by the MLS in the context of this rule and cannot be shorter than 90 days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.)

Section 19.24: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Appendix A

DESCRIPTIONS OF A PROPERTY:

Only descriptions of a property, its location or community, any exclusions from the sale and/or any legally required statements are allowed in the public access remarks section of any listing in the Association MLS database. Written statements containing listing broker or agent contact information, showing instructions or commission arrangements, are only permitted in the section of the listing that restricts access to MLS subscribers only. Listing broker or agent contact information is not allowed within any graphic image, including virtual tours, displayed within any listing in the Association MLS database.

ENFORCEMENT:

If a listing contains information prohibited by this rule, the listing Participant will be given notification, with copies going to the offending agent and Listing Broker, requiring a correction within one business day. If the Participant fails to remove the prohibited information within one business day, a fine of \$250.00 will be levied upon the Participant and Staff will remove the listing. Once removed the listing cannot be made active until such time that it complies with this rule. (rev. March 2016)

A participant subject of the above sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws of the Association of REALTORS® and Rules and Regulations of the Association of REALTORS® within twenty (20) days following receipt of the Committee's decision. (rev July 2004)

(Note: See Section 7 for further discipline guidelines.)

Appendix B

NOTICES

Any notice required to be given may be communicated by phone, email, mail or in person. If notified by phone or in person, the date, time and summary of the conversation will be noted and filed.

Notices in paper form required to be served or filed may be sent to the party by email using the Broker and/or Agents last known email address, personally handed to the party to be notified or sent by first class mail to the party's last known mailing address. When possible, email is recognized as the official preferred and accepted form of service for notices and documents pursuant the procedures specified in this Manual.

Any notice required to be given or paper required to be served or filed shall be deemed given, served, or filed when sent to the party by email, handed to the party or mailed to the party or when notified by phone unless otherwise specified in this Manual.

Notices sent by email shall include the association's request that delivery be acknowledged by the intended recipient within one business day by return email.

If receipt of the notice has not been acknowledged by the intended recipient within one business day, the recipient will be contacted by telephone to confirm receipt and the recipient's confirmation will be noted in the file.

If receipt of notices sent by email cannot be confirmed, the notices will be resent via registered or certified mail or delivered to the Agent or Broker in person.

Participants shall maintain a means (e.g., e-mail address, telephone number, mailing address) and update the board within one business day whenever any method changes, to receive comments about the accuracy of any data or information that is added to the MLS by or on behalf of the Participant.

Participants shall correct or remove any false information or misleading data relating to a specific property upon receipt of a "Notice" or they may be subject to sanctions and/or fines. (rev. March 2016)

Appendix C

Section 2.8 REPORTING CHANGES TO A LISTING STATUS: The listing broker shall report immediately (within one business day) to the Multiple Listing Service the change of status of any listing.

ENFORCEMENT POLICY

When the Association finds that a MLS listing has been entered with an incorrect status, the Association will notify the listing office. The notification will request that corrections be made within one business day. It will further state that if the update is not made within one business day, the listing will be withdrawn from the MLS system. The listing cannot be reentered until such time that it complies with this rule. (rev. March 2016)

A participant subject of the above sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws of the Association of REALTORS® and Rules and Regulations of the Association of REALTORS® within twenty (20) days following receipt of the Committee's decision. (rev July 2004)

Appendix D

MLS RULE

LISTING PHOTOS: For a listing to be active the following apply:

- Residential/condominium must have at least 1 photo
- Vacant Lots must have at least 1 photo
- Commercial/Business must have at least 1 photo

The Main photo of a listing must be of the physical property, interior, exterior (grounds) or for a lot house package an accurate architectural Rendering.

ENFORCEMENT

Staff will monitor new and updated listings and if an unacceptable photo is entered the listing Participant will be given notification, with copies going to the offending agent and Listing Broker, requiring a correction within one business day. If the Participant fails to enter an acceptable photo within one business day the Staff will remove the listing. (rev. March 2016)

A participant subject of the above sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws of the Association of REALTORS® and Rules and Regulations of the Association of REALTORS® within twenty (20) days following receipt of the Committee's decision. (rev Sept 2007)

Appendix E

MLS RULE & ENFORCEMENT

MLS SECURITY BREACHES:

If the Broker or Agent, or a Broker's or Agent's unlicensed personal assistant or unlicensed clerical staff, allows anyone not authorized to use his/her access codes to gain access to the MLS Database, a fine will be assessed upon confirmation by MLS Staff.

- For the first offense: Two hundred Fifty Dollar (\$250.00) fine and the offender must attend the "Realtor's Code of Ethics Training" class at the Sanibel Captiva Board. The Online class is not acceptable and even if the class was taken recently it must be repeated.
- For the second offense: Five Hundred Dollar (\$500.00) fine and a thirty (30) day suspension of access to the MLS Database.

Payment of Fines by Agent

Fines are to be paid within ten (10) Business Days from the "Invoice Date" of the fine. The "Invoice Date" is the date that notification of the fine is given to the agent who violated the MLS rule. The "Payment Due Date" is the tenth Business Day after the day that notification of the fine is sent to the Agent and the Agent's Broker who violated the MLS rule.

Suspending Computer Access

If an Agent does not pay a fine within the Payment Due Date of the fine, as defined above, the Agent's computer access to the MLS Database will be suspended until fines are paid in full.

RESPONSIBILITY FOR PAYMENT OF FINES

Whoever, Agent or Broker, is fined for a Violation will be responsible for paying the fine. The Broker will be alerted of any notifications sent to an Agent affiliated with the Broker regarding Violations, and if a fine is to be assessed for the Violation, the Broker will be informed of the fine. If the Agent is fined, payment of the fine will be the Agent's responsibility and not the Broker's. The Agent cannot avoid payment of a fine by changing MLS Participating Offices. If the Agent moves from one MLS Participating Office to another MLS Participating Office, the fine follows the Agent. If the Agent leaves the MLS, the fine will be the Agent's responsibility if he/she returns to MLS.

Broker/Agent Contests Fine By MLS Staff

If a Broker or Agent feels that a fine, levied by MLS Staff, is unwarranted, the Broker or Agent may write the MLS Committee explaining the reason. The MLS Committee will decide, based on the written information, whether the fine levied by MLS Staff is warranted and so inform the Broker or Agent. If the Broker or Agent appeals the MLS Committee's decision, final determination will be made using the appropriate process described in Article 9 of the MLS Rules and Regulations. However, the **fines must be paid when due**. If the Broker's or Agent's appeal is successful, the amount of the fine authorized by the appropriate entity will be refunded.

Additional offenses can result in expulsion from the MLS. (rev. April 2017)

Appendix F

MLS RULE & ENFORCEMENT LISTING PROCEDURES:

In the event that there is a question or issue regarding a specific listing and associated documents, and to protect the Public, Realtor® agents, Brokers, Buyers, and Sellers, the MLS Committee and / or the Board of Directors can require delivery of the Listing Agreement and associated documents. When a listing document is requested by the MLS Committee and/or the Board of Directors, the maximum timeframe for the Listing Realtor® agent / Broker to deliver the document(s) will be 48 hours.

Compliance with Listing Rules and Procedures – Authority to Impose Discipline

By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules, procedures and regulations and any other MLS Governance provision. The MLS may, through the administrative and hearing procedures established in the MLS rules, impose discipline for violations of the rules or other MLS governance provisions. The Discipline imposed may consist of one or more of the following:

- a. Attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location and duration
- b. Appropriate fines of a minimum of \$1,000.00 / day, up to \$15,000.00 total, for refusing to honor a request for listing document(s) within the timeframe in the MLS rule
- c. Suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- d. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

A participant or subscriber subject to the above Discipline(s) may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws of the Association within five (5) days following receipt of the Committee's or Board of Directors decision. *(Amended 2/16)*

Appendix G

IDX FIELDS

Designated fields include all Customer Display fields (i.e. those fields found on the InnoVia Customer Display), with the exception of square foot fields. Other fields may not be displayed on IDX sites.

Appendix H

DUPLICATE MLS LISTINGS:

The Board Office will delete a listing entered twice for the same property on the MLS. (rev. March 2016)

Appendix I

SanCap MLS Waiver Application Sanibel & Captiva Islands Association of REALTORS®

To be eligible for the following subscription waiver, licensees affiliated with a Participant must meet ALL of the following criteria:

- Waiver Applicant can verify they are an active member with another Multiple Listing Service that meets the criteria for a Multiple Listing Service as defined by the National Association of REALTORS®. Verification must include, but is not limited to: 1) invoices, 2) receipts, 3) letters of good standing, or 4) any other approved documentation that can demonstrate that subscription is held in another MLS;
- Waiver Applicant will NOT act as a representative for any active Listing included in the SanCap MLS;
- Waiver Applicant will NOT directly or indirectly access or use in any manner whatsoever the Listing information stored in the SanCap MLS that is limited to only SanCap MLS participants and subscribers. Such access and use includes, but is not limited to, direct access to or use of the SanCap MLS and the use of the other devices or services provided by the SanCap MLS or its affiliated or licensed vendors or suppliers that permit access to and use of any confidential Listing information from the SanCap MLS;
- Waiver Applicant is NOT part of a designated real estate “Team” where one or more of the other Team members are subscribers to the MLS;
- Waiver Applicant will NOT use, directly or indirectly, in any manner whatsoever information from the SanCap MLS to list properties for sale or lease, to identify or locate properties for any potential buyers or lessees, and does not participate in SanCap MLS; and
- Waiver Applicant will NOT access any non-listing services offered by SanCap MLS including but not limited to attending MLS Tours and trainings.

The participant of the service shall be exempt from payment of multiple listing subscription fees for any individual employed by or affiliated as an independent contractor with the participant who meets all the requirements above.

Such exemption shall be effective from the signed date to the end of the current billing year. The exemption for any individual shall automatically be revoked upon the individual's utilization of the service in any manner.

Certification by Waiver Applicant's MLS Participant/Designated Broker:

I certify that each and every Waiver Applicant named herein is affiliated with me and meet all of the above requirements, and therefore is eligible for a waiver of MLS Subscriber fees. I understand that I will need to supply additional signed applications for any future Waiver Applicants. Further, I agree to notify SanCap MLS within 10 calendar days if any Waiver Applicant remains affiliated with me but has become ineligible for a waiver of the fee. Simultaneously with such notice to SanCap MLS, I will either (i) sever the agent from this office, or (ii) inform the agent that said agent must subscribe to SanCap MLS within 3 business days of the notification to SanCap MLS. Such affirmative notice to SanCap MLS, and the subsequent completion of (i) or (ii) above, shall not constitute a breach of this agreement and shall therefore not incur the penalties described below. I understand that, other than the conditions described above, any violation of the conditions of this waiver will result in automatic revocation of this waiver for the individual Waiver Applicant. I agree to pay any and all MLS Subscriber fees, retroactive to the beginning of the current billing year, plus a \$450.00 noncompliance fee for any Waiver Applicant that has had their waiver revoked. I understand that if a Waiver Applicant should utilize the SanCap MLS system at any time it will result in automatic revocation of this waiver and possible fines up to \$2,500. I acknowledge that all fees and penalties shall be paid within 10 calendar days of notification of such by the SanCap MLS and non-payment of the fee(s), by the due date, as indicated on the associated invoice from SanCap MLS, will result in the MLS access for myself and all Subscribers associated under my SanCap MLS participation being suspended until such time as all fees have been satisfied.

Name (Print and Sign) of MLS Participant / Designated Broker Date

Print FIRM/Office Name

WAIVER OF INDIVIDUALS AFFILIATED WITH MLS PARTICIPANT

The Participant hereby acknowledges the Waiver Applicant(s) below have been informed that any change to their waiver eligibility as defined herein must be communicated immediately to the Participant. Waiver Applicant(s) further acknowledges that non-compliance with the terms of the Application Form and its

MLS Rules & Regulations Definitions

As used herein,

1. "Agent" means a real estate licensee (including brokers and sales associates) acting in an agency relationship as defined by state law or regulation.
2. "Board" means this organization, either the Sanibel Captiva Islands Board/Association of REALTORS® or the Florida Association of REALTORS®.
3. "Broker" means the MLS Participant; however, for the purposes of the MLS Fine Program if the Broker is acting in the capacity of an Agent when allegedly committing a Violation of an MLS rule, the Broker may be fined as an Agent if the Broker is found to have committed a Violation. In addition, the Broker may be fined in his capacity of MLS Participant if the Broker's Violation of an MLS rule warrants treating the Broker as an MLS Participant.
4. "Business Days" means all days, excluding Saturdays and Sundays and Federal legal holidays (New Year's Day, Martin Luther King's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day). In counting Business Days in these Rules, the first Business Day shall begin at 12:01 a.m. on the Business Day after the Business Day that something occurred or was to have occurred, and the last Business Day shall end at midnight of the Business Day that something has or was to have been completed.
5. "Client/Customer" means the person(s) or entity(ies) with whom a REALTOR® or a REALTOR®'s firm has an agency or legally recognized non-agency relationship.
6. "Counsel" means an attorney at law.
7. "Days" means calendar days. In counting Days in these Rules, the first Day shall begin at 12:01 a.m. on the Day after the Day that something occurred or was to have occurred, and the last Day shall end at midnight of the Day that something has or was to have been completed.
8. "Directors" means the Board of Directors of the Board (SCIAR) as interpreted by Policy Statement.
9. "Electronically," "electronic means," "technology," "technological means," and related terms include, but are not limited to, the Internet, Internet-based websites, all forms of Internet communication, e-mail, facsimile correspondence, telephone, and all other forms of distance communication.
10. "Expulsion from Membership" means expulsion from membership in the Board for a period not less than one (1) but not more than three (3) years, with reinstatement to membership by application only as a new member after the end of the period of expulsion, with the application considered on its merits.
11. "Fine—Appropriate and Reasonable" means a fine commensurate with the gravity of the determined offense against the Code and against the Board, and ranging in any amount determined, but not to exceed \$15,000, to any Agent and/or Broker with respect to any single ethics hearing, irrespective of the number of Code violations determined.
12. "Fine Period" means the prior 12 months from the most recent Violation.

13. "Hearing" may refer either to an ethics hearing relating to disciplinary matters or to an arbitration hearing in which the dispute generally involves entitlement to a commission or to compensation.
14. "Immediate Family" as used in the Code of Ethics includes, but is not limited to, the REALTOR® and the REALTOR®'s spouse and their siblings, parents, grandparents, children (by birth or adoption), grandchildren, and other descendants.
15. "Letter of Reprimand" means a letter to an Agent and/or Broker advising of a lack of professional conduct determined by a due process hearing of the Professional Standards Committee and affirmed by the Board of Directors, and advising that the letter is to be construed as an official reprimand.
16. "Letter of Warning" means a letter to an Agent and/or Broker advising of a lack of professional conduct determined by a due process hearing of the Professional Standards Committee and affirmed by the Board of Directors, and warning that future similar conduct could result in more severe sanction.
17. "Listing Content" or "Listing Data" or "Listing Information" means the text, data, and digital images that Participants have collected, compiled, and entered, or caused to be entered, into the MLS Database, and includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property. (Note: These terms have the same meaning whether capitalized or not capitalized.)
18. "MLS Database" means the computerized database and database compilation containing the Listing Data of the Members, Public Records, and any data or content supplied by the Participants.
19. "MLS User" and refers to non-Participant Brokers, non-principal Brokers, sales associates, and licensed and certified appraisers affiliated with Participants.
20. "Multiple Listing Service" or "MLS" or "Service" herein refers to SCIAR Multiple Listing Service.
21. "Member" means REALTOR® and REALTOR-ASSOCIATE® members of this Board (State Association). REALTORS® who participate in MLS or otherwise access MLS information through any Board in which they do not hold membership are subject to the Code of Ethics in that Board.
22. "Notice" means the formal notification from MLS to an Agent or Broker having to do with these Rules and Regulations. Article 17 shall govern Notice requirements and procedures. If the Notice is sent to the Agent, the Agent's Broker will be copied.
23. "Participant" or "Broker" or "MLS Participating Office" is used herein for simplification purposes to include licensees (including registered, licensed, and certified appraisers) within an MLS Participating Office in the context where such use is clear that the licensees are included. "Listing Office" means the MLS Participating Office that entered the listing into the MLS Database.
24. "Party" (Parties) means the complainant(s) or respondent(s) in disciplinary proceedings and in arbitration hearings.
25. "Person" means a natural person or a cooperate entity.
26. "Probation" means that a form of discipline recommended by the Hearing Panel will be held in abeyance for a stipulated period of time which may not exceed one (1) year. Any subsequent finding of a violation of the Code of Ethics during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended

discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline shall be considered fulfilled, and the record shall reflect the fulfillment. The fact that one or more forms of discipline will be held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance.

27. "Professional Standards Administrator" is the Board staff person primarily responsible for the administration of all professional standards processes.
28. "Profile Sheet" is the form, electronic or hard copy, used to enter listing information into the MLS Database.
29. "Public Trust" refers to demonstrated misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm.
30. "REALTOR® principal" includes licensed or certified individuals who are sole proprietors, partners in a partnership, officers or majority shareholders of a corporation, or office managers (including branch office managers) acting on behalf of principals of a real estate firm who subscribe to the Code of Ethics as a condition of membership in a local Board, State Association, and the NATIONAL ASSOCIATION OF REALTORS®. The phrase REALTOR® principal includes those REALTORS® who participate in a Multiple Listing Service through any Board or Association in which they do not hold membership.
31. "Subscriber" or "MLS User" or "Agent" as used herein are synonymous terms and refer to non-Participant Brokers, non-principal Brokers, sales associates, and licensed and certified appraisers affiliated with Participants.
32. "Suspension of Membership" means suspension of all Board/Association provided membership rights, privileges and services (including those provided by the State and National Association) not available to nonmembers for a period not less than thirty (30) days and not longer than one (1) year on terms and conditions expressly stated for an established period of time, including use of the terms REALTOR® and REALTOR ASSOCIATE®, with automatic reinstatement of all withdrawn membership rights, privileges, and services at the end of the period of suspension. The thirty (30) day minimum and one (1) year maximum do not apply where suspension is imposed for a remediable violation of a membership duty (e.g., failure to pay dues or fees or failure to complete educational requirements). Although membership rights, privileges, and services are withdrawn as specified in the notice of suspension, membership, per se, including the duty to abide by the Code of Ethics and the obligation to pay membership dues continues during the period of suspension. Suspended members shall not be obligated for payment of other fees or charges except for continued optional services of the Board. Any failure to abide by the terms and conditions of the suspension, or the finding of a violation of the Code of Ethics after a hearing as provided by the professional standards procedures of the Board bylaws, shall be grounds for consideration as to possible extension of the suspension or expulsion from membership in the Board.
33. "Training Requirement for Ethics or other Appropriate Training" means a letter from the Board President or Professional Standards Chairperson to an Agent and/or Broker advising of a lack of professional conduct determined by a due process hearing by the Professional Standards Committee, and directing the member to attend the ethics portion of the Board Indoctrination Course or other appropriate course or seminar specified by the Hearing Panel which the respondent could reasonably attend taking into consideration cost, location, and duration.

34. "Tribunal" means those persons serving in a given case on a Grievance Committee or a Hearing Panel of the Professional Standards Committee in either an ethics or arbitration proceeding, or a Board of Directors or appropriate body appointed by a Board of Directors to act in its behalf. No individual may participate in the deliberation of more than one tribunal on the same matter.
35. "Unauthorized disclosure" means a report or publication under any circumstances not established in this Manual.
36. "Violation" means a requirement of an MLS rule has not been met.